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รายงานประจำปี  
Annual Report

รายงานความรับผิดชอบต่อสังคม  
Corporate Social Responsibility (CSR) Report

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CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED

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### Importance information in term of financial

Operating Results (Million Baht)	2020	2019	2018
Revenue			
Sales and Projects	1,468	2,075	2,718
Other income	244	33	551
Total Revenue	1,712	2,108	3,269
Profit (Loss)			
Earnings before interest, tax, Depreciation and Amortization (EBITA)	(114)	(1,208)	39
Earnings (Loss) before income tax	(216)	(1,537)	(227)
Net Earnings (Loss)	(188)	(1,539)	(295)
Equity Holder of company	6	(930)	64
<b>Financial Status (Million Baht)</b>			
Total Assets	2,693	4,169	5,729
Total Liabilities	802	2,053	2,087
Total Shareholders' Equity	1,891	2,116	3,642
Equity to Company's shareholders	1,598	1,580	2,525
<b>Per Share Data (Baht)</b>			
Par Value	1.00	1.00	1.00
Net Earnings (Loss)	0.01	(1.25)	0.09
Book Value	2.14	2.12	3.39
Market Price	0.60	0.06	1.05
<b>Financial Ratio (%)</b>			
<b>Profitability Ratio</b>			
Return on Equity	0.31	(43.94)	1.75
Return on Sales	0.40	(44.82)	2.34
Net Profit Margin	0.34	(44.12)	1.94
Return of Total Asset	0.22	(18.79)	1.08
<b>Investment Structure</b>			
Debt to Equity (Times)	0.42	0.97	0.57
Debt to Equity to the company's Shareholders (Times)	0.50	1.30	0.83
<b>Growth Opportunity</b>			
Total Assets	(35.40)	(27.24)	(5.35)
Total Liabilities	(60.93)	(1.65)	(2.32)
Total Shareholders' Equity	(10.63)	(41.90)	(7.00)
Equity to the company's shareholders	1.09	(37.40)	2.08
Revenue (sales and project)	(29.22)	(23.67)	9.04

## **Report from the Board of Directors**

### **To The Shareholders of Capital Engineering Network Plc.**

Year 2020, the Thai economy grew less than the previous year due to domestic factors, such as the global economic slowdown and sustained coronavirus 2019 (COVID-19) has come continuously due to the impact on investment in the public and private sectors causing many projects to be postponed. In addition, the government has to introduce a variety of measures to help support the economy for to overcome these obstacles. The construction and energy industries, It's was a challenging year for entrepreneurs to manage their businesses in economic conditions both in the country and abroad are not favorable. The reduce the effects or losses that occur continuously, UA Withya Plc. has disposed of the power business unit or biomass power plant this year, reducing the debt burden by more than 900 million baht and The company has stopped operating in a non-profitable business. The Group has adjusted the strategy of cost management and business restructuring. As a result, the operating results of the past year had the Company's net profit of 5.84 million baht.

In Year 2021, It is another year that The Group Company the importance of operating the business for sustainable growth and keep up with the changing economic and social conditions by focusing on asset management of the company and its subsidiaries 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.

Besides its role of asset management, principally in the Company and Subsidiary, The Company continues to seek new investment opportunities in the construction and energy industries, in order to strengthen and sustain business growth. The company has a policy to invest in new companies with potential in Thailand and abroad.

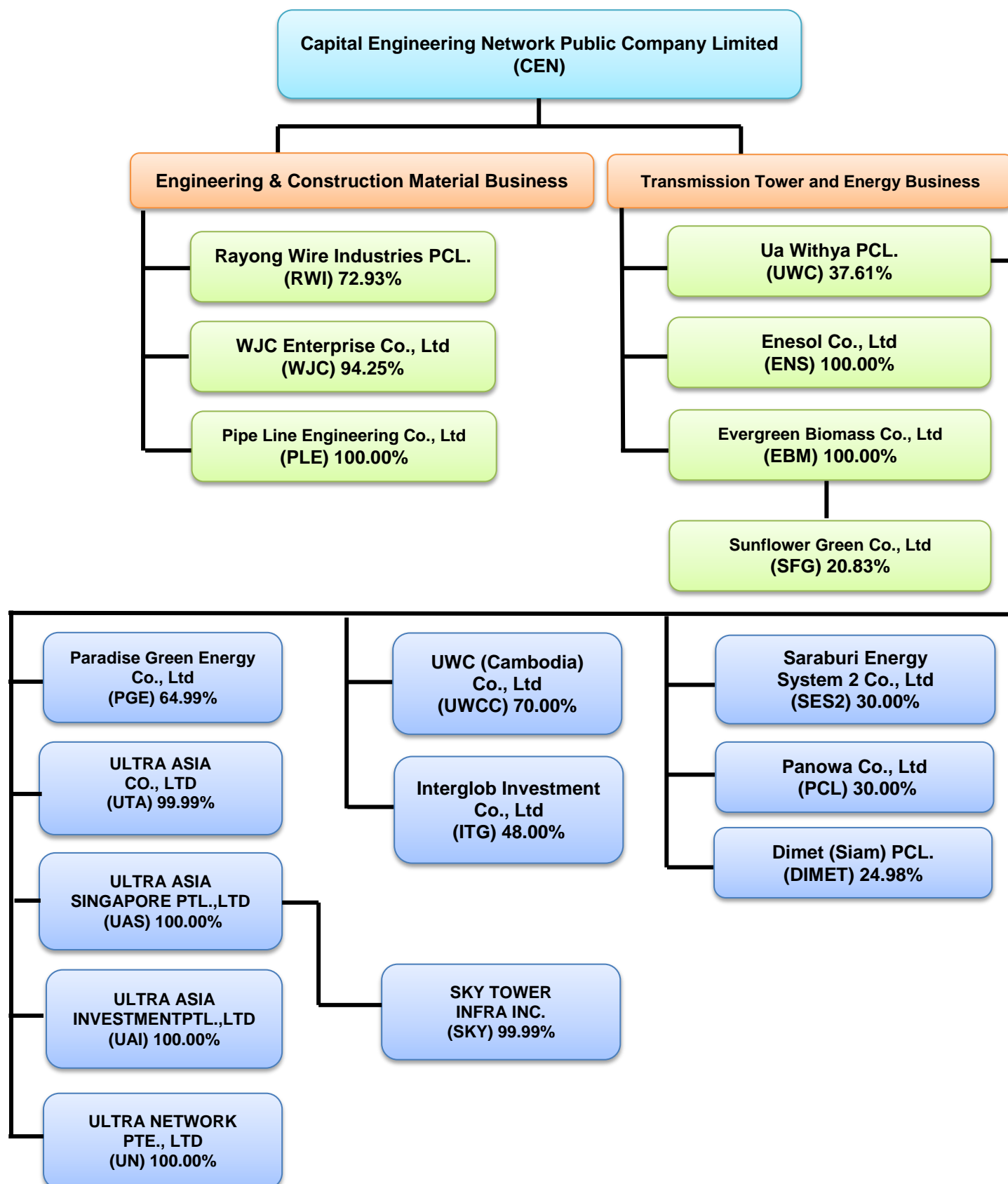
Moreover, the Company has focused on developing its employee, as well as encouraging them to prepare for rapid changes so they will be able to respond to these effectively. The Company continues to adhere to the principles of good corporate governance, and treats every group thus taking into account 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

The Company would like to thank its shareholders, employee, business partners and other stakeholders, all of whom play an important part in maintaining the Company's position, for their continuing support and trust. All of the directors, executives and members of staff have shown great dedication and commitment. The Company pledges to continue following the principles of good corporate governance in order to create sustainable growth across CEN Group, which will lead to long-term business success.

-Wutichai Leenabanchong-  
(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:



## Natures of Business

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 1,711,128,364.40 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 72.93% of registered of Baht 477,273,889.50 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 100.00% 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 100.00% 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**

<b>Type of Business</b>	<b>Proceeding by</b>	<b>% of share holding</b>	<b>Year 2020</b>	<b>%</b>	<b>Year 2019</b>	<b>%</b>	<b>Year 2018</b>	<b>%</b>
Business Investment	CEN						344.38	10.54
Steel Wire Business	RWI	72.93	559.63	36.83	676.09	32.83	1,105.24	33.81
Steel Structure Business; Design and Distributing main structure according to pattern	UWC  And  WJC	37.61  94.25	767.74	46.09	1,105.06	53.65	1,511.93	46.25
Thermal Energy	ENS	100.00	226.72	15.44	268.56	13.04	306.81	9.39
Contractor and Tunneling	PLE	100.00	-	-	1.56	0.08	0.36	0.01
Agriculture Business	UWC	37.61	5.23	0.36	8.30	0.40	0.06	-
<b>Total</b>			<b>1,468.32</b>	<b>100.00</b>	<b>2,059.57</b>	<b>100.00</b>	<b>3,268.78</b>	<b>100.00</b>

## **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 operates the business of design and manufacture of Infrastructure for Electric Power and Telecom consisting of:

##### **1.1 Steel structures**

1.1.1 High Voltage Transmission Tower 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 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 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 General Fabrication (Building and Frame)**

It is a metal work used in large infrastructure, building structures, roof trusses of aircraft parking lots and posts for installing signals equipment for high – speed trains and heat – treated electric trains (galvanized)

#### **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**

In 2020 was the year that company had restructuring the business operation by ceasing the operation and selling investment in non-profit businesses in which that the energy business was one of the such restructuring.

The Company already sold the investment in subsidiaries of the 3 biomass companies, in total production capacity of 29.6 MW to Absolute Clean Energy Public Co.,Ltd. (ACE) namely;

1. UWC Komen Biomas Co.,Ltd. (UKB)
2. UWC Amphan Biomass Co.,Ltd. (UAB)
3. Satuek Biomass Co.,Ltd. (SBM)

The Companies that stopped operating namely;

1. Paradise Green Energy Co.,Ltd. (PGE) Power generating business from chicken manure.



2. UWC (Cambodia) Co.,Ltd. (UWCC) Wood chip business in Cambodia
5. Common Tower Business  
UWC established SkyTowers Infra Inc. In the Philippines by holding the shares through the indirect subsidiaries; Ultra Asia Singapore Pte. Ltd. in Singapore since June, 2020. This common tower business is to construct the cell site and lease out the telecommunication tower to mobile operators in the Philippines. This will enhance the mobile operators in improving their service quality in term of speed and coverage

## **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**

Manufacturing and distributing quality products and services that meet standards.

##### Manufacturing

UWC determines to be the leader in quality product, to provide before and after sales services, focuses on quality product and in compliance with standard by using advance computer system to design product, also with quality control in all steps according to industry standard and ISO9001:2015.

#### **2. On-time and reliable**

##### Manufacturing

The production business of the Company is a project work with certain operation schedule of each project that has to be delivered clearly. Therefore, the delivery of products according to the customer plans on time is a most priority of the Company.

#### **3. Customer groups and target**

##### Manufacturing business

1. High-Voltage Transmission Pole and Telecommunication Pole; the target customer will be the construction contractor both domestic and international that are awarded by the government unit such as; Electricity Generating Authority of Thailand (EGAT), Provincial Electricity Authority (PEA).
2. Metal Structure; the target customer will be the construction contractor and customers require for general metal fabrication and

##### Service business

Hot-Dip Galvanizing service for general customers who want to galvanize products to increase resistance to rusting.

##### Sale business

Industrial product sale focuses on industrial customers.

#### **4. Pricing Policies**

##### Manufacturing, service and sale businesses

The company has a pricing policy that can be competitive in the business. The focus is on effective cost management to reduce the rate of loss from production to a minimum, allowing the company to set a competitive selling price in the business. Currently, the company has the pricing policy to set prices by adding margins from cost. The factors to be considered when determining the price consist of a price of raw materials, equipment, other components used in production, difficulty in production, bidding period, quantity and amount of work, production capacity as well as considering the history of each customer who has a joint transaction.

#### **5. Distribution and distribution channels**

##### Manufacturing business

The Company was subcontracted the work from the main contractor who was awarded the bidding related to high voltage transmission towers, telecommunication towers, and general metal structures in the country. In addition, the Company also produces the telecommunication tower to export to foreign markets.

#### Service business

Provide hot-dip galvanizing service to customers. The company has regular customers in industry sector relating to general and civil construction, machinery manufacturing industry, chiller industry and machinery engineering, etc.

#### Sales Business

UWC imports industrial products covering transmission tools and equipment, chains, sprockets, gears, couplings and others from abroad under Renold to distribute to customers in industrial groups such as cement industry, petrochemical industry, construction material industry and processed food product industry, etc

#### Common Tower Business

The Company already initiated the investment project indirectly through the foreign subsidiaries since 2020. The Company already registered as the Independent Tower Company (ITC) with The Department of Information and Communications Technology of Philippines (DICT), so that be able to perform business for constructing the telecommunication tower and cell site and lease out the telecommunication tower to mobile operators in the Philippines to installing the mobile equipment. This is the long-term lease agreement in which that can make the Company to continually generate the revenue and profit.

### • **Industry and Competition**

#### **High Voltage Transmission Tower and Sub-Station Industry**

High-voltage transmission tower and substation steel structure industry is in accordance with the transmission system development program and plan of Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority which have plans under operation and plans to be implemented during the operation period according to Thailand Power Development Plan, 2018–2037 (PDP 2018). The plans consist of the following projects (the data is from Energy Policy and Planning Office, Ministry of Energy).

- Transmission system development projects to cope with the rising power demand
- Transmission system development projects to reinforce power system reliability
- Renovation and expansion projects of retired transmission systems
- Transmission system development projects for power purchases from IPPs, SPPs and power Import from neighboring countries
- Transmission interconnection project (Grid to Grid)
- Smart grid system

#### **Telecommunication Tower Industries**

The domestic telecommunication tower industry continues to expand the network in order to provide more comprehensive services to customers and to support the upcoming 5G technology in the future.

In addition, the overview of the telecommunication industry in the Philippines where the Company has invested in the telecommunication pole rental business, has continually expanded and the Philippines is one of the top ten in the world with the highest investment expenditures in telecommunication to improve the communications. From the situation of the COVID-19 pandemic caused the project to slow down in 2020, but the project schedule was extended by the government and clients, which will be in progress in 2021.

#### **General Steel Structure Industries**

The Company can provide general metal structural design services to suite with customer's requirement, also to support the large-scale infrastructure works in the countries that are demanding

and constantly expanding such as the construction of the Eastern Economic Development Plan in area of EEC, including private investment.

### **Hot-Dip Galvanization Services (Galvanized)**

Trends of steel products with heat treatment requirements (Galvanized) to prevent rust and corrosion in long term for more than 40-50 years, has been increasing all the time in large basic infrastructure and construction industry. Because the current environment is polluted air and highly corrosive acid rain, so the metal structure, shall be essentially strengthen by preventing from rust.

### **Industrial Products**

industrial products covering transmission tools and equipment, chains, sprockets, gears, couplings and motors are equipment used in general industrial factories. The demand for products for repair or modification of machinery equipment is regular and continuous. In addition, reliability of product quality under Renold brand for almost 100 years and efficient before and after sales services are keys that make the company continue to be trusted by 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:

- **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 2020 price of steel and zinc swing up and down throughout the year

However, even though price of raw material year 2020 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

#### ➤ **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 2020 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 90%.

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, 90% 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)

(PC-Wire and 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

Spring(HDW) 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 (Wire Mesh) 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 Prukha 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 2020 must be retained and year 2021 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 2020 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 5<sup>th</sup> 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 2020 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 2020 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(HDW)**

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 2020; automotive industries has declined in production compared to year 2019 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, vary on prices depending on fluctuating raw material prices and production costs.

#### **Bargaining power of buyers**

The construction has been slowed by political instability in year 2020 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 metropolitan area has a high bargaining power because delivery distance is close there it makes it easier to reach competitors than customers in the provinces and use the seller's coordination relationship and price negotiation will be the second factor

- **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 2020 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 2020, the production capacity is 72,000 tons per year.

In 2020, the subsidiary company utilized 50 percent of total capacity. The factory is run 20 hours per day.



In 2021, the subsidiary company has expanded its production capacity to 40,000 tons per year which utilized 55 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 2020, 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 2021, 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 2<sup>nd</sup> 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 a project that is a Cogeneration System cycle (Cogeneration System) cycle to generate electricity according to the needs of various sizes. From small for indoor use to medium for industrial use both in the form of a turnkey construction contractor (Including construction design And operated) and the form of concessions for production and execution until the delivery of property when concession expires
- Presently, ENS has operated mentioned and experiences in term of product investment and distribution of electricity and heat energy that has already been installed, operated for more than 10 years through various problems and obstacles And have applied their expertise to adapt the format of the same type of project 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	458,000	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)**

Stop operation since April 2020

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

Temporary stop operation

## **Risk Factors**

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 7 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)**

Important risk factors that could affect the company and its subsidiaries operations and approaches to prevent such risks can be summarized as follows:

#### **Strategic Risks**

##### **1. Risk from relying on customers which are state transmission towers in the country**

Currently, the major customers of the business of transmission tower are the Electricity Generating Authority of Thailand and the Provincial Electricity Authority. Therefore, there may be a risk of relying on a few main customers. However, the high-voltage transmission tower business is the project in which the government has a clear operational plan and has a long – term plan (10-20 years). Therefore, the Company has no or very little risk that may be affected by the government transmission pole project. The Company is able to expand its customer base to other relevant markets for both domestically and internationally such as; construction business, telecommunication tower business in foreign countries, etc.

##### **2. Risk on the investment in other companies.**

The Company has invested in subsidiaries and associates which may results in the Company being affected by such investments. However, the Company has closely monitored the operating results, performance and closely problem solving in order to reduce the damage which may occur. If the Company will invest in subsidiaries or associates in the future, the Company has a policy to study project information, return on investment, performance, regulations and related laws, including studying the market, opportunities and risks. In addition, the Company also provides reserves plan for Contingency (Contingency Plan), Business Continuity Plan (Business Continuity Plan) such as; providing of non-life insurance to protect against property damage and insure the risk in case of business interruption, including providing the Company or third parties with knowledge and expertise to supervise the project to be able to achieve its goals and to reduce the risk of such investment.

### **3. Risk on investment in foreign country**

The Company has investment in subsidiaries abroad, which may result in the Company being affected by such investments. However, the Company has closely monitored the operating results, performance and closely problem solving in order to reduce the damage which may occur. If the Company will invest in subsidiaries or associates in the future, the Company has a policy to study project information, return on investment, performance, regulations, related laws, to coordinate with relevant government units (such as Ministry of Commerce, Embassies, Foreign Trade Promotion Agency, local financial institution), including studying the market, opportunities and risks that will not performing as expected. In addition, the Company also provides reserves plan for Contingency (Contingency Plan), Business Continuity Plan (Business Continuity Plan) such as such as; providing of non-life insurance to protect against property damage and insure the risk in case of business interruption, including providing the Company or third parties with knowledge and expertise to supervise the project to be able to achieve its goals and to reduce the risk of such investment.

### **4. Risk on Disruptive Technology**

Due to the high voltage transmission tower business, is a business with very little change in production technology. Therefore, it is expected that the Company is unlikely to be affected by technology. However, the Company has regularly updated information, including various technology which may impact on the Company's business and be ready to being new technologies to apply to the Company to be able to compete.

## **Operational Risks**

### **1. Fluctuation on price of raw materials**

Price of raw material in production (such as iron and zinc) may vary according to demand and supply, that may affect to the cost of the Company's production. However, the Company determined the risk management policy for such matter as follows;

- (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)

### **2. Risk from raw materials procurement and reliance on raw material suppliers**

The Company has purchased the main raw materials from leading distributors in the country that may be a risk of raw material procurement within the time required. However, the Company has planned in advance and monitor the situation closely, including providing foreign distributors in case the import tax rate allows to do so.

### **3. Risk from Personnel**

Current business operation, shall rely on knowledge, specialization from engineers with years of experience in design and manufacturing. Therefore, the Company pays attention to personnel retention, or recruiting competent personnel, by improving the working environment, including the development of talent of personnel.

### **4. Fraud and Corruption Risk**

The Company has a policy against fraud and corruption. All executives and employees must strictly comply with announcements. The Company has plans to adopt a standardized system in every working process in order to reduce corruption channels, to control budget expenditure, to monitor expenses in the budget, to set up a strong authorization system, able to examined, to educate the

employees and to set up the clear and appropriate penalties, including providing channels for internal and external complaints. So that the Company will receive information regarding fraud and corruption and find solutions in a timely manner.

#### 5. Cyber Security Risk

In order to increase the security of the information, or prevent any information leakage or any damage that may occur to the Company's information, the Company has installed a firewall system to protect Hacker, to regularly update the antivirus and to provide weekly backup data to reduce the cyber risks.

### Financial Risks

#### 1. Customer Credit Risk

Since most of the Company's customers are the large customers, it must be considered and registered with the government sector, and must be deposited with the government sector. Therefore, the Company has no risk or minimal risk from granting credit to such customers. However, the Company has a credit assessment policy including review credit to customers every time.

#### 2. Working Capital Risk

In operating business, the Company shall have a reserve of funds to be used in the procurement of raw materials and various operation. Therefore, the Company needs to provide working capital at an appropriate level in order to prevent the occurrence of a shortage of working capital of the Company.

#### 3. Risk on Funding Source and Interest Rate

In operating business of the Company, it is necessary to have found of funds in order to support the expansion of the business to generate income and profits. In order to achieve the goals as planned, currently, the Company does not have loans from financial institutions. The Company still has to consider other financing sources from financial institutions. In order for growing, the Company will consider to be applied to projects that have possibility to generate income and profits in the longer term.

#### 4. Risk on Exchange Rate

The Company has investment in foreign businesses or companies. This makes the Company exposed to foreign currency exchange rate risk. To reduce the risk that will may occur, the Company has entered into a Forward Contract with a financial institution in order to reduce the exchange rate risk.

### Compliance Risks

#### 1. Environmental and Safety Risk

In the production process of the Company may cause air pollution problems, noise pollution which may cause complaints by the public nearby. However, the Company has arranged to prevent the impact on the environment in various fields, including providing the environmental quality measurement, including noise pollution from air, waste water and waste from production process by providing an annual measurement in order to use the analysis results to improve to achieve the legal standards.

#### 2. Legal Compliance Risk

The Company has policy to manage and operate in compliance with Securities and Exchange Act, Public Company Act, and other related law strictly.

➤ **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 30% 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

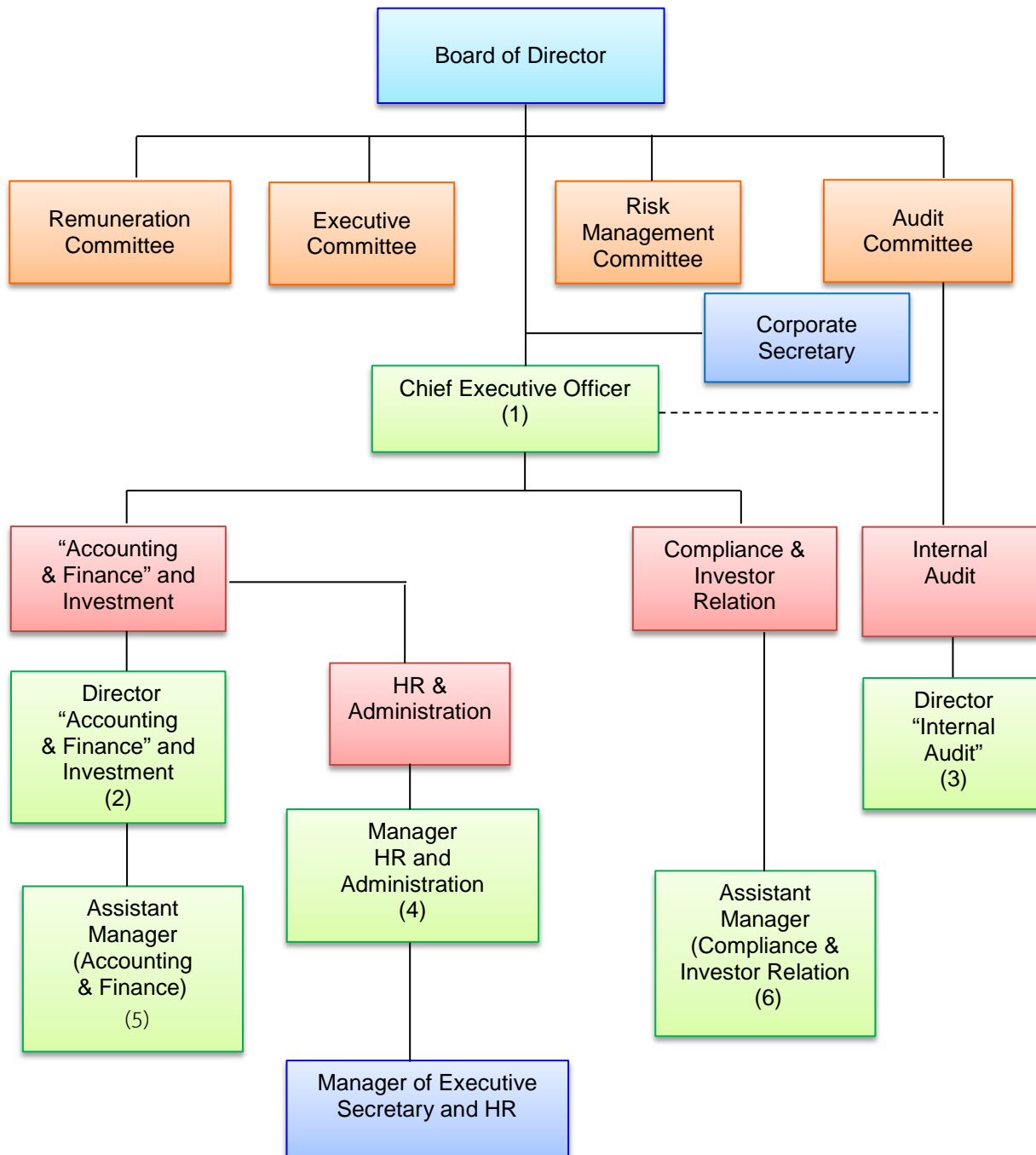
Therefore, ENS has follow up news and trend of gas price adjustment closely including discuss with Petroleum Authority of Thailand of possible approach to purchase gas in advance thus study on imported Liquefied Natural Gas as another option to reduce risk.

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.

## Organization Chart at December 31, 2020



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

## Shareholding Structure

### 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, 2020

No.	Names of Shareholder	No. of Shares	%
1.	Mr. Chinchai Leenabanchong	111,294,200	14.94
2.	Mr. Chinrath Leenabanchong	46,362,500	6.22
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	23,833,500	3.20
9.	Mr. Woravit Leenabanchong	12,326,600	1.65
10.	Mr.Thavorn Saeleedeelert	12,291,200	1.65

Remark: Investors can see information as at closing registration book from company website [www.cenplc.com](http://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, 2020 company has proportion of holding shares for all investors in totaling of 6.41 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, 2020

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. Warawuth Yancharoen	122,379,743	0.93
8.	Mr. Mat Boonruea	115,485,000	0.87
9.	Mrs. Kanokwan Yodwanich	100,000,000	0.76
10.	Mr. Pongsuk Thiptawatvongsa	93,088,100	0.70



- Top 10 Major Shareholders of Rayong Wire Industries Public Company Limited as at December 30, 2020

No.	Names of Shareholder	No. of Shares	%
1.	Capital Engineering Network Public Company Limited	445,425,950	72.93
2.	LGT BANK (SINGAPORE) LTD	31,100,500	4.89
3.	Rayong Wire Industries Public Company Limited	25,636,400	4.03
4.	BNP PARIBAS SINGAPORE BRANCH	6,828,000	1.07
5.	Mr. Praphat Piyajaturawath	4,600,000	0.72
6.	Mrs.Amporn Sriprothong	3,944,000	0.62
7.	Mr. Charmsak Fuengfoo	3,900,000	0.61
8.	Mrs. Wanna Arkkaneewanich	3,830,000	0.60
9.	Mr. Nam Chonsaiphon	3,465,055	0.55
10.	Miss Jaithip Pangarksorn	2,869,000	0.45

- Top 10 Major Shareholders of Enesol Company Limited as at December 30, 2020

No.	Names of Shareholder	No. of Shares	%
1.	Capital Engineering Network Public Company Limited	4,839,991	100.00
2.	Mr. Wutichai Leenabanchong	6	0.00
3.	Mr. Monthon Chatuwallopkul	2	0.00
4.	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, 2020 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	2020	2019	2018	2017	2016
Dividend Payment per share	0.00**	0.00**	0.00	0.00	0.00
Net Profit (Loss) per share	(0.2639)	(0.6545)	0.4195	0.0093	(0.13)
Ration of Dividend Payment per Net Profit (%)	0.00	0.00	0.00	0.00	0.00

Remark: \*\*Board of Directors meeting No.2-2021 held on March 23, 2021 has resolved to schedule 2021 Annual General Meeting of Shareholders on April 30, 2021 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 in separate financial statement (after corporate income tax) if those dividend payment not significantly affect company normal operation thus company may require dividend payment less than above mentioned rate if company need to use said net profit to expand company's operations

- Rayong Wire Industries Public Company Limited has policies on dividend payment at the ratio of not less than 50 percent of net Profit (after tax) or unless subsidiaries has plan to invest more as necessary
- Enesol Company Limited has policies on dividend payment at the ratio of not less than 50 percent of net Profit (after tax) unless subsidiary has plan on investment or necessities.
- WJC Enterprise Company Limited has policies on dividend payment at the ratio of not less than 50 percent of net Profit (after tax) unless subsidiary has plan on investment or necessities.
- Pipe Line Engineering Network Company Limited has policies on dividend payment at the ratio of not less than 50 percent of net Profit (after tax) unless subsidiary has plan on investment or necessities
- Evergreen Biomass Company Limited has policies on dividend payment at the ratio of not less than 50 percent of net profit (after tax) unless subsidiary has plan on investment or necessities.

## 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 2020 resolution from Board of Director meeting No.3-2020 held on May 15, 2020 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 2020, Board of Directors equal to 9 people consists as follow

	Amount of People			%
	Male	Female	Total	
Director as Executive	4	1	4	44.44
Director as Non-Executive	1	-	1	11.12
Independent Director	4	-	4	44.44
TOTAL	9	1	9	100

Board of Director consists of 4 independent directors or equal to 44.44 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, 2020 Board of Directors whose name appears in Certificate of Ministry of Commerce in totaling of 9 people as following name list;

Name of Director		Position	Appointed Date	Period holding position
1. Mr. Wutichai	Leenabanchong	Chairman	August 26, 2008	12 Year
2. Mr. Jakkathan	Yothanan	Director Independent Director	August 26, 2008 February 6, 2009	12 Year 11 Year
3. Mr. Monthon	Chatuwatlopkul	Director	March 1, 2010	10 Year
4. Mr. Yanyong	Wattanawongpitak	Independent Director	December 24, 2012	8 Year
5. Mr. Theerachai	Leenabanchong	Director	March 27, 2013	7 Year
6. Mr. Chatre	Sriutharawong	Independent Director	August 13, 2014	6 Year
7. Dr. Visit	Ongpipattanakul	Independent Director	August 15, 2015	5 Year
8. Asst.Prof.Dr. Suluck	Pattarathammas	Director	February 26, 2016	4 Year
9. Miss Laphassarin	Krai Wongwanitrungrong	Director	February 23, 2018	3 Year

## Report of changes in directors' securities holding and executives as at December 31, 2020

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 Laphassarin	Kraiwongwanitrun	-None-	-None-	-None-	-
10. Mr. Khomwuthi	Pornnaradol	-None-	-None-	-None-	-
11. Miss.Juthamas	Sirimas	-None-	-None-	-None-	-
12. Miss.Dolnapa	Sodsongchit	-None-	-None-	-None-	-
13. Miss.Wilairat	Aorthong	-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 signed conjunction with Miss Laphassarin Kraiwongwanitrun and with company's seal or Mr. Wutichai Leenabanchong or Miss Laphassarin Kraiwongwanitrun signed conjunction 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 30, 2020	<ul style="list-style-type: none"> <li>- Internal control system adequacy assessment form</li> <li>- Proposal on appointment of Auditor and their fees of year 2019</li> <li>- Review the sufficiency assessment form of the internal control system.</li> <li>- Review the charter of the Audit Committee.</li> <li>- Approved the internal audit plan for the year 2021</li> <li>- Review the performance of internal auditors</li> <li>- Assess the independence of the auditor.</li> </ul>
2	Mar 2, 2020	<ul style="list-style-type: none"> <li>- To consider on review and commenting on the draft audit report of the auditor and financial statement of year 2019</li> <li>- Review and comment on the draft audit report of Auditor and the Company's financial statements for the year 2019</li> <li>- Discussions with the Company's auditors</li> <li>- Summary of the audit of the internal control system of the company quarter No. 4/2019</li> <li>- Complaints on corruption and corruption and business ethics</li> </ul>
3	Mar 18, 2020	<ul style="list-style-type: none"> <li>- To consider on review and commenting on the draft audit report of the auditor and financial statement of quarter 1-2019</li> <li>- Acknowledgement on complaint in term of anti-corruption</li> <li>- Propose to appoint auditors and approve the auditors' remuneration for the year 2020</li> <li>- Prepare a report on corporate governance of the Audit Committee.</li> </ul>
4	May 15, 2020	<ul style="list-style-type: none"> <li>- Review and comment on the draft audit report of the auditors and the Company's financial statements for the first quarter of 2020.</li> <li>- Summary of the audit of the Company's internal control system quarter 1/2020</li> <li>- Complaints on corruption and corruption and business ethics</li> </ul>
5	August 14, 2020	<ul style="list-style-type: none"> <li>- To consider on review and commenting on the draft audit report of the auditor and financial statement of quarter 2-2019</li> <li>- Acknowledgement on complaint in term of anti-corruption</li> <li>- Review and comment on the draft audit report of the auditors and the Company's financial statements for the second quarter of 2020</li> <li>- Summary of the audit of the Company's internal control system quarter 2/2020</li> <li>- Complaints on corruption and corruption and business ethics</li> </ul>

6	November 16, 2020	<ul style="list-style-type: none"> <li>- To consider on review and commenting on the draft audit report of the auditor and financial statement of quarter 3-2019</li> <li>- Acknowledgement on complaint in term of anti-corruption</li> <li>- Review and comment on the draft audit report of the auditors and the Company's financial statements Q3 / 2020.</li> <li>- Summary of the audit of the Company's internal control system Q3 / 2020, complaints about corruption and corruption and business ethics</li> </ul>
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### **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 2020, resolution from Board of Directors No.3-2020 held on May 15, 2020 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 2020, 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 fare 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, 2020 resolution from Board of Directors meeting No.3-2020 held on May 15, 2020 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 play 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 2020, resolution from Board of Directors No.3-2020 held on May 15, 2020 and to appointed 4 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 Chatuwatlopkul	Executive Director
4. Miss Laphassarin Kraiwongwanitrungr	Executive Director

Year 2020, total number of meeting for executives equal to 5 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 2020, resolution from Board of Directors meeting No.3-2020 held on May 15, 2020 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, 2020 there are 6 executive as follow:

Name of Executives		Position
1. Mr. Wutichai	Leenabanchong	Acting Chief Executive Officer
4. Miss Laphassarin	Kraiwongwanitrun	Director (Accounting and Finance)
3. Mr. Khomwuthi	Pornnaradol	Director (Internal Audit)
4. Miss. Juthamas	Sirimas	Human Resources and Administration Manager
5. Miss. Dolnapa	Sodsongchit	Assistant Manager Compliance and Investor Relation
6. Miss. Wilairat	Aorthong	Assistant Manager of Accounting and Finance

## 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.4-2020 dated August 14, 2020 has appointed Mrs. Dolnapa Sodsongchit as Corporate Secretary

## 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 Laphassarin Kraiwongwanitrungrung 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 2020

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 2020 In Total
2019 Annual General Meeting of Shareholders	1
Board of Director	5
Audit Committee	6
Executive Committee	5
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	-	5/5	-	-
2. Asst.Prof.Dr. Suluck Pattarathammas	1/1	*4/5	-	-	-	-
3. Mr. Theerachai Leenabanchong	*0/1	5/5	-	*4/5	-	-
4. Dr. Visit Ongpipattanakul	1/1	5/5	6/6	-	1/1	-
5. Mr. Yanyong Wattanawongpitak	*0/1	5/5	6/6	-	1/1	-
6. Mr. Jakkathan Yothanan <sup>1/</sup>	1/1	5/5	6/6	-	1/1	-
7. Mr. Chatre Sriutharawong	1/1	5/5	-	-	-	-
8. Mr. Monthon Chatuwallopkul	1/1	5/5	-	5/5	-	-
9. Miss Usara Pattatung <sup>1/</sup>	1/1	2/2	-	2/2	-	-
10. Miss Laphassarin Kraiwongwanitrungrung	1/1	5/5	-	5/5	-	-

**Remark**

1/ Resigned from Independent Director and Audit Committee from April 30, 2020

\* could not attend the meeting due to business engagement

**Remuneration for Directors and Executives****(1) Monetary Compensation Year 2020****- 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 25,000 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 2020 the company has paid remuneration for Directors and each committee actually in total amount of Baht 970,000 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	175,000.-	-	150,000.-	25,000.-	-	250,000.-
5. Mr. Yanyong Wattanawongpitak - Director - Independent Director - Audit Committee - Remuneration Committee - Risk Management Committee	75,000.-	-	90,000	15,000.-	-	180,000.-
6. Mr. Jakkathan Yothanan - Director - Independent Director - Audit Committee (Appointed on March 21, 2019) - Risk Management Committee	75,000.-	-	90,000.-	15,000.-	-	180,000.-
7. Mr. Chatre Sriutharawong - Director - Independent Director - Risk Management Committee	75,000.-	-	-	-	-	75,000.-
8. Mr. Monthon Chatuwallopkul - Director - Executive	45,000.-	-	-	-	-	45,000.-
9. Miss Usara Pattatung - Director - Executive Director (Resigned on April 30, 2020)	10,000.-	-	-	-	-	10,000.-



10. Miss Laphassarin Kraiwongwanitrueng - Director - Executive Director	45,000.-	-	-	-	-	45,000.-
<b>TOTAL</b>	<b>585,000.-</b>	<b>-</b>	<b>330,000.-</b>	<b>55,000.-</b>	<b>-</b>	<b>970,000.-</b>

**b) The remuneration for Executives**

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

Total Amount	2020		2019	
	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	5.58	6	10.33

**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.1-2020 held on March 2, 2020 and meeting of Board of Directors No.2-2020 held on March 18, 2020 and 2020 Annual General Meeting of Shareholders held on April 30, 2019 in totaling of Baht 2,500,000.- Which has been reduced when compared to the year 2019 (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 2020**

**(a) Remuneration for Director (meeting fees)**

**(1) Board of Director (every time attends)**

- Meeting allowance for Chairman 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 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 2020 Ua Withya Public Company Limited has paid remuneration for directors for Directors and each committee actually in total amount of Baht 1,410,000.- 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	160,000.-	-	-	-	160,000.-
2. Mr. Theerachai Leenabanchong - Vice Chairman - Executive Chairman - Chief Executive Officer	40,000.-	-	-	-	40,000.-
3. Police Lieutenant Sivaraks Phinitcharomna - Director - Independent Director - Chairman of Audit Committee	120,000.-	-	300,000.-	-	420,000.-
4. Dr. Pianchai Thawornrat - Director	120,000.-	-	165,000.-	25,000.-	310,000.-

- Independent Director - Audit Committee - Nomination and Remuneration Committee					
5. Dr. Nathee Naktanasukanjn - Director - Independent Director - Audit Committee	120,000.-	-	180,000.-	-	315,000.-
6. Miss Onchulee Lawsmithikul - Director - Senior Deputy to Managing Director (Accounting & Finance) - Executive Director - Nomination and Remuneration Committee (Appointed as at August 14, 2019)	40,000.-	-	-	-	40,000.-
7. Mr. Monthon Chatuwatlopkul - Director - Deputy Managing Director (Accounting and Finance, Corporate Management) - Executive Director - Nomination and Remuneration Committee	70,000.-	-	-	5,000.-	75,000.-
8. Mr. Surapong Sae Yong - Director - Deputy to Managing Director (Business Development & Operation) - Executive Director (Appointed as at August 14, 2019)	35,000.-	-	-	-	35,000.-
9. Mr. Sarawut Supmakmee - Director - Assistant Managing Director (Transmission Line Business) - Executive Director (Resigned on April July, 2020)	15,000.-	-	-	-	15,000.-
<b>TOTAL</b>	<b>725,000.-</b>	<b>-</b>	<b>645,000.-</b>	<b>45,000.-</b>	<b>1,410,000.-</b>

**b) The remuneration for Executives**

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

Total Amount	2020		2019	
	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	9	21.49	5	11.74

## **(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.1-2020 held on March 2, 2020, Board of Directors No.2-2019 held on March 18, 2020 and 2019 Annual General Meeting of Shareholders held on April 29, 2019 in totaling of Baht 1,900,000 Which in proportion to the decrease of the directors compared to the year 2019 (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 2020**

#### **(a) Remuneration for Director (meeting fees)**

##### **(1) Board of Director (every time attends)**

- Meeting allowance for Chairman 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 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 2020 Rayong Wire Industries Public Company Limited has paid remuneration for directors for Directors and each committee actually in total amount of Baht 870,000.- 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 - Remuneration Committee	80,000.-	-	-	-	80,000.-
2. Mr. Worawit Siriwatwimon - Vice Chairman - Independent Director - Chairman of Audit Committee - Chairman of Remuneration Committee	60,000.-	-	150,000.-	25,000.-	235,000.-
3. Mr. Wichain Sophanpanitkul - Director - Independent Director - Audit Committee - Remuneration Committee	60,000.-	-	90,000.-	15,000.-	165,000.-
4. Mr. Aniwut Pongpaijit - Director - Independent Director - Audit Committee	60,000.-	-	92,000.-	-	150,000.-
5. Mr. Theerachai Leenabanchong	20,000.-	-	-	-	20,000.-
6. Miss Usara Pattatung - Director - Executive Director (Resigned on April 30, 2020)	5,000.-	-	-	-	5,000.-
7. Miss Laphassarin Kraiwongwanitrun - Director - Executive Director - Remuneration Committee	40,000.-	30,000.-	-	5,000.-	75,000.-
8. Miss Nongnuch Kumchaithep - Director - Executive Director	20,000.-	-	-	-	20,000.-
9. Mr. Jesada Sornsuk - Director - Executive Director	60,000.-	60,000.-	-	-	120,000.-
<b>TOTAL</b>	<b>405,000.-</b>	<b>90,000.-</b>	<b>330,000.-</b>	<b>45,000.-</b>	<b>870,000.-</b>

**b) The remuneration for Executives**

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

Total Amount	2020		2019	
	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	10.25	6	8.10

## (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.1-2020 held on February 28, 2020, Board of Directors No.1-2020 held on February 28, 2020 and 2020 Annual General Meeting of Shareholders held on April 30, 2020 in totaling of Bhat 1,800,000 Which decreases when compared to the year 2019 (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 2020

#### (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 2020, Enesol Company Limited has paid remuneration to directors of each committee in totaling of Baht 8,000. The details are as follow:

Name of Directors	Position	Compensation (Baht)
1. Mr. Wutichai Leenabanchong	Chairman	5,000.-
2. Mr. Vithaya Royduang	Director	-
3. Miss Laphassarin Kraiwongwanitrueng	Director	3,000.-
<b>TOTAL</b>		<b>8,000.-</b>

**b) The remuneration for Executives**

Compensation of Managing Directors and Executive as follows:

Total Amount	2020		2019	
	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	2.71	1	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.1-2020 held on February 24, 2020 and 2020 Annual General Meeting of Shareholders held on April 24, 2020

- **WJC Enterprise Company Limited**

**(1) Monetary Compensation year 2020**

**(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 2020, WJC Enterprise Company Limited has paid remuneration to directors of each committee –None-

**b) The remuneration for Executives**

Remuneration for Managing Director and Executive are as follow:

Total Amount	2020		2019	
	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

**(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.2-2020 held on February 27, 2020 and 2020 Annual General Meeting of Shareholders held on April 24, 2020

- **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 2020, Pipe Line Engineering Company Limited has paid remuneration to directors of each committee in totaling of Baht 22,000. The details are as follow:

Name of Directors	Position	Compensation (Baht)
1. Mr. Wutichai Leenabanchong	Chairman and Managing Director	10,000.-
2. Miss.Ussara Pattatangi	Director	6,000.-
3. Miss Laphassarin Kraiwongwanitrungr	Director	6,000.-
<b>TOTAL</b>		<b>22,000.-</b>

**(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.2-2020 held on February 24, 2020 and 2020 Annual General Meeting of Shareholders held on April 24, 2020

- **Evergreen Biomass Company Limited**

**(1) Monetary Compensation year 2020**

**(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 2020, Evergreen Biomass Company Limited has 4 times meeting and paid remuneration to directors of each committee –None–

**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.1-2020 held on February 27, 2020 and 2020 Annual General Meeting of Shareholders held on April 24, 2020

**Personnel**

**1. Total number of Employees**

As at December 31, 2020 Company and its subsidiaries has total of employees of 405

Details	CEN	UWC	RWI	ENS	WJC	PLE	EBM	TOTAL
Administration	14	62	41	6	-	-	-	123
Production	-	185	86	14	-	-	-	282
<b>Total</b>	<b>14</b>	<b>247</b>	<b>127</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>405</b>

**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 2020 company and its subsidiaries has paid compensation in term of salary, Diligence Allowance, Bonus and other compensation in totaling of 172.73 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.

## **Internal Control and Risk Management**

The company has emphasized on Internal Control System, year 2021 as agreed with resolution from Board of Directors meeting No.1-2021 held on January 30, 2021 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

## Related Transaction

### 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	6.78	
		- Short Term Loans	110.00	
		- Accrued Interest	9.79	
		- Fees for using collateral	0.58	
		- Fees for using Collateral (accrued)	0.22	
		- Office Rental and Services	3.88	
		- Office Rental and Services (accrued)	3.23	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 72.93 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	3.85	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	35.00	To increase liquidity in company
		- Received Interest	2.23	
		- Accrued Interest	0.11	The company allowed subsidiary to sublease area from company for usage of office space
		- Rent Office	0.94	
Evergreen Biomass Company Limited (EBM)	Company holds 100.00 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
		- Accrued Interest Receive	0.57	Short term loans at MLR rate average from 3 financial institution of 1.75 per year

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)	49.19	For liquidity in subsidiary by using as working capital and investment to reserve in the future
		- Accrued Interest Receive	14.96	Short term loans at MLR rate average from 3 financial institution of 1.75 per year
		- Service charge from internal audit (accrued)	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	0.12	To achieve efficiency and effectiveness in the workplace. Moreover, in order to have good governance in subsidiaries
		- Collateral Fee	0.19	
Dimet (Siam) Public Company Limited	Affiliated company of UWC as holds 24.99%	- Audit fees (Internal Audit)	0.36	To achieve efficiency and effectiveness in work In addition, to have good corporate governance in associated companies
		- Audit fees (accrued) (Internal Audit)	0.19	
		- Rental Fees and Services	0.47	
EMC Public Company Limited (EMC)	Same Shareholders	Trading securities in The Stock Exchange of Thailand	425.78	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).

## **Report from Executive Director**

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 2020, 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

-Wutichai Leenabanchong-

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<br>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-  
Assistance Professor Dr. Suluck Pattarathammas  
Chairman of Risk Management Committee

## Report from the Remuneration 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 2020 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 2020 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-  
(Dr. Visit Ongpipattanakul)

Chairman of Remuneration Committee

## Board of Directors Capital Engineering Network Public Company Limited



- |  |   |   |
|--|---|---|
| <p><b>1. Mr. Wutichai Leenabanchong</b></p> <p>Chairman of the Board<br/>Chairman of Executive Board<br/>Acting Chief Executive Officer</p>                    | <p><b>2. Assistant Professor<br/>Dr. Suluck Pattarathammas</b></p> <p>Vice Chairman<br/>Chairman of Risk Management<br/>Committee</p>                               | <p><b>3. Mr. Theerachai<br/>Leenabanchong</b></p> <p>Vice Chairman<br/>Executive Director</p>                                   |
| <p><b>4. Dr. Visit Ongpipattanakul</b></p> <p>Director<br/>Independent Director<br/>Chairman of Audit Committee<br/>Chairman of<br/>Remuneration Committee</p> | <p><b>5. Mr. Yanyong Wattanawongpitak</b></p> <p>Director<br/>Independent Director<br/>Audit Committee<br/>Remuneration Committee<br/>Risk Management Committee</p> | <p><b>6. Mr. Jakkathan Yothanan</b></p> <p>Director<br/>Independent Director<br/>Audit Committee<br/>Remuneration Committee</p> |
| <p><b>7. Mr. Chatre Sriutharawong</b></p> <p>Director<br/>Independent Director<br/>Risk Management Committee</p>   | <p><b>8. Mr. Monthon Chatuwallopkul</b></p> <p>Director<br/>Executive Director</p>  | <p><b>9. Ms. Laphassarin<br/>Krai Wongwanitrueng</b></p> <p>Director<br/>Executive Director</p>                                 |

## Subsidiary Board of Directors Ua Withya Public Company Limited



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

## Subsidiary Board of Directors Rayong Wire Industries Public Company Limited



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

## Subsidiary Board of Directors Enesol Company Limited



- |  |  |  |
|--|--|--|
| 1. <b>Mr. Wutichai Leenabanchong</b><br>Chairman of the Board<br>Managing Director | 2. <b>Ms. Laphassarin Kraiwongwanitrueng</b><br>Director | 3. <b>Mr. Withaya Royduang</b><br>Director |
|--|--|--|

## WJC Enterprise Company Limited



- |   |  |  |
|---|--|--|
| 1. <b>Mr. Wutichai Leenabanchong</b><br>Chairman of the Board | 2. <b>Mr. Theerachai Leenabanchong</b><br>Director | 3. <b>Ms. Laphassarin Kraiwongwanitrueng</b><br>Director |
|---|--|--|

## Pipe Line Engineering Company Limited



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|--|--|
| 1. <b>Mr. Wutichai Leenabanchong</b><br>Chairman of the Board<br>Managing Director | 2. <b>Ms. Laphassarin Kraiwongwanitrueng</b><br>Director |
|--|--|

## Evergreen Biomass Company Limited



- |   |   |  |
|---|---|--|
| 1. <b>Mr. Wutichai Leenabanchong</b><br>Chairman of the Board | 2. <b>Mr. Theerachai Leenabanchong</b><br>Director<br>President | 3. <b>Mr. Monthon Chatuwallopkul</b><br>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
<b>1. Mr. Wutichai Leenabanchong</b> <b>Position:</b> <ul style="list-style-type: none"> <li>Chairman</li> <li>Executive Chairman</li> <li>Chief Executive Officer</li> <li>Authorized Director</li> </ul> <b>Appointed Date:</b> August 26, 2008	56	<ul style="list-style-type: none"> <li>Master of Business Law (Faculty of Law) Chulalongkorn University</li> <li>Master of Business Administration (Faculty of Commerce and Accountancy) Chulalongkorn University</li> <li>Bachelor of Engineering Program in Mechanical Engineering Chiangmai University</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"> <li>Directors Accreditation Program (DAP) No.78/2009</li> <li>Financial Statement for Directors (FSD) No.4/2009</li> </ul>	35,912,000 shares or 4.82%	Cousin with Mr. Theerachai Leenabanchong	<b>Holds position in listed companies which are subsidiaries in totaling of 2 places</b>		
					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.
					<b>Holds position in related companies in totaling of 6 places</b>		
					2008 – Present	Chairman	Enesol Co., Ltd
					2017 – Present	Managing Director	
					2010 - Present	Chairman Managing Director	Pipe Line Engineering Co., Ltd
					2012 – Present	Chairman	Evergreen Biomass Co., Ltd
					2013 – Present	Chairman	WJC Enterprise 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
<b>2. Assistant Professor Dr. Suluck Pattarathammas</b> <b>Position:</b> <ul style="list-style-type: none"> <li>Vice Chairman</li> <li>Chairman of Risk Management Committee</li> </ul> <b>Appointed Date:</b> February 26, 2016	55	<ul style="list-style-type: none"> <li>Doctor of Philosophy Program in Business Administration (Finance) Thammasat University</li> <li>Master of Business Administration (Finance) University of San Francisco, San Francisco, USA.</li> <li>Bachelor of Economics Chulalongkorn University</li> <li>Bachelor of Law Sukhothai Thammathirat University</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"> <li>Directors Accreditation Program (DAP) No.138/2017</li> </ul>	-None-	-None-	<b>Holds position in listed companies in totaling of 1 place</b>		
					Year 2014 – Present	Risk Management Committee	Phol Dhanya PCL.
					<b>Holds position in related companies –None-</b>		
					<b>Holds position in non-registered company in totaling of 1 place</b>		
					Year 2016- Present	Managing Director	Lao Brother International Co., Ltd
					<b>Holds position in other company in totaling 1 company</b>		
					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	
<b>3. Mr. Theerachai Leenabanchong</b> <b>Position:</b> <ul style="list-style-type: none"><li>Vice Chairman</li><li>Executive</li><li>Authorized Director</li></ul> <b>Appointed Date:</b> March 27, 2013	48	<ul style="list-style-type: none"><li>Master of Business Administration Assumption University</li><li>Bachelor of Business Administration (Marketing) Assumption University</li></ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"><li>Directors Accreditation Program (DAP) No.104/2013</li><li>Role of the Chairman Program (RCP) No. 45/2019</li></ul>	1,412,000 shares or 0.19%	Cousin with Mr. Wutichai Leenabanchong	<b>Holds position in listed companies which are subsidiaries in totaling of 2 places</b>			
					Year 2019 – Present	Vice Chairman	Ua Withya PCL.	
					Year 2013 – Present	Executive Chairman		
					Year 2015 – Present	Chief Executive Officer		
						Director		
					Year 2016 – Present	Executive Managing Director	Rayong Wire Industries PCL.	
						Director		
					<b>Holds position in listed companies in totaling of 1 place</b>			
					Year 2018 – Present	Nomination and Remuneration Committee		Dimet (Siam) PCL.
					Year 2017 – Present	Executive		
					Year 2016 – Present	Director		
					<b>Holds position in related companies in totaling of 9 places</b>			
					Year 2015 - Present	Director	Evergreen Biomass Co., Ltd	
					Year 2015 - Present	Director	Paradise Green Energy Co., Ltd	
					Year 2015 - Present	Director	ULTRA ASIA Co., Ltd	
					Year 2016 - Present	Director	WJC Enterprise Co., Ltd	
					Year 2017 - Present	Director	UWC (Cambodia) Co., Ltd	
Year 2017 - Present	Director	Interglob Investment Co., Ltd						
Year 2019 – Present	Director	Ultra Asia Somgapore Pte.Ltd.						
Year 2020 – Present	Director	Ultra Asia Investment Pte.Ltd.						
Year 2020 – Present	Director	Ultra Asia Network Pte.Ltd.						
Year 2020 – Present	Director	Sky Tower Infar Inc.						

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
<b>4. Dr. Visit Ongpipattanakul</b> <b>Position:</b> <ul style="list-style-type: none"> <li>• Director</li> <li>• Independent Director</li> <li>• Chairman of Audit Committee</li> <li>• Chairman of Remuneration Committee</li> </ul> <b>Appointed Date:</b> August 14, 2015	56	<ul style="list-style-type: none"> <li>• Doctor of Business Administration (DBA) of Asian Institute of Technology (AIT)</li> <li>• Master of Business Administration University of Florida, United States</li> <li>• Master of Art (Business Law) Chulalongkorn University</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"> <li>• Directors Accreditation Program (DAP) No.26/2004</li> <li>• Directors Certification Program (DCP) No.185/2014</li> </ul>	-None-	-None-	<b>Holds position in listed companies in totaling of 1 place</b>		
					Year 2011 – Present	Director	Trinity Watthana PCL.
					<b>Holds position in related companies –None-</b>		
					<b>Holds position in non-registered company in totaling of 2 places</b>		
					Year 2019 – Present	Chairman Independent Director	Star Money Co., Ltd
					Year 2010 – Present	Director Managing Director	Trinity Securities Co., Ltd

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
<b>5. Mr. Yanyong Wattanawongpitak</b> <b>Position:</b> <ul style="list-style-type: none"> <li>• Director</li> <li>• Independent Director</li> <li>• Audit Committee</li> <li>• Remuneration Committee</li> <li>• Risk Management Committee</li> </ul> <b>Appointed Date:</b> December 24, 2012	54	<ul style="list-style-type: none"> <li>• Master of Economic Program in (Business Economic) Thammasat University</li> <li>• Bachelor of Business Administration (Finance and Banking) Ramkhamhaeng University</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> Directors Accreditation Program (DAP) No.90/2011	-None-	-None-	<b>Holds position in listed companies in totaling of 1 place</b>		
					Year 2012-Present	Senior Manager - Finance	SC-Asset Corporation PCL.
					<b>Holds position in related companies –None-</b>		
					<b>Holds position in non-registered company –None-</b>		

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
<b>6. Mr. Jakkathan Yothanan</b> <b>Position:</b> <ul style="list-style-type: none"> <li>• Director</li> <li>• Independent Director</li> <li>• Audit Committee</li> <li>• Remuneration Committee</li> </ul> <b>Appointed Date:</b> August 26, 2008	50	<ul style="list-style-type: none"> <li>• Master of Economic Law (Faculty of Law) Chulalongkorn University</li> <li>• Bachelor of Political Science (Public Administration) Ramkhamhaeng University</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"> <li>• Directors Accreditation Program (DAP) No.79/2009</li> </ul>	-None-	-None-	<b>Holds position in registered company –None-</b>		
					<b>Holds position in related company –None-</b>		
					<b>Holds position in non-registered company in totaling of 1 place</b>		
					Year 2007 – Present	Managing Director	Puphar Inter Law Co., Ltd

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
<b>7. Mr. Chatre Sriutharawong</b> <b>Position:</b> <ul style="list-style-type: none"> <li>• Director</li> <li>• Independent Director</li> <li>• Risk Management Committee</li> </ul> <b>Appointed Date:</b> August 8, 2014	47	<ul style="list-style-type: none"> <li>• Master Degree of Public Administration (Public and Private Management Program) National Institute of Development Administration (NIDA)</li> <li>• Bachelor of Engineering (Computer Engineering) Kasetsart University</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"> <li>• Directors Accreditation Program (DAP) No.112/2014</li> </ul>	-None-	-None-	<b>Holds position in registered company –None-</b>		
					<b>Holds position in related company –None-</b>		
					<b>Holds position in non-registered company in totaling of 1 place</b>		
					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
<b>8. Mr. Monthon Chatuwallopkul</b> <b>Position:</b> <ul style="list-style-type: none"> <li>Director</li> <li>Executive Director</li> <li>Authorized Director</li> </ul> <b>Appointed Date:</b> March 1, 2010	53	<ul style="list-style-type: none"> <li>Master Degree (Accounting) Thammasat University</li> <li>Bachelor Degree (Accounting) Ramkhamhaeng University</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"> <li>Directors Accreditation Program (DAP) No.82/2010</li> </ul>	-None-	-None-	<b>Holds position in listed companies which are subsidiaries in totaling of 1 places</b>		
					Year 2014 - Present	Deputy to Managing Director Nomination and Remuneration Committee	Ua Withya PCL.
					<b>Holds position in listed companies in totaling of 1 place</b>		
					Year 2020 – Present	Managing Director Nomination and Remuneration Committee Executive Director	Dimet (Siam) PCL.
					<b>Holds position in related companies in totaling of 1 places</b>		
					Year 2012 – Present	Director	Evergreen Biomass Co., Ltd

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
<b>9. Miss Laphassarin Kraiwongwanitrun</b> <b>Position:</b> <ul style="list-style-type: none"> <li>• Director</li> <li>• Executive</li> <li>• Authorized Director</li> <li>• Director "Accounting &amp; Finance" and Investment</li> </ul> <b>Appointed Date:</b> February 23, 2018	36	<ul style="list-style-type: none"> <li>• Master of Business Administrator Ramkhamhaeng University</li> <li>• Bachelor Degree (BA) Rajamangala University of Technology Krungthep</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"> <li>• Directors Accreditation Program (DAP) No.150/2018</li> </ul>	-None-	-None-	<b>Holds position in listed companies of 1 places</b>		
					Year 2019 – Present	Director Executive Remuneration Committee	Rayong Wire Industries PCL.
					<b>Holds position in related companies in totaling of 7 places</b>		
					Year 2015 – Present	Director	Pipe Line Engineering Co., Ltd
					Year 2018 – Present	Director	Enesol Co., Ltd
					Year 2020 – Present	Director Executive Director	Dimet (Siam) PCL.
					Year 2020 – Present	Director	WJC Enterprise Co., Ltd
					Year 2020 – Present	Director	Asian Corrosion control Technology Co.,Ltd
					Year 2020 – Present	Director	IGEN Energy Co.,Ltd
					Year 2020 – Present	Director	Solar Igen Co.,Ltd
					<b>Holds position in non-registered company –None-</b>		
					Year 2018 – Present	Director	Laphassarin Business & Law Co., Ltd

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
<b>10. Mr. Khomwuthi Pornnaradol</b> <b>Position:</b> <ul style="list-style-type: none"> <li>Director (Internal Audit)</li> <li>Secretary of Audit Committee</li> </ul> <b>Appointed Date:</b> June 16, 2008	51	<ul style="list-style-type: none"> <li>Bachelor Degree in Business Administration (Accounting) Ramkhamhaeng University</li> </ul> <b>Training:</b> <ul style="list-style-type: none"> <li>Ultimate technique of using internal control system to maximize technique for business</li> <li>Monitoring and Internal Control System</li> <li>Issue summary accountant mistakes</li> <li>The best of the best techniques of using internal control systems for the best benefit of the business.</li> <li>Audit and internal control</li> <li>Summary of errors of accountants.</li> </ul>	-None-	-None-	<b>Holds position in listed companies -None-</b>		
					Year 2008 - Present	Secretary of Audit Committee	Capital Engineering Network PCL. And Subsidiaries
					<b>Holds position in related company -None-</b>		
					<b>Holds position in non-registered company -None-</b>		



Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
<b>11. Miss Juthamas Sirimas</b> <b>Position:</b> <ul style="list-style-type: none"> <li>Manager HR and Administration</li> <li>Secretary of the Nomination and Remuneration Committee</li> </ul> <b>Appointed Date:</b> July 20, 2020	46	<ul style="list-style-type: none"> <li>Bachelor of Business Administration Faculty of Finance and Banking Kasembanthit University</li> </ul>	-None-	-None-	<b>Holds position in listed companies</b>		
					Year 2012 – Present	<ul style="list-style-type: none"> <li>Secretary of the Nomination and Remuneration Committee</li> </ul>	Capital Engineering Network PCL.
					<b>Holds position in related company –None-</b>		
<b>13. Miss Wilairat Aorthong</b> <ul style="list-style-type: none"> <li>Assistant Manager (Accounting &amp; Finance)</li> </ul> <b>Appointed Date:</b> May 25, 1995	43	<ul style="list-style-type: none"> <li>Bachelor's degree Faculty of Business Administration St. John's University</li> </ul>	-None-	-None-	<b>Holds position in listed companies</b>		
					Year 2021 – Present	<ul style="list-style-type: none"> <li>Assistant Manager (Accounting &amp; Finance)</li> </ul>	Capital Engineering Network PCL.
					<b>Holds position in related company 1 company</b>		

Name-Surname/ Position	Age (Year)	Educational Qualification	Proportion of holding company's shares	Family relationship among Executives	Experiences		
					Period	Position	Company
<b>13. Miss Dolnapa Sodsongchit</b> <ul style="list-style-type: none"> <li>Assistant Manager (Compliance &amp; Investor Relation)</li> </ul> <b>Appointed Date:</b> August 24, 2020	43	<ul style="list-style-type: none"> <li>Master's degree Faculty of Business Administration Ramkhamhaeng University</li> </ul> <b>Training roles of Directors from Thai Institute of Director (IOD):</b> <ul style="list-style-type: none"> <li>Company Secretary Program (CSP) No.7/2004</li> </ul>	-None-	-None-	<b>Holds position in listed companies</b>		
					Year 2020 – Present	<ul style="list-style-type: none"> <li>Assistant Manager (Compliance &amp; Investor Relation)</li> </ul>	Capital Engineering Network PCL.

**Remarks:**

1. Board of Directors No .1-10, Executives No. 10-13, Chief Financial Officer (CFO) and overseeing bookkeeping No.9 and Corporate Secretary No.13
2. Authorized Director No. 1, 3, 8-9
3. Proportion of holding shares not includes children because children not holding shares
4. Board of Directors and Executives in totaling of 13 people -No legal dispute-
5. Board of Directors and Executives in totaling of 13 people -No history of criminal offense against property by fraud- in the past 5 years-
6. 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-

## Corporate Governance

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;

<b>Practice 1</b>	Establish Clear Leader Ship Role and Responsibilities of Board
<b>Practice 2</b>	Define Objectives that Promote Sustainable Value Creation
<b>Practice 3</b>	Strengthen Board Effectiveness
<b>Practice 4</b>	Ensure Effective CEO and People Management
<b>Practice 5</b>	Nurture innovation and Responsibility Business
<b>Practice 6</b>	Strengthen Effective Risk Management and Internal Control
<b>Practice 7</b>	Ensure Disclosure and Financial Integrity
<b>Practice 8</b>	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 2020, 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](http://www.cenplc.com)
2. Through E-Mail / Telephone
  - Executive Chairman  
TEL: (02) 049-1041 E-mail: [wutichai@cenplc.com](mailto:wutichai@cenplc.com)
  - Corporate Secretary  
TEL: (02) 049-1041 ext. 1021 E-mail: [dolnapa@cenplc.com](mailto:dolnapa@cenplc.com)
3. By Post Mail
  - Mr. Wutichai Leenabanchong "Chairman and Chief Executive Officer" or
  - Miss. Dolnapa Sodsongchit "Corporate Secretary"  
Capital Engineering Network Public Company Limited  
1011 Supalai Grand Tower, 17<sup>th</sup> 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 2020 Board of Directors meeting No.3-2020 held on May 15, 2020 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, 2020 Board of Directors in totaling of 9 people

	Amount			%
	Male	Female	Total	
Director as Executive	4	1	4	44.44
Director as Non-Executive	1	-	1	11.12
Independent Director	4	-	4	44.44
<b>Total</b>	<b>9</b>	<b>1</b>	<b>9</b>	<b>100.00</b>

Board of Directors consists of 4 Independent Director of 44.44% 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 2020, election of directors in replacement of rotation in 2019 Annual General Meeting of Shareholders held on April 30, 2020 in totaling of 4 names as follows:

1. Dr.Visit Ongpipattanakul
2. Mr.Jakkathan Yothanan

- |    |                  |                  |
|----|------------------|------------------|
| 3. | Miss.Usara       | Pattatung        |
| 4. | Miss.Laphassarin | Kraiwongwanitrun |

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

The 2020 Annual General Meeting of Shareholders has resolved on approval to re-select of directors in totaling of 4 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 Lertwattanakur, PHD		August 26, 2008	11 Year
3.Mr.Yanyong	Wattanawongpitak	December 24, 2012	7 Year
4. Mr. Chatre	Sriutharawong	August 13, 2014	5 Year
5. Dr. Visit	Ongpipattanakul	August 14, 2015	4 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 2020, 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 2020, 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 2020, Mr. Wutichai Leenabanchong is holding position of director in registered company which is our subsidiaries in totaling of 2 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	4	-	-	4

**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 4 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 2020, 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 2020, the meetings are as follows:

- Total number of meeting for Board of Directors equal to 5 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 2020, total number of meeting for Audit Committee equals to 6 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 2020

## 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, 2020 has approved remuneration fees not exceeding 2.5 Million Baht as increased when compared to 2019 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 2020, there is 1 times of remuneration committee meeting by set remuneration for Directors in year 2020 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 2020, 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 2020, 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

Miss. Dolnapa Sodsongchit as corporate secretary as follows resolution from Board on August 21, 2020 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.7<sup>th</sup> 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 2020, The Company has 4 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

<b>Director / Executive</b>	<b>Name of Seminar / Training / Joint Activities</b>
Miss Laphassarin Kraiwongwanitrungrung	<ul style="list-style-type: none"> <li>- Problems in accounting transactions at the end of the year - the beginning of the year for bookkeepers dated December 11, 2020 , arranged by DHARMNITI</li> <li>- "Techniques for using financial information for managers for planning and decision making" dated December 22, 2020, arranged by DHARMNITI</li> </ul>

#### **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
<b>Average images</b>		<b>100.00</b>	<b>Very Good</b>

#### 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 2020 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](http://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 2020, the company does not pay dividends for year 2019 business operation as net loss of 487.71 Million Baht thus most of net losses 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 2020 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 company Continuously
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	68	53.97%
Training less than 6 hours	58	46.03%
<b>Total employee as end of 2020</b>	<b>126</b>	<b>100.00%</b>

Name of Training Program	Number of Hours
Wire Plating P-PD-002	20
Heat Exchanger	6
Safety committee Occupational health and work environment in 2020	12
Safety, occupational health and working environment For new employees	6
Driving a forklift safely and correctly	6
Operators of water pollution treatment systems	21
Accounting Standards And accounting recording methods for preparing accurate financial statements	6
First Aid	3
Primary fire fighting	6
Wire Coiling P-PD-010	20
Production of high tensile, low fatigue stranded concrete wire P-PD-012	20
Purchasing / New Seller Selection / Evaluation Supplier P-PU-004 - 006	20
Preparation of rolling balls P-PD-001	20
Wire drawing, step wire size 1 P-PD-003	20
Wire production /Wire Mesh P-PD-014	20
<b>In totaling of 15 courses</b>	<b>206</b>

**Safety and hygiene in work and working environment :** The company and its subsidiaries has pay 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	247	6	1	7
RWI	100 but not more than 500	7	127	10	1	11

Safety Officer	UWC			RWI		
	Amount			Amount		
	Male	Female	Total	Male	Female	Total
1. Jor.Por. (Executive Level)	19	11	30	13	3	16
2. Jor.Por. (Supervisor Level)	19	4	23	27	6	33
3. Jor.Por. (Professional Level)	-	1	1	1	-	1
<b>TOTAL</b>	<b>38</b>	<b>16</b>	<b>54</b>	<b>41</b>	<b>9</b>	<b>50</b>

Details	UWC	RWI
Accident statistics	10	12
Leave statistic due to sickness		
• Less than 3 days	4	5
• More than 3 days	6	7

**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 2020, 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 2020, 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 2020, 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 2020, 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 uses 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 2020 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 2020 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 2020, 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, 2020 as percentage of 5.0009 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 2020, 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 2020, 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 2020, 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 2020 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 2020; 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 2020 there are 6 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 2020; 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 2020, 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 2020, 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](http://www.cenplc.com)
2. Through Email / Telephone
  - Executive Chairman  
TEL: (02) 049-1041 E-mail: [wutichai@cenplc.com](mailto:wutichai@cenplc.com)
  - Corporate Secretary  
TEL: (02) 049-1041 Ext: 1021 E-mail: [dolnapa@cenplc.com](mailto:dolnapa@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, 17<sup>th</sup> 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 2020, 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 2020 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 2020, 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](http://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 2020, 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](http://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](http://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](http://www.cenplc.com)

In 2020, 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](http://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 2020, 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 the ensure, Boards 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 2020, 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 positon 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 2020 – 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 2020, 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 2020, 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 2020 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 2020, 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](http://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 6 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

Dolnapa Sodsongchit

Corporate Secretary, compliance and investor relation

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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](http://www.cenplc.com) both Thai and English version and [www.set.or.th](http://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

By this, year 2020 company has scheduled 1 time of Annual General Meeting of Shareholders on April 30, 2020 at 247 Romklao Road, Saensaeab, Minburi, Bangkok 10510 started at 2.00 PM due to under the situation of COVID 19 during late February 2020 and number of infected people is continually increasing therefore company aware and concerned about risk of such epidemic in the shareholders' meeting then company has a policy to promote and facilitate the shareholders including institutional investors in attending the shareholders' meeting. The company selected meeting venue which was airy and not crowded, set up a table for sitting at a distance, there are facilities to prevent such as masks. Hand washing gel and Physical temperature measurement prior to attending the meeting must not exceed 37.5 degrees and have access and adequate public

transportation system to enable shareholders to travel to attend the meeting with ease. Because it is on Romklao - Minburi Road by operated to comply with policy and rules on treatment of shareholders

There is no Extraordinary Meeting held in year 2020

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 meeting of shareholders The company has sent the invitation letter to the shareholders' meeting. With documents supporting the meeting With complete information of each agenda item With explanations and reasons and opinions of the Board of Directors for each agenda And from the situation of the coronavirus disease (COVID-19) epidemic, the company has taken measures to Meeting under epidemic situations In order to prevent spreading the injury in the meeting invitation letter Including the COVID-19 screening, the company has published a meeting notice along with related documents Both Thai and English

are in advance of the meeting date. To give shareholders more time to consider, the company website is [www.cenplc.com](http://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](http://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 2020 Annual General Meeting of Shareholders with agendas and details in both Thai and English version since March 21, 2020 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 21-23, 2020 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 2020 held on Tuesday, April 30, 2030 there are proxies given to Independent Directors, Audit Committee and other as follows:

Details	Amount	Amount Of Shares	Percentage
Shareholders according to the registrar	2,628	745,141,929	100.00
Shareholders attended the meeting	33	407,247,853	54.65
- attend the meeting in person	6	78,522,400	10.54
- proxies	27	328,695,453	44.11
Proxies given to Independent Directors and Audit Committee	22	201,823,443	27.09
Proxies given to others	5	126,872,101	17.03

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](http://www.cenplc.com) 30 days in advance thus so shareholders have times to consider with completed and enough details

Year 2020, the company has schedule shareholders' meeting on Tuesday April 30, 2020 and public invitation letter and related documentation through company website in both Thai and English version dated March 29, 2020 as 32 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 2020 Annual General Meeting of Shareholders dated Tuesday April 30, 2020 TSD has delivered Invitation Letter of Shareholders dated April 7, 2020 which is 23 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. Kredniyom Kuntisu and Miss Kamolthip Rattananantawatee from Deloitte Touche Tohmatsu Jaiyos and there were representatives of shareholder rights protection from the Thai Investors Association to observe as well. Subsequently, the Chairman of the Board, acting as the chairman of the meeting, opened the meeting.

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 2020 Annual General Meeting of Shareholders dated Thursday April 30, 2020 there are 10 directors in total and 8 directors attended meeting as 2 director absent (due to business engagement accounted for 80% 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](http://www.cenplc.com) and SET Channel [www.set.or.th](http://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: [dolnapa@cenplc.com](mailto:dolnapa@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 2020 there are 2 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 publics resolution of 2020 Annual General Meeting of Shareholders held on April 30, 2020 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, 2020

24. The company has prepared minute of 2020 Annual General Meeting of Shareholders held on April 30, 2020 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, 2020 along with publishing through company website [www.cenplc.com](http://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](http://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 2020, 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](http://www.cenplc.com)
30. The company determined to create equality for all shareholders and all groups no matter major shareholders, minor shareholders, institutional investors or 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, 2020 and deliver procedures for the said matter together with invitation letter to shareholders' meeting through following channels
  - Website: [www.cenplc.com](http://www.cenplc.com)
  - E-mail: [dolnapa@cenplc.com](mailto:dolnapa@cenplc.com)
  - Postal To  
Dolnapa Sodsongchit  
Capital Engineering Network Public Company Limited  
1011 Supalai Grand Tower, 17<sup>th</sup> Floor,  
Rama 3 Road, Chongnonsi, Yannawa, Bangkok 10120

Year 2020 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 1, 2020
  - Board of Directors, their mate and child under 20 holding shares together equals to 5.006% which is not more than 25% of shares sold
  - Free Float equal to 63.36% 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 6.41% 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 2020, 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 2020, 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](http://www.cenplc.com)
- Publicize through Brochures / Public Relation Board

##### **Survey Results on Corporate Governance of Listed Companies**

Year 2020, 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 2020 in totaling of 677 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
<b>TOTAL</b>	<b>241</b>	<b>241</b>	<b>100</b>	<b>100</b>

## 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 2020 was 1,712.06 Million Baht or decreased 395.48 Million Baht or 18.76% when comparing to the same period from previous year which was 2,107.54 Million Baht by following details

Total sales of subsidiaries were 1,049.16 Million Baht or decreased 378.41 Million Baht or 26.51 percent when comparing to same period from previous year which was 1,427.27 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 2020 as amount of 630.57 Million Baht as 53.40 Million Baht decreased or 7.81 percent when compared to same period from previous year of 683.97 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 17.92 percent, Prestressed Concrete Strand 15.60 percent and other products of 33.06 percent of sales volume.

- Subsidiary (Enesol Company Limited "ENS") has income from production and distribution of electricity and heat energy in year 2020 as amount of 226.72 Million Baht as 41.84 Million Baht increased or 15.58 percent when compared to same period from previous year as amount of 268.56 Million Baht

- Subsidiary (Ua Withya Public Company Limited "UWC") has income from sales of following products

- Revenue from selling industrial product as chain, motor and gear in year 2020 totaling of 5.23 Million Baht as 7.72 Million Baht decreased or 47.43 percent compared to same period from previous year of 9.95 Million Baht
- Revenue from investment in subsidiaries which produces and sells electricity to Provincial Electricity Authority 459.62 Million Baht as 257.58 Million Baht as increase 202.04 Million Baht or 44.00% when compared to same period from previous year of 459.62 Million Baht due to adjustment in term of business operation By disposing of investments in non-profit businesses that are all power plant business units. And focus on the main business, which is the high-voltage transmission tower project business And telecommunication towers As well as seek opportunities to generate income in other businesses Both at home and abroad

- Subsidiary has revenues from projects and services of 427.71 Million Baht as 216.92 Million Baht decreased or 33.65% when compared to same period from previous year with revenue of 644.63 Million Baht from UWC due to decline delivery in term of work

- Other revenue year 2020 as amount of 243.75 Million Baht as 210.77 Million Baht increased or 639.16% when compared to same period from previous year of 32.98 Million Baht by following details

Transaction	2020		2019		2018	
	MB	%	MB	%	MB	%
Dividend Received	0.13	0.05	0.08	0.24	-	-
Profit from Fair Value of Financial Assets	104.12	42.72	-	-	416.78	75.67
Interest Received	17.89	7.34	16.14	48.95	-	-
Others	121.61	49.89	16.75	50.80	134.00	24.33
	<b>243.75</b>	<b>100.00</b>	<b>32.97</b>	<b>100.00</b>	<b>550.78</b>	<b>100.00</b>

- Company has revenue from fair value on financial assets year 2020 of 104.12 Million Baht as increased when compared from last year due to value of security measurement to show the asset value of the enterprise Not yet an actual profit
- Company and its subsidiaries has total interest received in year 2020 of 17.89 Million Baht as 1.75 Million Baht increased due to year 2020 company and its subsidiary has interest received from deposit and interest income from the finance lease receivable (ENS) same as year 2019
- Company and its subsidiaries has other revenue in year 2020 of 121.61 Million Baht as 104.86 Million Baht decreased due to subsidiaries (RWI, UWC) has revenue from sales of iron scrap and zinc scrap 52.18 million baht, profit from marketable securities trading (RWI-W2) 23.97 million baht, profit from the sale of biomass power plant 9.41 million baht, gain from exchange rate 2.58 million baht. And profit from compromise with trade creditors Other income in 2019 is profit from the disposal of investments in available-for-sale securities. And other income

## **(2) Gross Profit**

Year 2020, company and its subsidiaries has gross profit from selling products, projects and services as amount off 29.82 Million Baht or 2.0% increase when compared to same period from previous year of loss of 14.51 percent thus subsidiary (RWI) has better cost management than the previous year. The subsidiary company (UWC) has adjusted the business structure and adjusted the management strategy. To increase efficiency and result in better operations in the next auction for government jobs. And raw materials are used in the warehouse to deliver the project work according to the contract.

- Subsidiary (RWI) has gross profit of 2.63% which increased of loss when compared to same period from previous year from previous year as amount of 5.41% due to increase of steel wire on raw material while selling price decreased therefore causing decline in sales volume. The selling price in year 2020 lower than year 2019 thus company has manage some deteriorated products and provision for obsolete products so resulting company to has gross losses
- Subsidiaries (UWC, WJC) gross profit from project and service income Accounted for 15.08 percent increase when compared with the same period of the previous year. The gross loss was 29.15% due to the subsidiary (UWC) as a result of more efficient cost management. The major change in 2020 is that the company has restructured its business by disposing of investments in the business. That does not generate profit, which is all power plant business units And focus on the main business which is the electric pole and telecommunication tower project business As well as seek opportunities to generate income in other businesses Both at home and abroad The subsidiary (WJC) ceased its operations in April 2020 in order to reduce its net loss.

## **(3) Expenses**

Year 2020, total expenses of company and its subsidiaries equal to 1,925.41 Million Baht as 1,690.36 Million Baht decreased from year 2019 as total expenses of 3,615.77 Million Baht or 46.75 percent by following reasons;

- Cost of goods sold 1,081.70 Million Baht as 393.55 Million Baht decreased or 26.68 percent when compared to same period of previous year as amount of 1,475.25 Million Baht by fluctuation from increased of sales volume
- Cost of project work and rendering of services was 356.80 Million Baht, a decrease of 543.51 Million Baht or 60.37 percent compared to the same period of the previous year which was 900.31 Million Baht, varied according to the amount of project work delivered to customer and All residual expenses of the closed project work are recognized along with the delivered income.

- Cost of distribution of 25.79 Million Baht, a decrease of 7.93 Million Baht when compared to the same period of the previous year by 33.72 Million Baht due to the decrease in sales volume. Resulting in lower shipping costs
- Administrative Expenses of 224.81 Million Baht as 11.92 Million Baht increased when compared to same period of previous year by 212.89 Million Baht due to adjustment of Organization Structure and Management
- Loss from fair value on financial assets (unrealized loss from changed in fair value of investments in trading securities as amount of 502.84 Million Baht in year 2019
- Loss from Impairment of Land Assets Buildings and equipment of a subsidiary of 16.74 Million Baht (PGE, UWCC, WJC amounting to 3.43 Million Baht, 11.26 Million Baht and 0.61 million baht, respectively), a decrease of 341.89 Million Baht when compared to the same period of the previous year by 358.63 Million Baht. Before the company lost 51.73 Million Baht from impairment of investment property. Building and equipment increased by 204.61 million baht and impairment of intangible assets 99.69 Million Baht, subsidiary (UWC) loss from impairment of investment in associates increased by 69.87 Million Baht and subsidiary loss from impairment of other assets of 14.06 Million Baht
- Loss from impairment of investment of 149.44 Million Baht, an increase of 79.57 Million Baht or 113.88% increase compared to the same period of the previous year, which amounted to 69.87 Million Baht. Impairment type of investment in the power plant business unit of the company. Ua Withya Public Company Limited, as a result of the entering into the investment purchase agreement and the transfer of loan claims in all power plant business units of Ua Withya Public Company Limited to Absolute Company. Clean Energy Public Company Limited has delivered the business on August 21, 2020.
- The cost of temporary shutdown of 21.91 Million Baht came from the power plant ceased production in preparation for delivery
- Cost of financial amount of 48.22 Million Baht as 14.01 Million Baht decreased when compared to same period of previous year by 62.23 Million Baht due to loan from financial institution

#### **(4) Net Profit (Loss)**

For the year 2020, the company had a net loss of 187.47 Million Baht, a decrease of 1,351.25 Million Baht when compared to the same period of the previous year. This resulted in a loss of 1,538.72 Million Baht due to the restructuring of the Company and its subsidiaries by disposing of investments in non-profit businesses, namely all biomass power plant business units and stop operating in a business that does not generate profit And in the same period of the previous year The Company and its subsidiaries had an unrealized loss from changes in the fair value of financial assets amounting to 502.87 Million Baht and a loss from contract work on project burden amounting to 64.69 Million Baht

## **2. Financial Analysis**

As at December 31, 2020 company and its subsidiaries has total asset of 2,692.84 Million Baht as 1,475.85 Million Baht when compared to December 31, 2019 of 4,168.71 Million Baht due to

- Cash and equivalent to cash 299.80 Million Baht as 54.65 Million Baht from year 2019 of 354.45 Million Baht
- Trade account receivable and other debtors (related companies) 0.34 Million Baht as 16.95 Million Baht when compared to same period of previous year due to Setting up an allowance for performance insurance receivables (EMC PCL.) of 2.60 Million Baht Set up an allowance for accrued interest (Interglob Investment Co., Ltd) of 1.32 Million Baht

- Trade account receivable and other debtors (other companies) 240.53 Million Baht as 119.02 Million Baht when compared to same period of previous year of 359.55 Million Baht by decline third party trade receivables decreased by 55.16 Million Baht, total other receivables decreased by 63.86 Million Baht and the allowance for credit loss expected to be decreased 2.82 Million Baht.
- Assets arising from contracts - other parties amounting to 24.51 Million Baht, an increase of 9.66 Million Baht from accrued service income.
- Net inventories of 209.42 Million Baht, a decrease of 174.39 Million Baht or 45.44 percent from the end of 2019, which amounted to 383.81 million baht, as a result of finished goods decreased by 12.66 Million Baht, work in process decreased 51.49 Million Baht, raw materials decreased. Down 97.33 Million Baht, factory materials decreased 12.66 Million Baht, goods in transit decreased by 0.24 Million Baht and there was an allowance for devaluation of goods decreased by 46.87 Million Baht, with the subsidiary (UWC) having net inventories decreased 141.68 Million Baht and recorded the allowance for diminution of inventories decreased by 29.76 Million Baht for the subsidiary (RWI), the net inventories decreased by 30.47 Million Baht and the allowance for diminution of inventories decreased by 17.02 Million Baht.
- Other current financial assets of 429.62 Million Baht, an increase of 101.37 Million Baht from the end of 2019, which amounted to 328.25 Million Baht, mainly due to changes in the fair value of marketable securities. This belonged to the company in the amount of 248.11 Million Baht and to the subsidiary (RWI) in the amount of 181.52 million baht.
- Non-current assets classified as held for sale amounted to 4.10 Million Baht, a decrease of 1,132.71 Million Baht, a decrease from the end of 2019 which amounted to 1,136.81 Million Baht due to the asset classification of the UWC subsidiary in the segment. The power plant business is a group of assets to be disposed of that are classified as held for sale. (See note 17 to financial statements), in the year 2020, there is only 1 company that is assets held for sale
- Bank deposits under guarantee amount of 133.02 Million Baht, a decrease of 85.13 Million Baht from the end of 2019, which amounted to 218.15 Million Baht due to the subsidiary (RWI) and the subsidiary (ENS) withdrawn at the bank that has no guarantee obligation.
- Other non-current financial assets amounted to 0.01 Million Baht, a decrease of 86.75 Million Baht from the end of 2019, which amounted to 86.76 Million Baht due to the closure of TMB Thanapulus Equity Fund
- Investments in associates of 59.08 Million Baht, an increase of 26.39 Million Baht from the end of 2019, which amounted to 32.69 Million Baht due to a subsidiary (UWC) increasing investment in DIMET.
- Investment property of 351.23 Million Baht, the value is equal to the year 2019 due to the fair value of the assets. By external independent appraisers considering the rate of return on investment in real estate and income growth, it was found that the land had fair value of 373.87 Million Baht.
- Property, plant and equipment - net amounted to 528.03 Million Baht, a decrease of 42.49 Million Baht or a 7.45 percent decrease from the end of 2019, which amounted to 570.52 Million Baht, which decreased due to the depreciation of the company and its subsidiaries amounting to 42.08. Million baht and a decrease from subsidiaries Write off assets Due to ceasing to operate
- Rights to use assets of 178.50 Million Baht occurred this year. Most of the Company (RWI) has entered into a land lease agreement with Map Ta Phut Industrial Estate in the amount of 166.43 Million Baht for a period of 20 years.
- Deferred tax assets amounted to 13.71 Million Baht, a decrease of 17.89 Million Baht or 56.63 percent from the end of 2019, which amounted to 31.60 Million Baht

- Other non-current assets amounted to 57.81 Million Baht, a decrease of 27.08 Million Baht or 31.90 percent from the end of 2019, which amounted to 84.89 Million Baht. by subsidiary (ENS) has major maintenance of the generator

### 3. Asset Quality

- **Net Account Receivable**

Company and its subsidiaries has total account receivable in year 2020 of 215.44 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	143.94	44.88	183.45	47.21	367.03	47.03
Debtor – Overdue 0 – 3 months	57.41	17.90	47.33	12.18	248.01	31.78
3 – 6 months	6.52	2.03	36.26	9.33	52.79	6.76
6 - 12 months	11.06	3.45	6.97	1.79	6.63	0.85
More than 12 months	101.76	31.74	114.54	29.49	105.96	13.58
<b>Total</b>	<b>320.69</b>	<b>100.00</b>	<b>388.55</b>	<b>100.00</b>	<b>780.42</b>	<b>100.00</b>
Less – doubtful accounts	(105.25)	(32.82)	(117.95)	(30.36)	(105.70)	(13.54)
<b>Net Doubtful Accounts</b>	<b>215.44</b>	<b>67.18</b>	<b>270.60</b>	<b>69.64</b>	<b>674.72</b>	<b>86.46</b>

As December 31, 2020 company and its subsidiaries has trade account receivable before deducting allowance for doubtful accounts 320.69 Million Baht and allowance for doubtful accounts of 105.25 Million Baht resulting in more trade account receivable of 215.44 Million Baht - Accounts receivable not yet due of 143.94 Million Baht or 44.88 percent, Trade accounts receivable not over 3 months 57.41 Million Baht or 17.90 percent (debtor of subsidiary "RWI" of 29.56 Million Baht and subsidiary "UWC" of 26.83 Million Baht), overdue receivable more than 3 months but not more than 6 months 6.52 Million Baht or 2.03 percent debtor of subsidiary (RWI) 4.25 Million Baht, more than 6 months but not exceed 12 months of 11.06 Million Baht or 3.45 percent and debtor overdue more than 12 months of 101.76 Million Baht or 31.73 percent (It is the debtor of the company amounting to 84.11 Million Baht. The company has already prosecuted and prosecuted. Debtor of subsidiary (RWI) amounting to 8.94 Million Baht and receivable of subsidiary (UWC) amounting to 6.11 Million Baht) for the allowance for bad debt of 105.25 Million Baht divided into the allowance for doubtful accounts receivable of 84.11 Million Baht Debtor of Subsidiary (RWI) Amount of 11.47 Million Baht Debtor of Subsidiary (UWC) Amount of 7.07 Million Baht as sufficient and reasonable amount

For Trade Credit Policies, usually subsidiaries will give 7-60 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 2020, average duration of collecting money equals to 93 days which decreased when compared to year 2019 as average of 100 days and subsidiary (UWC) as average of 53 days

- **Net Inventories**

Total of net inventories year 2020 equals to 209.42 Million Baht as 174.39 Million Baht decreased or equivalent to 45.44 percent when compared to year 2019 by the following details:

Type of inventories	2020		2019		2018	
	Million Baht	%	Million Baht	%	Million Baht	%
Finished Goods	47.58	17.94	70.08	14.41	95.87	13.32
Work in process	73.64	27.76	146.81	30.18	204.15	28.35
Raw Material	125.14	47.18	239.23	49.18	361.58	50.22
Factories supplies	18.87	7.12	30.12	6.19	24.59	3.41
Good in Transit	-	-	0.24	0.05	33.81	4.70
<b>TOTAL</b>	<b>265.23</b>	<b>100.00</b>	<b>486.48</b>	<b>100.00</b>	<b>720.00</b>	<b>100.00</b>
Deducted by allowance for diminution in value of inventories	(55.81)	(21.04)	(102.67)	(21.10)	(53.73)	(7.46)
<b>TOTAL</b>	<b>209.42</b>	<b>78.96</b>	<b>383.81</b>	<b>78.90</b>	<b>666.27</b>	<b>92.54</b>

As at December 31, 2020 Company and its subsidiaries had net inventories equals to 209.42 Million Baht by proportion of finished goods as calculate to 17.94 percent, work in progress equals to 27.76 percent for proportion of raw materials equals to 47.18 percent and proportion of equipment equals to 7.12 percent and no good in transit

If we consider on turnover of inventory will see that company and its subsidiaries has the rational from 27.85 (Year 2019) and 42.81 ( Year 2020) times when compared to duration of average sale period equivalent to about 9 days as decreased when compared to year 2019 as average of 13 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 2020 the company and its subsidiaries had cash and deposit money in the bank in totaling of 299.80 Million Baht as decreased from year 2019 of 354.45 Million Baht which decreased of 54.65 Million Baht which consists of the following activities.

Transaction	Amount (million baht)
Cash Flows from (used in) operating activities	138.21
Cash Flows from (used in) investing activities	482.90
Cash Flows from (used in) financing activities	(675.83)
<b>Cash or equivalent to cash (increase)</b>	<b>(54.72)</b>
Effect from exchange rate	0.07
<b>Cash or equivalent to cash ended of year (increase)</b>	<b>(54.65)</b>



In the year 2020, the company and its subsidiaries had positive value of cash flow from (used in) operation activities of 138.21 Million Baht due to business operation for year ended December 31, 2020 after adjustment of transaction which is not cash as loss of 153.31 Million Baht – decline in trade account receivable and other current receivable of 82.74 Million Baht, Accounts receivable under finance lease agreements decreased by 30.52 Million Baht, inventories decreased by 221.68 Million Baht, assets to be classified as held for sale decreased 129.30 Million Baht, other non-current assets decreased by 37.08 Million Baht. Trade payables and other current payables - other parties decreased by 124.89 Million Baht, contract liabilities decreased by 76.00 Million Baht, employee benefits due to retirement and reorganization of 19.76 million baht, interest received in cash of 18.34 Million Baht, cash payment of interest amount. 43.16 Million Baht, receive a withholding tax refund of 32.32 Million Baht and cash paid for income tax of 10.93 Million Baht.

For the cash flow from investing activities, there was a positive value of 482.90 Million Baht as a result of a decrease in the amount of deposit under the guarantee of 4.20 Million Baht. In the amount of 34.54 Million Baht, the company received money from the sale of investments in securities amounting to 5.72 Million Baht. Subsidiaries (RWI, ENS) received proceeds from the sale of investments in available-for-sale securities in the amount of 201.51 million baht. Investment in Dimet Associate of 5.09 Million Baht Subsidiary (UWC) received proceeds from disposal of non-current assets classified as held for sale of 417.44 Million Baht. Subsidiary (RWI, ENS) paid for investment in Available-for-sale securities in the amount of 114.67 Million Baht and deposits under collateral liability decreased by 85.13 Million Baht

The cash flow from financing activities was negative of 675.83 Million Baht as a result of the subsidiary (UWC) repayment of debentures in the amount of 600.00 Million Baht. 67.58 Million Baht and a subsidiary (UWC) received short-term borrowing from other parties of 8.00 Million Baht and the subsidiary repaid the finance lease liabilities of 12.32 Million Baht. Net decrease of 54.65 Million Baht, resulting in cash balance of 299.80 Million Baht as of December 31, 2020.

## **5. Source of Funds**

### **• Liabilities**

As the end of year 2020, total liabilities of company and subsidiaries equals to 802.03 Million Baht which 1,250.83 Million Baht from end of year 2019 of 2,052.86 Million Baht This was caused by a subsidiary (UWC) selling the power plant business unit on August 21, 2020, decreasing from the payment of all debentures. Decreased from short-term loans from financial institutions. Trade and other current payables decreased current liabilities and deferred tax liabilities

Current Liabilities in year 2020 as amount of 401.09 Million Baht as 1,037.07 Million Baht decreased thus year 2019 as amount of 1,438.16 Million Baht due to subsidiaries (RWI, UWC) due to decline of bank overdraft and short term loans from financial institution of 67.59 Million Baht also trade and other payable of 126.19 Million Baht. Third party trade payables decreased by 123.02 Million Baht, third party payables decreased by 3.17 Million Baht. Subsidiary (UWC) repaid debentures in January 2020 in the amount of 300.00 Million Baht. Advance received according to the contract decreased by 51.72 Million Baht. A subsidiary (UWC) received an additional short-term loan from another company by 8.00 Million Baht. The subsidiary (UWC) had a total reduction of other current liabilities amounting to 64.69 million baht, as a provision from the project contract liability. This is because the price of raw materials varies from the quoted date. The total liabilities of the asset to be disposed group that were classified as held for sale decreased by 429.30 Million Baht. A subsidiary (UWC) completed the sale of the power plant business. (See note 17 to financial statements)

Non-current liabilities in 2020 amounted to 400.94 Million Baht, a decrease of 213.76 Million Baht from the year 2019, which was 614.70 Million Baht because the subsidiary (UWC) repaid debentures in September 2020 in the amount of 300.00 Million Baht. Amounting to 24.28 Million Baht because the subsidiary company paid the debt according to the contract Deferred tax liabilities

decreased by 51.21 Million Baht and provision for employee benefits liabilities decreased by 6.06 Million Baht

- **Shareholders' Equity**

As at December 31, 2020 Company had proportion of shareholders equals to 1,597.65 Million Baht as 17.18 Million Baht increased when compared to December 31, 2019 of 1,580.47 Million Baht due to Compared to the same period of the previous year, which amounted to 1,580.47 Million Baht as the company had a net operating profit of 6.03 Million Baht, recognized the transfer of the surplus from revaluation of assets to the accumulated profit (loss) of 15.51 million baht and the impact of From the introduction of Financial Reporting Standards No. 9, Financial Instruments and No. 16, Leases, amount 4.70 Million Baht, adjusted for the beginning retained earnings on 1 January 2020

- **Sufficient Capital**

As at December 31, 2020 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, 2020, the company and its subsidiaries has debt to equity ratio equal to 0.50 times as increased when compared to year 2019 as of 1.30 times due to the reduction of total liabilities at the rate of 60.93 percent as main reason due to bank overdrafts and short-term loans decreased, Trade and other current payables decreased and pay off whole amount of debenture

- **Adequacy of liquidity**

As at December 31, 2020 – The company and its subsidiaries has ratio for liquidity of 3.10 times as increase when company to year 2019 of 1.83 times thus expecting company and its subsidiaries has current asset for pay off current liabilities of 3.10 times

- **Ability to repay debts and fulfill importance information on loan**

As at December 31, 2020 – The Company and its subsidiaries has abilities to repay debts of 3.27 times as increased from year 2019 of 2.13 times seems that company and subsidiaries has more abilities to repay debts

## **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 and affiliated company by 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 It is operated by a subsidiary of UWC, is a biomass power plant business as sells electricity to the Provincial Electricity Authority The subsidiary (UWC) has already sold its energy business.

2. Subsidiary (RWI) as nature of business operates manufacturing and distributing high tensile steel wire products. And electrodes The main factors affecting the operations are raw material prices, exchange rate fluctuations. Competition in sales, if there is high competition, may cause the product price to drop, resulting in lower gross profit of the company. And it depends on the economic conditions in each period whether the customer has more or less demand for the product.

3. Subsidiary (ENS) engages in the production and distribution of electricity and thermal energy for SCG Ceramics Public 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 which is currently stop the operation

The Company aims to invest more in businesses that support and benefit the business of existing subsidiaries and associates or businesses that tend to grow according to economic and social conditions

## 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 2020, there are 6 times of Audit Committee meetings as name of audit committees attends the meetings as follows.

			Attended
Dr. Visit	Ongpipattanakul	Chairman of Audit Committee	6/6
Mr. Yanyong	Wattanawongpitak	Audit Committee	6/6
Mr. Jakkathan	Yothanan	Audit Committee	6/6

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 2020 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**

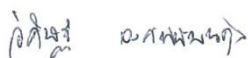
- Audit Committee has considered on independent evaluation and performance of auditors year 2020 and saw that the overall performance was satisfactory and independently
- Year 2021, company has selected office which is in list of auditors approved by Board of Securities and Exchange Commission and Stock 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 AUDIT") is the company's auditor for the year 2021 and requested to approve the audit fees for the financial statements for the year 2021 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**

Consolidated and Separate Financial Statement of Capital Engineering Network Public Company Limited and subsidiaries arranged under policy of the Board of Directors, which requires compliance with the financial reporting standards. And record the accounts with care In addition, judgments are made in the preparation of consolidated and company financial statements that must reflect actual performance of the Company and its subsidiaries.

The Board of Directors realizes the importance of the quality of the consolidated and company financial statements. With a review of financial information and sufficient additional important information is disclosed in the notes to the financial statements. There are explanations and analyzes for benefit of shareholders and general investors in the use of consolidated and company financial statements.

The Board of Directors has appointed an Audit Committee. Which consists of independent directors Supervise the quality of financial reports Evaluate the internal control system And internal audit to be effective To ensure that accounting information is recorded correctly Sufficiently complete Preserving property Including preventing fraud or unusual operations. The opinions of the Audit Committee appear in the Audit Committee Report which has been shown in this Annual Report.

From the said management structure and internal control system As well as the audit results of the certified public accountant The consolidated and company financial statements of Capital Engineering Network Public Company Limited and its subsidiaries as at 31 December 2020 show the consolidated and Separate Financial Statement, overall of business performance and business performance (company only), total cash flow and cash flow (company only) according to Financial Reporting Standards

-Wutichai Leenabanchong-

(Mr. Wutichai Leenabanchong)  
Chairman

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Capital Engineering Network Public Company Limited

### **Opinion**

I have audited the accompanying consolidated and separate financial statements of Capital Engineering Network Public Company Limited and its subsidiaries (the Group) and of Capital Engineering Network Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2020, and the related consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Capital Engineering Network Public Company Limited and its subsidiaries and of Capital Engineering Network Public Company Limited as at December 31, 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

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

#### **Valuation of inventories**

As at December 31, 2020, the Group had inventories of Baht 209.42 million which the Group's inventories are valued in the statement of financial position at cost or net realizable value whichever were lower (Note no. 4.2 and 15) I focus on this area because that estimated net realizable value involve management's judgments and the amount of inventories are significant to the financial statements.

#### **Key Audit Procedures**

I reviewed the Group's policy to measure the net realizable value of inventories was appropriate and accordance with the requirement of Thai Financial Reporting Standards and reviewed the appropriateness consistency of the methods for making the estimated net realizable value.

I understood the method for making, reviewing and authorization of estimated net realizable value. And

I audited evidences sufficiently and appropriately about to reliability of selling price of inventories that occurred after the reporting period and estimated costs necessary to make sale that



they were used to make the estimated net realizable value. Apart from this, I recalculated the mathematical accuracy estimated net realizable value.

#### Impairment of investment in subsidiaries

The impairment consideration is depended on the management judgements and assumptions. Therefore, the key audit matter is whether the valuation of investment in subsidiaries and impairment provision has been recognized in accordance with Thai Financial Reporting Standards.

Accounting policies for investments and impairment and details of investment in subsidiaries were disclosed Note 4.4 and Note 22 to the financial statements, respectively.

#### Key Audit Procedures

I understood and evaluated the design and implementation of the internal control procedures of the impairment consideration.

I examined the supporting documents in relation to the management consideration of impairment indicators for investment in subsidiaries.

I evaluated the appropriateness of valuation model and key assumptions the management used such as sale growth in the future, operating costs growth and discount rate and also recalculated the mathematical accuracy.

#### **Other Matter**

The consolidated and separate financial statements for the year ended December 31, 2019 of Capital Engineering Network Public Company Limited and its subsidiaries and of Capital Engineering Network Public Company Limited were audited by other auditor and who expressed a qualified opinion on the consolidated financial statements for the year ended December 31, 2019 in his report dated March 2, 2020 because 1) the Group recorded investment in an associate under 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 comprehensive income for the year then ended 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. At present, the auditor of the associate expressed the qualified opinions for the associate financial statements for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020, due to inability to review sufficient appropriate audit evidence regarding the occurrence and appropriateness of the professional and consulting expenses account and other payable account incurred in the financial statements for the year ended June 30, 2020 of the said associated company. And the associate's management has suspended the payment and assigned a lawyer to prosecute the party. Currently, the cases are under consideration by the Court. and 2) the possible effect on the comparability of the Year 2019's figures and the Year 2018's figures in case where the Group retrospectively restated the consolidated financial statements for the year ended December 31, 2018 because 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. However, the adjusted information from the Group's management 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.

#### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance to correct the materially misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I have required to draw attention in my auditor's report to the related disclosures in the

consolidated and Separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

SP Audit Company Limited

-Miss Susan Eiamvanicha-

(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok  
March 1, 2021

## CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2020	2019	2020	2019
			Reclassified		Reclassified
<b>ASSETS</b>					
Current Assets					
Cash and cash equivalents		299,802,051	354,448,491	32,940,904	10,442,481
Trade and other current receivable - related parties	7.1,8	344,264	17,292,007	9,794,630	6,449,197
Contract assets - related parties	7.1,9	192,600	-	4,219,977	7,974,600
Trade and other current receivable - third parties	10	240,533,496	359,551,415	4,687,295	5,128,822
Contract assets - third parties	11	24,513,617	14,849,307	-	-
Current portion of receivable under finance lease	12	33,192,682	35,940,668	-	-
Short-term loans to related parties	7.1,13	-	8,060,119	109,516,922	110,000,000
Short-term loans to third parties	14	-	-	-	-
Inventories	15	209,424,492	383,808,342	-	-
Other current financial assets	16	429,624,822	328,250,334	248,107,265	183,842,156
Non-current assets or disposal asset group					
classified as held for sales	17	4,099,925	1,136,808,885	-	-
Total current assets		1,241,727,949	2,639,009,568	409,266,993	323,837,256
Non-Current Assets					
Deposits at banks pledged as collateral	18	133,017,850	218,149,000	-	-
Other non-current financial assets	19	10,405	86,761,907	-	-
Investments in associates	20	59,078,313	32,685,467	-	-
Investments in joint venture	21	-	-	-	-
Investments in subsidiaries	22	-	-	646,115,373	916,227,723
Receivables under finance lease	12	123,125,907	150,895,536	-	-
Investment properties	23	351,227,956	351,227,956	351,227,956	351,227,956
Property, plants and equipment	24	528,026,458	570,521,255	3,793,752	4,554,810
Right-of-use assets	25	178,499,531	-	1,458,891	-
Intangible assets	26	6,635,865	2,971,305	1,085	6,045
Deferred tax assets	36	13,708,374	31,604,691	21,701,720	35,013,953
Other non-current assets	27	57,808,342	84,887,671	2,405,708	2,419,297
Total non-current assets		1,451,139,001	1,529,704,788	1,026,704,485	1,309,449,784
Total assets		2,692,866,950	4,168,714,356	1,435,971,478	1,633,287,040

Notes to financial statements are an integral part of these financial statements.

## CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2020	2019	2020	2019
			Reclassified		Reclassified
<b><u>LIABILITIES AND EQUITY</u></b>					
Current liabilities					
Short-term loans from financial institutions	28	124,742,955	192,327,589	-	-
Trade and other current payable - related parties	7.1	195,120	197,420	1,031,177	96,083
Trade and other current payable - third parties	29	193,952,503	320,137,369	3,153,390	4,548,169
Contract liabilities - third parties	30	1,197,370	52,920,844	-	-
Short-term loan from third parties	31	57,000,000	49,000,000	-	-
Provision of other current liabilities	32	-	64,686,730	-	-
Current portion of lease liabilities	33	6,203,287	1,548,516	586,772	-
Debenture	34	-	300,000,000	-	-
Short-term loan from related parties	7.1	-	-	34,787,686	30,000,000
Accrued income tax		2,028,572	1,181,252	-	-
Payable for purchase of subsidiary		15,766,602	26,861,714	5,766,602	5,766,602
Liabilities included in disposal asset group					
classified as held for sales	17	-	429,297,896	-	-
Total current liabilities		401,086,409	1,438,159,330	45,325,627	40,410,854
Non-current liabilities					
Lease liabilities	33	168,644,559	1,395,415	-	-
Contract liabilities		33,519,570	57,801,091	-	-
Debenture	34	-	300,000,000	-	-
Employee benefit obligation	35	59,551,549	65,606,966	3,902,269	9,122,252
Deferred tax liabilities	36	137,182,201	188,393,680	-	-
Provision for decom missioning		1,775,010	300,000	292,122	300,000
Other non-current liabilities		271,174	1,203,720	-	-
Total non-current liabilities		400,944,063	614,700,872	4,194,391	9,422,252
Total liabilities		802,030,472	2,052,860,202	49,520,018	49,833,106

Notes to financial statements are an integral part of these financial statements.

## CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2020	2019	2020	2019
			Reclassified		Reclassified
Equity					
Share capital	37				
Authorized share capital					
968,684,506 ordinary shares, at par value of Baht 1.00		968,684,506	968,684,506	968,684,506	968,684,506
Issued and paid up share capital					
745,141,929 ordinary shares, at par value of Baht 1.00		745,141,929	745,141,929	745,141,929	745,141,929
Premium on ordinary shares		891,305,114	891,305,114	891,305,114	891,305,114
Retained earnings (deficits)					
Appropriated					
Legal reserve	38	45,397,932	45,397,932	45,397,932	45,397,932
Unappropriated		(564,112,775)	(594,703,823)	(295,393,515)	(98,391,041)
Other components of shareholders' equity		479,914,605	493,327,535	-	-
Equity attributable to owners of the Company		1,597,646,805	1,580,468,687	1,386,451,460	1,583,453,934
Non-controlling interests of the subsidiaries		293,189,673	535,385,467	-	-
Total shareholders' equity		1,890,836,478	2,115,854,154	1,386,451,460	1,583,453,934
Total liabilities and shareholder's equity		2,692,866,950	4,168,714,356	1,435,971,478	1,633,287,040

Notes to financial statements are an integral part of these financial statements.

## CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2020	2019	2020	2019
Revenues					
Revenue from sale		1,049,157,243	1,427,567,898	-	-
Revenue from steel tower manufacturing and rendering service		419,161,544	647,000,476	-	-
Dividend income		126,196	84,024	20,125,996	84,024
Gain from fair value measurement of financial asset		104,115,048	-	56,555,741	-
Interest income		17,889,787	16,138,853	6,783,894	7,089,031
Other income		121,614,966	16,753,275	40,743,347	13,352,498
Total revenues		1,712,064,784	2,107,544,526	124,208,978	20,525,553
Expenses					
Cost of goods sold		1,081,700,029	1,475,254,796	-	-
Cost of steel tower manufacturing and rendering service		356,795,359	900,313,782	-	-
Cost of distribution		25,794,346	33,718,811	-	-
Administrative expenses		224,814,834	212,890,991	36,270,278	60,299,486
Loss from fair value measurement of financial asset		-	502,868,257	-	306,955,582
Loss on impairment of assets		16,740,009	358,626,673	-	51,738,858
Loss on impairment of investment		149,438,924	69,865,996	270,112,349	120,582,860
Temporary shutdown expenses		21,911,944	-	-	-
Finance cost		48,216,218	62,228,667	2,355,274	733,699
Total expenses		1,925,411,663	3,615,767,973	308,737,901	540,310,485
Share of loss on investments in associates		(2,660,215)	(28,930,040)	-	-
Loss before income tax expenses		(216,007,094)	(1,537,153,487)	(184,528,923)	(519,784,932)
Income tax income (expenses)	39	28,539,573	(1,564,049)	(12,111,113)	32,077,150
Loss for the year		(187,467,521)	(1,538,717,536)	(196,640,036)	(487,707,782)
Other comprehensive income					
Items must be classified into profit or loss in the future					
Gain(loss) from remeasurement of financial assets					
Realized gains occurred for the year		-	1,090,063	-	-
Reclassification to profit or loss		-	(1,448,480)	-	-
		-	(358,417)	-	-
Exchange differences from translation		716,393	377,378	-	-
		716,393	18,961	-	-
Items may not be classified into profit or loss in the future					
Capital surplus from asset valuation in associates		9,605,516	-	-	-
Actuarial (gains) losses		(8,627,549)	(5,420,856)	4,847,300	(1,144,020)
		977,967	(5,420,856)	4,847,300	(1,144,020)
Other comprehensive income(loss) for the year net of tax		1,694,360	(5,401,895)	4,847,300	(1,144,020)
Total comprehensive loss for the year		(185,773,161)	(1,544,119,431)	(191,792,736)	(488,851,802)

Notes to financial statements are an integral part of these financial statements.

## CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2020	2019	2020	2019
Loss attributable to :					
Equity holders of the Company		5,840,937	(929,802,321)	(196,640,036)	(487,707,782)
Non-controlling interests of the subsidiary		(193,308,458)	(608,915,215)	-	-
		(187,467,521)	(1,538,717,536)	(196,640,036)	(487,707,782)
Total comprehensive loss attributable to:					
Equity holders of the Company		8,256,019	(932,307,658)	(191,792,736)	(488,851,802)
Non-controlling interests of the subsidiary		(194,029,180)	(611,811,773)	-	-
		(185,773,161)	(1,544,119,431)	(191,792,736)	(488,851,802)
Basic earnings(loss) per shares	40	0.0078	(1.2478)	(0.2639)	(0.6545)

Notes to financial statements are an integral part of these financial statements.



CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

		Parent's Shareholders' Equity											
				Retained earnings(deficits)		Other components of shareholders' equity							
		Issued and paid-up	Premium on	Appropriated		Revaluation	Gain (loss) from	Exchange	Change in	Total		Non-controlling	
Notes		share capital	share capital	legal reserve	Unappropriated	surplus on	measurement	differences on	interest in	other components	Total equity holder	interests of	Total
						assets	of financial assets	translation	a subsidiary	of shareholders' equity	of the Company	the subsidiary	
Balance as at January 1, 2019 (as previously reported)		745,141,929	891,305,114	45,397,932	407,039,163	90,194,118	433,494	66,141	414,498,180	505,191,933	2,594,076,071	1,222,673,080	3,816,749,151
Correction of error	6	-	-	-	(69,501,233)	-	-	-	-	-	(69,501,233)	(105,300,660)	(174,801,893)
Balance as at January 1, 2019 (as restated)		745,141,929	891,305,114	45,397,932	337,537,930	90,194,118	433,494	66,141	414,498,180	505,191,933	2,524,574,838	1,117,372,420	3,641,947,258
Change in equity for the year													
Issuance of ordinary shares from exercise of warrants		-	-	-	-	-	-	-	(10,136,793)	(10,136,793)	(10,136,793)	802	(10,135,991)
Increase from increment of subsidiary's share capital		-	-	-	-	-	-	-	-	-	-	(1,882,786)	(1,882,786)
Decrease from sales of subsidiary's investment		-	-	-	-	-	-	-	(1,661,700)	(1,661,700)	(1,661,700)	31,706,804	30,045,104
Actuarial losses		-	-	-	(2,439,432)	-	-	-	-	-	(2,439,432)	(2,896,558)	(5,335,990)
Total comprehensive loss for the year		-	-	-	(929,802,321)	-	(204,260)	138,355	-	(65,905)	(929,868,226)	(608,915,215)	(1,538,783,441)
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	493,327,535	1,580,468,687	535,385,467	2,115,854,154
Cumulative effects of changes in accounting policies													
due to the adoption of new financial reporting standard	5.1	-	-	-	(4,700,593)	-	-	-	-	-	(4,700,593)	-	(4,700,593)
Balance as at January 1, 2020 (as restated)		745,141,929	891,305,114	45,397,932	(599,404,416)	90,194,118	229,234	204,496	402,699,687	493,327,535	1,575,768,094	535,385,467	2,111,153,561
Change in equity for the year													
Change in interest in a subsidiary		-	-	-	-	-	-	-	(1,887,412)	(1,887,412)	(1,887,412)	(32,656,510)	(34,543,922)
Transfer revaluation surplus to retained earnings (deficits)		-	-	-	30,837,396	(15,327,292)	-	-	-	(15,327,292)	15,510,104	(15,510,104)	-
Capital surplus from asset valuation in associates						3,612,635				3,612,635	3,612,635	5,992,881	9,605,516
Actuarial losses					(1,386,692)					-	(1,386,692)	(7,240,857)	(8,627,549)
Total comprehensive loss for the year		-	-	-	5,840,937	-	-	189,139	-	189,139	6,030,076	(192,781,204)	(186,751,128)
Balance as at December 31, 2020		745,141,929	891,305,114	45,397,932	(564,112,775)	78,479,461	229,234	393,635	400,812,275	479,914,605	1,597,646,805	293,189,673	1,890,836,478

Notes to financial statements are an integral part of these financial statements.

**CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**SEPARATE STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

(Unit : Baht)						
			Retained earnings(deficits)			
		Issued and paid-up	Premium on	Appropriated	Total	
Notes	share capital	share capital	legal reserve	Unappropriated		
Balance as 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						
Actuarial losses		-	-	-	(1,144,020)	(1,144,020)
Total comprehensive loss for the year		-	-	-	(487,707,782)	(487,707,782)
Balance as at December 31, 2019 (as previously reported)		745,141,929	891,305,114	45,397,932	(98,391,041)	1,583,453,934
Cumulative effects of changes in accounting policies						
due to the adoption of new financial reporting standard	5.1	-	-	-	(5,209,738)	(5,209,738)
Balance as at January 1, 2020 (as restated)		745,141,929	891,305,114	45,397,932	(103,600,779)	1,578,244,196
Change in shareholders'equity for the year						
Actuarial gains		-	-	-	4,847,300	4,847,300
Total comprehensive loss for the year		-	-	-	(196,640,036)	(196,640,036)
Balance as at December 31, 2020		745,141,929	891,305,114	45,397,932	(295,393,515)	1,386,451,460

Notes to financial statements are an integral part of these financial statements.

## CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2020	2019	2020	2019
Cash flow from operations Activities					
Loss before income tax expenses		(22,698,636)	(928,238,272)	(184,528,923)	(519,784,932)
Adjustments to reconcile loss before income tax expenses					
for cash received (used) from operations					
Allowance for expected credit loss (reversal)		(1,406,319)	10,708,902	11,724,961	20,640,611
Unrealized loss on exchange rate		7,002	1,359,944	-	-
Loss on decline in the value of inventories (reversal)		(47,297,047)	35,509,443	-	-
(Gain) loss from measurement of other financial assets		(104,115,048)	502,868,257	(56,555,741)	306,955,582
Loss on sales of financial assets		2,591,498	2,959,019	897,604	5,208,867
Loss on impairment of investments		149,438,924	69,865,996	270,112,349	120,582,860
Gain on redemption debenture		(1,355,160)	-	-	-
Written-off withholding income tax		147,197	-	-	-
Depreciation and amortization		53,788,109	106,650,382	4,203,681	972,257
Loss on impairment of asset		16,740,009	358,626,673	-	51,738,858
(Gain) loss from sales and write-off assets		17,332,157	(14,814,032)	12	-
Provision of other current liabilities (reversal)		(64,686,730)	64,686,730	-	-
Provision for employee benefits		6,286,799	13,044,574	839,143	1,972,627
Share of loss from investments in associates		2,660,215	28,930,040	-	-
Share of gain to non-controlling interest		(193,308,458)	(608,915,215)	-	-
Loss on disposal of investments in associates		2,362,421	755,366	-	8,892,240
Dividend income		(126,236)	(84,024)	(20,125,996)	(84,024)
Interest income		(17,889,787)	(16,138,853)	(6,783,894)	(7,089,031)
Interest expenses		48,216,218	62,228,667	2,355,274	733,699
Gain (loss) from operation before changes in operating assets and liabilities		(153,312,872)	(309,996,403)	22,138,470	(9,260,386)
(Increase) decrease in trade and other current receivable - related parties		15,622,887	3,104,190	31,827	(31,827)
(Increase) decrease in contract assets - related parties		(192,600)	(400,440)	395,072	(5,866,530)
(Increase) decrease in trade and other current receivable - third parties		82,741,579	404,058,746	222,874	7,526,308
Decrease in receivable under lease		30,517,615	10,994,440	-	-
(Increase) decrease in contract assets - third parties		(1,461,278)	36,270,446	-	59,911

Notes to financial statements are an integral part of these financial statements.

## CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

		Consolidated		Separate financial statements	
	Notes	2020	2019	2020	2019
Cash flow from operations Activities (continued)					
Decrease in inventories		221,680,896	201,544,108	-	-
(Increase) decrease in asset group classified as held for sales		129,304,444	(102,056,626)	-	-
(Increase) decrease in other non-current assets		37,081,048	(11,441,386)	(205,209)	500
Increase (decrease) in trade and other current payables - related parties		34,512	5,861	(645)	59,177
Increase (decrease) in trade and other current payables - third parties		(124,889,953)	(272,915,891)	(1,405,485)	(152,724)
Increase (decrease) in contract liabilities		(76,004,995)	25,957,961	-	-
Increase in other current liabilities		271,174	-	-	-
Cash paid for employee benefits		(19,757,941)	(6,598,812)	-	-
Cash generated (paid) from operation		141,634,516	(21,473,806)	21,176,904	(7,665,571)
Cash received from interest income		18,338,457	20,250,586	1,299,033	110,542
Cash paid for interest expenses		(43,155,329)	(43,966,993)	(1,499,871)	(643,836)
Cash received for income tax		32,322,291	558,689	-	-
Cash paid for income tax		(10,928,821)	(23,983,234)	(428,976)	(496,454)
Net cash provided by (used in) operating activities		138,211,114	(68,614,758)	20,547,090	(8,695,319)
Cash flow from investing activities					
Decrease in fixed deposit		4,204,700	-	-	-
Payment for treasury shares		(34,543,922)	-	-	-
Cash paid for other current financial assets		(9,862,724)	(143,844,971)	(9,354,313)	(42,178,930)
Proceed from sales of other current financial assets		5,719,154	46,355,394	747,341	5,845,100
Acquisition of other non-current financial assets		(114,670,000)	(478,600,000)	-	-
Proceed from sales of other non-current financial assets		201,509,433	571,085,350	-	-
Acquisition of investment in subsidiaries		(11,095,112)	(1,688,956)	-	(54,188,956)
Proceed from sales of investment in subsidiaries		-	17,774,291	-	17,774,291
Acquisition of investment in associates		(31,045,306)	950,330	-	-
Cash received from sales of investment in associates		5,092,285	-	-	-
(Increase) decrease in short-term loan to related party		-	-	(12,505,081)	53,740,000

## CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

		Consolidated		Separate financial statements	
	Notes	2020	2019	2020	2019
Cash flow from investing activities (continued)					
Acquisition of equipment and payable for purchase of assets		(32,252,355)	(30,312,216)	(14,450)	(62,643)
Dividend income		126,236	84,024	20,125,996	84,024
Cash received from disposals of equipment		2,071,481	5,573,573	-	-
Proceeds from disposal asset group classified as held for sales		417,440,287	152,172,475	-	-
Acquisition of intangible assets		(4,922,500)	-	-	-
Decrease in deposits of financial institution pledged as collateral		85,131,150	12,547,040	-	-
Net cash provided by (used in) investing activities		482,902,807	152,096,334	(1,000,507)	(18,987,114)
Cash flows from financing activities					
Proceeds from issuing ordinary share of subsidiary paid by non-controlling interest		-	802	-	-
Decrease in short-term loans from financial institutions		-	(152,274,829)	-	-
Increase in short-term loans from third parties		8,000,000	9,500,000	1,500,000	-
Increase (decrease) in short-term loans from related parties		(67,584,634)	-	5,000,000	30,000,000
Proceeds from issuance of debentures		-	300,000,000	-	-
Repayment to debentures		(600,000,000)	(300,000,000)	-	-
Cash received for long-term loans from financial institutions		-	326,300,000	-	-
Cash paid for long-term loans from financial institutions		-	(44,497,941)	-	-
Repayment to lease liabilities		(12,323,903)	(7,131,062)	(3,416,183)	-
Repayment of interest expense on lease liabilities		(3,918,937)	(3,660,434)	(131,977)	-
Net cash provided by (used in) financing activities		(675,827,474)	128,236,536	2,951,840	30,000,000
Net increase (decrease) in cash and cash equivalent		(54,713,553)	211,718,112	22,498,423	2,317,567
Cash and cash equivalent at the beginning of the year		354,448,491	142,252,204	10,442,481	8,124,914
Effect of exchange rate changes on cash and cash equivalent		67,113	478,175	-	-
Cash and cash equivalent at the ended of the year	41.1	299,802,051	354,448,491	32,940,904	10,442,481

Notes to financial statements are an integral part of these financial statements.

**CAPITAL ENGINEERING NETWORK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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1. General information

Capital Engineering Network Public Company Limited (“the Company”) is a public limited company and is incorporated in Thailand. The Company is listed on Stock Exchange of Thailand. The address of the Company’s registered office is 1011, Supalai Grand Tower, 17<sup>th</sup> Floor, Rama 3 Road, Chongnonsi, Yannawa Bangkok.

The principal activities of the Company and subsidiary (“the Group”) involve holding company, the production and distribution of the engineering construction material, transmission tower and renewable energy.

Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation of financial statements

The consolidated and separate financial statements are presented in Thai language and Thai Baht, and in conformity with Thai generally accepted accounting principles under the Accounting Act B.E. 2543(or 2000), being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (or 2004), and the financial reporting requirements of the Capital Market Supervisory Board under the Securities and Exchange Act B.E.2535 (or 1992).

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Actual results may differ from those estimates. Although the management has most.

The financial statements issued for Thai report purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The Federation of Accounting Profession (TFAC) has notified to apply the new financial reporting standards and the revised some exiting financial reporting standards to the financial statements having an accounting period beginning on or after January 1, 2020.

TFRS No. 1 First-time Adoption of International Financial Reporting Standards

TFRS No. 3 Business Combinations

TFRS No. 7 Financial Instruments : Disclosures

TFRS No. 9 Financial Instruments

TFRS No. 11 Joint Arrangements

TFRS No. 16 Leases

TAS No. 12 Income Taxes

TAS No. 19 Employee Benefits

TAS No. 23 Borrowing Costs

TAS No. 28 Investments in Associates and Joint Ventures

TAS No. 32 Financial Instruments : Presentation

TFRIC No. 16 Hedges of a Net Investment in a Foreign Operation

TFRIC No. 19 Extinguishing Financial Liabilities with Equity Instruments

TFRIC No. 23 Uncertainty over Income Tax Treatments

Guide on Accounting : Financial Instruments and Disclosures for Insurance Business

Guide on Accounting : Exemption for Business Combination under Common Control in case of First-time Adoption of International Financial Reporting Standards

The Group has adopted such financial reporting standards to the financial statements on the current period. The management believes that they don't have any significant impact on the financial statements for the current period except the implementation of TFRS No.9 Financial Instruments and TFRS No.16 Leases as described in notes to financial statement no.5.

The Federation of Accounting Professions announced Accounting Guidance for Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 and December 31, 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

And from January 1, 2021 onwards, the Group will cease to comply with Accounting Guidance for Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 mentioned above which ended on December 31, 2020. The management is currently assessing the impact on the Group financial statements for the future period.

Moreover, the Federation of Accounting Profession has notified to apply the following financial reporting standards to the financial statements in the future periods.

	<u>Effective date</u>
TFRS No. 2 Share-based Payment	January 1, 2021
TFRS No. 3 Business Combinations	January 1, 2021
TFRS No. 6 Exploration for and Evaluation of Mineral Resources	January 1, 2021
TFRS No. 7 Financial Instruments: Disclosures	January 1, 2021
TFRS No. 9 Financial Instruments	January 1, 2021
TAS No. 1 Presentation of Financial Statements	January 1, 2021
TAS No. 8 Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2021
TAS No. 10 Events after the Reporting Period	January 1, 2021
TAS No. 34 Interim Financial Reporting	January 1, 2021
TAS No. 37 Provisions, Contingent Liabilities and Contingent Assets	January 1, 2021
TSIC No. 32 Intangible Assets - Web Site Costs	January 1, 2021

The Group has not early adopted such financial reporting standards having the effective date to the financial statements on the future periods before the effective dates. The management is currently assessing the first-year impact on the Group's financial statements.



### 3. Principles of consolidation financial statements

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries, which are those entities in which the Group has power to govern the financial and operating policies, are consolidated. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Acquisitions of subsidiaries are accounted for using the acquisition method. The consideration transferred for acquisition is measured at the sum of the fair value of the assets given, the liabilities incurred, and equity instruments issued by the Group at the date of exchange. Acquisition-related costs are accounted as expenses in the period in which the costs are incurred. The excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the fair value of the net identifiable assets of the subsidiary acquired is recognized as goodwill and to be tested for impairment annually. If, after reassessment, the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) is less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognized in profit or loss as a bargain purchase gain.

Related party transactions, balances and unrealized gains on transactions between group companies are eliminated; unrealized losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

The consolidated financial statements as at December 31, 2020 and 2019 have been prepared by including the financial statements of Capital Engineering Network Public Company Limited and its subsidiaries after eliminate the significant related party balances and transactions. The percentage directly and indirectly owned by the Company as follows:-

<u>Name of subsidiary</u>	<u>Nature of business</u>	<u>Incorporated in</u>	<u>Percentage of shareholding</u>	
			<u>2020</u>	<u>2019</u>
Rayong Wire Industries Public Company Limited	Manufacturing and distributing prestressed concrete wire, prestressed concrete strand wire and welding wire	Thailand	72.93	70.00
Ua Withya Public Company Limited	Manufacturing and distributing industrial equipment and transmission line towers, telecommunication towers, and distributing substation steel structures	Thailand	37.61	37.61
Enesol Company Limited	Manufacturing and distributing electricity and heat energy	Thailand	100.00	100.00
Pipe Line Engineering Company Limited	Construction and tunnel excavation	Thailand	100.00	100.00
Evergreen Biomass Company Limited	Distributing fuel for power plant	Thailand	100.00	100.00
WJC Enterprise Company Limited	Fabrication construction and design	Thailand	94.25	94.25

<u>Name of subsidiary</u>	<u>Nature of business</u>	<u>Incorporated in</u>	Percentage of shareholding	
			<u>2020</u>	<u>2019</u>
Paradise Green Energy Company Limited *	Biogas power plant business, and agricultural	Thailand	24.45	24.45
UWC Komen Biomass Company Limited *	Biomass power plant project	Thailand	-	37.61
Ultra Asia Company Limited *	Trading and investing	Thailand	37.61	37.61
Satuek Biomass Company Limited *	Biomass power plant project	Thailand	-	37.61
UWC Amphan Biomass Company Limited *	Biomass power plant project	Thailand	-	37.61
UWCC (Cambodia) Company Limited *	Manufacturing and selling woodchips	Cambodia	26.33	26.33
Ultra Asia Singapore Pte.Ltd.*	Management of human resource functions	Singapore	37.61	37.61
Ultra Network Pte.Ltd.*	Invest in other company	Singapore	37.61	-
Ultra Asia Investment Pte.Ltd.*	Invest in other company	Singapore	37.61	-
Sky Towers Infra Inc. *	Telecommunication tower lease	Philippines	37.61	-

\* The Company indirectly holds the shares via Ua Withya Public Company Limited.

The financial statements of the subsidiaries are prepared for the same reporting periods as the Company and using consistent significant accounting policies.

Non-controlling interests measured at net asset value of the proportion of shares held by non-controlling interest in it.

The assets and liabilities in the financial statements of overseas subsidiaries company is translated to Baht using the exchange rate prevailing at the end of reporting period, and revenues and expenses are translated using monthly average exchange rate. The resulting differences are shown under the caption of “Other components of equity” in the statements of changes in shareholders’ equity.

#### 4. Accounting policies

##### 4.1 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

##### 4.2 Inventories

Inventories are stated at the lower of cost or net realizable value. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts, allowances or rebates. The cost of finished goods and work in process comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities.

Cost of raw materials (steel), biomass materials, factory supplies and work in progress is calculated using the weighted-average method. Cost of industrial goods is calculated using the first-in, first-out (FIFO) method.

The Company estimates the net realisable value by using the selling price in the ordinary course of business less selling expenses.

The Company makes the allowance for diminutions in the value of obsolete, defective or slow-moving inventories.

#### 4.3 Non-current assets or disposal group classified as held for sale

A non-current asset or disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

A non-current asset or disposal group classified as held for sale is measured at the lower of its carrying amount and fair value less costs to sell. (The incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense).

The Group does not depreciate or amortize a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

#### 4.4 Investments

##### Investments in associates

Investments in associates are accounted for using the cost method of accounting in the separate financial statements less allowance for impairment investment (if any). And investments in associates are accounted for using the equity method in the consolidated financial statements.

##### Investments in joint ventures

Investments in joint ventures are accounted for using the cost method of accounting in the separate financial statements less allowance for impairment investment (if any). And investments in joint ventures are accounted for using the equity method in the consolidated financial statements.

Where there is the necessary, accounting policies of associates and joint ventures have been changed to ensure consistency with the policies adopted by the Group.

## Investment in subsidiary

Investment in subsidiary is reported by using the cost method of accounting in the separate financial statements less allowance for impairment investment (if any).

### 4.5 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation is measured initially at its costs, including transaction cost. Subsequent to initial recognition, investment property is measured at their historical cost less accumulated depreciation and accumulated impairment losses (if any).

The Group's depreciation is calculated on the straight-line method to write off the cost of each asset, except for land and assets under construction, to their residual values over their estimated useful life as follows:

	<u>Years</u>
Building	20

### 4.6 Property, plant and equipment

Land held for use in the production or supply of goods or services, or for administrative purposes, is stated in the statement of financial position at the revalued amount. The revalued amount means the fair value at the date of the revaluation less the accumulated impairment losses (if any).

Asset with the revalued amount is basically proceeded by independent appraiser every 3 years so that the book value as of the date in the statement of financial position will not be materially different from fair value. During this period if there are any other factors which materially effect the value of property, the Group will arrange for new revaluation in that respective year immediately.

The differences arising from revaluation are deal with in the financial statements of the Group as follows: -

- If the property's carrying amount is increased as a result of the revaluation, the increase is recognized in other comprehensive income and accumulated in equity under the heading of "Revaluation surplus". However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

- If the property's carrying amount is decreased as a result of the revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the "Revaluation surplus" in respect of that property. Any excess amount is recognized in profit or loss.

Buildings and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their historical cost less accumulated depreciation and accumulated impairment losses (if any).

The cost of an item of asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and the borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset.

The Group's depreciation is calculated on the straight-line method to write off the cost of each asset, except for land and assets under construction, to their residual values over their estimated useful life as follows:

	<u>Years</u>
Buildings and building improvements	10 - 20
Machinery and equipment	5 - 20
Tunnel boring machinery	5 - 15
Furniture, fixtures and office equipment	3 - 10
Vehicles	5

The residual value, the useful life and the depreciation method of an asset will be reviewed at least at each financial year end.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and recognized in profit or loss. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets transferred directly to retained earnings.

## 4.7 Leases

### *Accounting policies adopt since January 1, 2020*

Where the Group is the lessee

At inception of a contract, the Group assesses that the contract is or contains a lease if the contract conveys to the Group the right to control the use of an identified asset for a period of time in exchange for consideration. The contract that conveys to the Group the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset is treated as the contract conveys the right to control the use of an identified asset.

At the commencement date, The Group recognizes a right-of-use asset and a lease liability for all lease contracts except for short-term leases with a lease term of 12 months or less and leases for which the underlying asset is of low value. The right-of-use asset is measured at cost and the lease liability is measured at the present value of the lease payments that are not paid at that date discounted by using the interest rate implicit in the lease. For the lease payments for short-term leases with a lease term of 12 months or less and leases for which the underlying asset is of low value, the Group recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises of the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories (The obligation for those of costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period).

The lease payments included in the measurement of the lease liability comprise the fixed payments less any lease incentives receivable, the variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, the amounts expected to be payable under residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option and the payments of penalties for terminating the lease if the lease term reflects the Group exercising an option to terminate the lease. For the variable lease payments not included in the measurement of the lease liability, the Group recognizes as an expense relating to those payments in profit or loss in the period in which the event or condition that triggers those payments occurs.

After the commencement date, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

The Group depreciates the right-of-use assets on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

After the commencement date, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability by discounting the revised lease payments using a revised discount rate when there is a change in the lease term, there is a change in the assessment of an option to purchase the underlying asset.

The Group re-measures the lease liability by discounting the revised lease payments using an unchanged discount rate when there is a change in the amounts expected to be payable under a residual value guarantee, and there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments (Unless the change in lease payments results from a change in floating interest rates. In that case a revised discount rate that reflects the change in the interest rate is used).

The Group re-measures the lease liability by discounting the revised lease payments using a revised discount rate when there is a lease modification that is not accounted for as a separate lease.

Where the Group is the lessor

The Group classifies a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and classifies a lease as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Group recognizes assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease and recognizes finance income over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

The Group recognizes lease payments from operating leases as income on a straight-line basis and adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognizes those costs as an expense over the lease term on the straight-line basis.

*Accounting policies adopt before January 1, 2020*

Where the 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 the 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.

#### 4.8 Intangible assets

Intangible assets in type of computer softwares, which have finite useful lives, are stated at cost less accumulated amortization and impairment losses (if any). Amortization is calculated using the straight-line method to allocate the cost over their estimated useful lives 5 years.



Intangible assets in type of costs of gas branch piping system in producing and distributing electricity and heat energy project, which acquired by the Group, are stated at cost less accumulated amortization and impairment losses (if any). Amortization is calculated using the straight-line method to allocate the cost over their estimated useful lives 15 years.

#### 4.9 Impairment of assets

The carrying amounts of the Group's assets and also intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication 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 which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

The Group will recognize impairment losses in profit or loss, or reduce the revaluation increment in assets in case that those assets are previously revalued. The reversal of impairment losses will be recognized in profit or loss or as a revaluation increment in assets when there is an indication that the impairment losses are no longer exist or decreased.

#### 4.10 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

#### 4.11 Revenue recognition

The Group recognizes the revenue from sale of steel wire products when the customers has accepted the promised goods delivered by the Group identified as a performance obligation satisfied at a point in time according to the amount of the transaction price.

The Group recognizes the revenue from production of infrastructure for electric power and telecom under long-term contracts in the form of project work when the production is completed, work has been inspected and delivered to the customer at the Group's factory identified as a performance obligation satisfied at a point in time according to the amount of the transaction price.

The Group recognizes the revenue from sale of industrial products when the customers has accepted the promised goods delivered by the Group identified as a performance obligation satisfied at a point in time according to the amount of the transaction price.

The Group recognizes the revenue from generation and distribution of electricity identified as a performance obligation satisfied at a point in time according to the number of units measured from the power meter and the rate specified in the power purchase agreement in each month.

The Group determines the transaction price, which is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer for that performance obligation, which includes the fixed amounts and the estimate variable amounts by using the expected value method only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

#### 4.12 Retirement benefit costs

##### Defined contribution plan

The Group operates a provident fund which is funded by payments from employees and by the Group. The assets for which are held in a separate trust fund. Contributions to the provident fund are recognized in profit or loss in the period in which they are incurred.

##### Defined benefit plan

The Group has the employee benefit obligation in case of retirement or termination under the labor law. The Group hires an actuary to calculate on an actuarial technique the said employee benefit obligation. The said employee benefit obligation is discounted using the projected unit credit method by reference to an interest rate of a government bond to determine the present value of the employee benefit obligation, current service cost and related interest expense. The current service cost and interest expense are recognized in profit or loss. Actuarial gains and losses arising from re-measurement of the employee benefit obligation are recognized in other comprehensive income and transferred in retained earnings, respectively without reclassification of those amounts to profit or loss in a subsequent period.

#### Other long-term employee benefits

The other long-term employee benefit obligation is calculated same as the calculation of the defined benefit plan. However, the current service cost, interest expense and actuarial gains and losses arising from re-measurement of the other long-term employee benefit obligation are recognized in profit or loss.

#### 4.13 Foreign currency transactions

The Company translates foreign currency transactions into Baht using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities at the end of the reporting period denominated in foreign currencies are translated into Baht at the exchange rate prevailing at that date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss as incurred.

#### 4.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

#### 4.15 Income tax

The Group recognizes the unpaid current tax for current period as a liability in the statement of financial position. In a case where the amount already paid in respect of current period exceeds the amount due for such period, the excess will be recognized as an asset in the statement of financial position.

The Group recognizes a deferred tax liability for all taxable temporary difference, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which affects neither accounting profit nor taxable profit at the time of the transaction. The Group recognizes a deferred tax asset for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

The Group recognizes a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. And the Group recognizes a deferred tax asset for all deductible temporary differences arising from investment in subsidiaries and associates, to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

The Group measures the current tax liabilities and assets for the current period using the tax rate that have been enacted by the end of the reporting period. And the deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rate that have been enacted or substantively enacted by the end of the reporting period.

The Group recognizes the current and deferred tax as an income or an expense and includes it in profit or loss for the period, except the current and deferred tax for items that are recognized in the other comprehensive income or directly in the equity will be recognized in the other comprehensive income or directly in the equity.

#### 4.16 Financial assets

##### *Accounting policies adopt since January 1, 2020*

The Group recognizes a financial asset in its statement of financial position when the Group becomes party to the contractual provisions of the instrument. The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or the Group transfers the contractual rights to receive the cash flows of the financial asset and transfers substantially all the risks and rewards of ownership of the financial asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. The Group measures trade receivables at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer if the trade receivables do not contain a significant financing component.

The Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group subsequently measures financial assets when the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding at amortized cost by using the effective interest method in calculation of the interest revenue.

The Group recognizes a gain or loss on a financial asset that is measured at amortized cost in profit or loss when the financial asset is amortized, impaired or de-recognized.

The Group subsequently measures financial assets when the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding at fair value through other comprehensive income.

The Group recognizes interest income calculated using the effective interest method, impairment gains or losses and foreign exchange gains or losses in profit or loss and recognizes a gain or loss on subsequent changes in fair value in other comprehensive income. When the financial asset is de-recognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

The Group subsequently measures all other financial assets other than the financial assets described above at fair value through profit or loss.

The Group recognizes an interest income, dividend income and gain or loss on subsequent changes in fair value in profit or loss.

#### 4.17 Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost or at fair value through other comprehensive income, a trade receivable, a contract asset and a lease receivable.

The Group measures the loss allowance by applying the simplified approach for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. The Group uses a provision matrix based on the historical credit loss experience adjusted to reflect factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction in the calculation of the expected credit losses.

The Group measures the loss allowance by applying the general approach for other financial instrument that is measured at amortized cost or at fair value through other comprehensive income at an amount equal to 12-month expected credit losses if the credit risk on a financial instrument has not increased significantly since initial recognition and at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

##### *Accounting policies adopt before January 1, 2020*

###### Trade receivable

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.

###### Investments held for trading and available-for-sale investments

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.

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 including accumulated profit or loss from remeasurement related securities that recorded in equity is recognized in profit or loss.

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.

## 4.18 Financial liabilities

The Group recognizes a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument and removes a financial liability or a part of a financial liability from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition, the Group measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

The Group classifies financial liabilities as subsequently measured at amortized cost by using the effective interest method or at fair value through profit or loss.

The Group recognizes a gain or loss for a financial liability measured at amortized cost in profit or loss when the financial liability is amortized and recognizes a gain or loss for a financial liability measured at fair value through profit or loss on subsequent changes in fair value in profit or loss.

### *Accounting policies adopt before January 1, 2020*

#### 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.

#### 4.19 Critical accounting estimates, assumption and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### Plant and equipment

Management determines the estimated useful lives and residual values for the Group's plant and equipment. Management will revise the depreciation charge where useful lives and residual values are different to previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

##### Employment benefits

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

#### 5. Change in accounting policy

##### 5.1 Accounting for financial instruments

From January 1, 2020 onward, the Group applied TFRS No.9 Financial Instruments which replaces TAS No. 101 Doubtful Accounts and Bad Debts, TAS No. 104 Accountings for Troubled Debt Restructurings (revised 2016), TAS No. 105 Accountings for Investments in Debt and Equity Securities (revised 2016), TAS No. 106 Accountings for Investments Entities, TSIC Transfers of Assets from Customers, Guide on Accounting for De-recognition of financial assets and financial liabilities and Guide on Accounting for Insurance Business in Determining Financial Instruments as Financial Instruments Presented with Fair Value through Profit or Loss. The financial reporting standard stipulates the accounting treatments on the classification and measurement of financial assets and financial liabilities, the loss allowance for expected credit loss and the hedge accounting.

The Group elects to apply this Standard by recognition the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application on the transition for classification and measurement of financial assets and financial liabilities and the loss allowance for expected credit loss. However, for the change in the accounting policy on the part of hedge accounting, the management assesses that it don't have any significant impact to the Group's financial statements.



The change of accounting policy has impacted on the statement of financial position as at January 1, 2020 are as follows :-

	(Unit : Baht)	
	Consolidated statement of financial position	Separate statement of financial position
	As at	
	January 1, 2020	
(Decrease) in contract assets- related parties	-	(4,734,589)
(Decrease) in trade and other current receivable - third parties	(3,473,732)	-
Increase in trade and other current receivable - third parties of disposal asset group classified as held for sales	102,668	-
(Decrease) in other current receivable - third parties	(712,398)	-
(Decrease) in short - term loans to related parties	-	(475,149)
(Increase) in trade and other current payables - related parties	-	(249,772)
(Increase) in trade and other current payables - third parties	(4,837,602)	-
Decrease in short - term loans from related parties	-	249,772
Decrease in debenture	5,239,984	-
(Increase) in long - term loan from financial institutions	(149,776)	-
(Increase) in deferred tax liabilities	(159,503)	-
(Increase) in deferred tax liabilities of disposal asset group classified as held for sales	(710,234)	-
Decrease in retained earnings	4,700,593	5,209,738

The measurement categories and carrying amounts of financial assets and financial liabilities determined in accordance with the previous accounting standard and the new financial reporting standard are as follows:-

	(Unit : Baht)		
	Consolidated statement of financial position		
	Previous	New (IFRS 9)	
	The carrying amounts according to previous accounting principles	The measurement categories	The carrying amounts
	December 31, 2019		January 1, 2020
<u>Financial assets</u>			
Cash and cash equivalents	354,448,491	Amortized cost	354,448,491
Other current financial assets	328,250,334	Fair value through PL	328,250,334
Trade and other current receivable - related parties	17,292,007	Amortized cost	17,292,007
Trade and other current receivable - third parties	359,551,415	Amortized cost	355,365,285
Contract assets - third parties	14,849,307	Amortized cost	14,849,307
Short - term loans to related parties	8,060,119	Amortized cost	8,060,119
Deposits at banks pledged as collateral	218,149,000	Amortized cost	218,149,000
Other non - current financial assets	86,761,907	Fair value through PL	86,761,907

(Unit : Baht)

## Consolidated statement of financial position

	Previous	New (TFRS 9)	
	The carrying amounts according		
	to previous accounting principles	The measurement	The carrying amounts
	<u>December 31, 2019</u>	<u>categories</u>	<u>January 1, 2020</u>
<u>Financial liabilities</u>			
Short-term loans from financial institutions	192,327,589	Amortized cost	192,327,589
Trade and other current payables - related parties	197,420	Amortized cost	197,420
Trade and other current payables - third parties	320,137,369	Amortized cost	324,974,971
Contract liabilities - third parties	110,721,935	Amortized cost	110,721,935
Payable from purchase of shares	26,861,714	Amortized cost	26,861,714
Short - term Loans from third parties	49,000,000	Amortized cost	49,000,000
Debenture	600,000,000	Amortized cost	594,760,016

(Unit : Baht)

## Separate statement of financial position

	Previous	New (TFRS 9)	
	The carrying amounts according		
	to previous accounting principles	The measurement	The carrying amounts
	<u>December 31, 2019</u>	<u>categories</u>	<u>January 1, 2020</u>
<u>Financial assets</u>			
Cash and cash equivalents	10,442,481	Amortized cost	10,442,481
Other current financial assets	183,842,156	Fair value through PL	183,842,156
Trade and other current receivable - related parties	6,449,197	Amortized cost	6,449,197
Contract assets- related parties	7,974,600	Amortized cost	3,240,011
Trade and other current receivable - third parties	5,128,822	Amortized cost	5,128,822
Short - term loans to related parties	110,000,000	Amortized cost	109,524,851
<u>Financial liabilities</u>			
Trade and other current payable - related parties	96,083	Amortized cost	345,855
Trade and other current payable - third parties	4,548,169	Amortized cost	4,548,169
Payable from purchase of shares	5,766,602	Amortized cost	5,766,602
Short - term Loans from related parties	30,000,000	Amortized cost	29,750,228

The reconciliation of the allowance for doubtful accounts and impairment allowance as at December 31, 2019, determined in accordance with the previous accounting standard to the loss allowances as at January 1, 2020, determined in accordance with the new financial reporting standard, are as follows:-

(Unit : Baht)

	Consolidated statement of financial position			Separate statement of financial position		
	Allowance for doubtful accounts / impairment allowance		Loss allowance	Allowance for doubtful accounts / impairment allowance		Loss allowance
	As at	Increase (decrease)	As at	As at	Increase (decrease)	As at
	December 31, 2019		January 1, 2020	December 31, 2019		January 1, 2020
Trade and other current receivable - third parties	117,948,706	3,473,732	121,422,438	-	-	-
Contract assets - related parties	-	-	-	-	4,734,589	4,734,589

## 5.2 Accounting for leases

From January 1, 2020 onward, the Group applied TFRS No.16 Leases which replaces TAS No. 17 Leases (revised 2018), TSIC No. 15 Operating Leases - Incentives (revised 2018), TSIC No. 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease (revised 2018) and TFRIC No. 4 Determining whether an Arrangement contains a Lease (revised 2018). The financial reporting standard requires that a lessee recognizes an asset and a liability for all leases except for short-term leases (leases of 12 months or less) and leases for which the underlying asset is of low value. The lessee shall recognizes a right-of-use asset and a lease liability and shall measures the right-of-use asset at cost and the lease liability at the present value of the lease payments that are not paid at that date. And the lessee shall subsequently measures the right-of-use asset by applying the cost model, the fair value model or the revaluation model and the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payment made. The previous accounting treatment requires that the lessee classified leases as either finance leases or operating leases and account for those two types of leases differently. However, the substantial requirement on leases accounting for a lesser does not changed. Thus, the lessor will continue to classify leases as either finance leases or operating leases and account for those two types of leases differently.

The Group elects to apply retrospectively with the cumulative effect of initially applying this financial reporting standard recognized at the date of initial application to all of its leases in which the Group is a lessee by recognition the cumulative effect of initially applying this financial reporting standard as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application. Moreover, the Group elects to recognize a lease liability measured at the present value of the remaining lease payments discounted using the Group's incremental borrowing rate at the date of initial application and to recognize a right-of-use asset measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application in accordance with the transition provision of this financial reporting standard.

The change of accounting policy has impacted on the statements of financial position as at January 1, 2020 are as follows :-

	(Unit : Baht)	
	Consolidated statement of financial position	Separate statement of financial position
	As at	
	January 1, 2020	
(Decrease) in property, plant and equipment	(3,590,024)	-
Increase in right-of-use assets	21,884,563	4,889,995
(Decrease) in prepaid rental	(1,517,135)	(887,040)
(Increase) in lease liabilities - third parties	(16,777,404)	(4,002,955)

The difference between the operating lease commitments as at December 31, 2019 and the lease liabilities as at January 1, 2020 consists of:-

	(Unit : Baht)	
	Consolidated	Separate financial statement
Operating lease commitments as at December 31, 2019	12,824,107	4,139,520
Discounting the operating lease commitments *	(2,396,662)	(136,565)
Option to extend/terminate the leases - present value	6,349,959	-
Lease liabilities as at January 1, 2020 previously recognized as operating lease	16,777,404	4,002,955
Fancial lease liabilities previously recognized as at December 31, 2019	2,943,931	-
Lease liabilities as at January 1, 2020	19,721,335	4,002,955

\* The weighted average incremental borrowing rate applied to lease liabilities as at January 1, 2020 is 5.00 - 6.50%.

6. Correction of error

During the year ended December 31, 2019, the Company discovered errors regarding work in progress, included in inventories in consolidated statements of financial position as at December 31, 2018 which were over-recorded in the amount of Baht 174.80 million. The Company has corrected above errors by adjusting consolidated financial statements as at January 1, 2019, as follows:

	(Unit : Baht)
	Consolidated statement of financial position As at <u>January 1, 2019</u>
Decrease in inventories	(174,801,893)
Increase in retained earnings	69,501,233
Decrease in non-controlling interests of the subsidiaries	105,300,660

7. 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.

As at December 31, 2020, Leenabanchong family is a major shareholder, holding 44.57% (2019 : 44.03%) of the share capital of the Company. Transactions related to companies in which the Leenabanchong family is the principal shareholders or directors are recognized as related parties to the Company.

The Company has transactions with related persons and companies for the year ended December 31, 2020 and 2019 as follows:

#### 7.1 Inter-assets and liabilities

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade receivable				
- EMC Public Company Limited	344,264	12,148,886	-	-
Other receivables				
- Rayong Wire Industries Public Company Limited	-	-	-	22,500
- Ua Withya Public Company Limited	-	-	-	9,327
Total	-	-	-	31,827
Retention receivable				
- EMC Public Company Limited	2,595,810	1,778,511	-	-
<u>Less</u> Allowance for expected credit loss	(2,595,810)	(272,176)	-	-
Net	-	1,506,335	-	-
Advance payment				
- Director	292,110	2,605,271	-	-
<u>Less</u> Allowance for expected credit loss	(292,110)	(292,111)	-	-
Net	-	2,313,160	-	-
Accrued interest receivables				
- Ua Withya Public Company Limited	-	-	9,794,630	6,417,370
- Evergreen Biomass Company Limited	-	-	573,958	573,958
- WJC Enterprise Company Limited	-	-	14,957,478	14,957,478
- Interglob Investment Company Limited	1,322,824	1,323,626	-	-
Total	1,322,824	1,323,626	25,326,066	21,948,806
<u>Less</u> Allowance for expected credit loss	(1,322,824)	-	(15,531,436)	(15,531,436)
Net	-	1,323,626	9,794,630	6,417,370
Total trade and other current receivables	344,264	17,292,007	9,794,630	6,449,197

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Contract assets				
Accrued office rental income				
- Ua Withya Public Company Limited	-	-	4,521,600	1,952,640
<u>Less</u> Allowance for expected credit loss	-	-	(1,291,821)	-
Net	-	-	3,229,779	1,952,640
Accrued fee income				
- Ua Withya Public Company Limited	-	-	457,828	3,550,260
<u>Less</u> Allowance for expected credit loss	-	-	(238,030)	-
Net	-	-	219,798	3,550,260
Accrued internal audit income				
- Rayong Wire Industries Public Company Limited	-	-	192,600	192,600
- Ua Withya Public Company Limited	-	-	192,600	192,600
- Enesol Company Limited	-	-	96,300	96,300
- WJC Enterprise Company Limited	-	-	1,926,000	1,926,000
- UWC Komen Biomass Company Limited	-	-	-	64,200
- Dimet (Siam) Public Company Limited	192,600		192,600	-
Total	192,600	-	2,600,100	2,471,700
<u>Less</u> Allowance for expected credit loss	-	-	(1,829,700)	-
Net	192,600	-	770,400	2,471,700
Total contract assets	192,600	-	4,219,977	7,974,600
Short-term loans to related parties				
- Ua Withya Public Company Limited				
Opening book value as previously reported	-	-	110,000,000	120,000,000
Impact of changes in accounting policy (Note 5.1)	-	-	(475,149)	-
Opening book value as restated	-	-	109,524,851	120,000,000
Increase during the year	-	-	2,096,353	60,000,000
Decrease during the year	-	-	(2,104,282)	(70,000,000)
Ending balance	-	-	109,516,922	110,000,000

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term loans to related parties (continued)				
- Evergreen Biomass Company Limited				
Opening balance	-	-	8,460,000	8,000,000
Increase during the year	-	-	-	460,000
Decrease during the year	-	-	-	-
Ending balance	-	-	8,460,000	8,460,000
- WJC Enterprise Company Limited				
Opening balance	-	-	36,086,000	80,286,000
Increase during the year	-	-	14,600,000	8,300,000
Decrease during the year	-	-	(1,500,000)	(52,500,000)
Ending balance	-	-	49,186,000	36,086,000
- Interglob Investment Company Limited				
Opening balance	8,060,119	8,682,290	-	-
Increase during the year	-	-	-	-
Decrease during the year	(4,882)	(622,171)	-	-
Ending balance	8,055,237	8,060,119	-	-
- Dimet (Siam) Public Company Limited				
Opening balance	-	-	-	-
Increase during the year	14,981,880	-	-	-
Decrease during the year	(14,981,880)	-	-	-
Ending balance	-	-	-	-
Total	8,055,237	8,060,119	167,162,922	154,546,000
<u>Less</u> Allowance for expected credit loss	(8,055,237)	-	(57,646,000)	(44,546,000)
Net	-	8,060,119	109,516,922	110,000,000
Other payables				
- Director	195,120	197,420	5,575	6,220
Accrued interest payable				
- Enesol Company Limited	-	-	1,025,602	89,863
Total trade and other current payables	195,120	197,420	1,031,177	96,083



(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term loans from related parties				
- Enesol Company Limited				
Opening book value as previously reported	-	-	30,000,000	-
Impact of changes in accounting policy				
(Note 5.1)	-	-	(249,772)	-
Opening book value as restated	-	-	29,750,228	-
Increase during the year	-	-	9,502,283	30,000,000
Decrease during the year	-	-	(4,464,825)	-
Ending balance	-	-	34,787,686	30,000,000

As at December 31, 2020, inter short-loans were in form of promissory notes and loan agreements, maturity 3 months to 1 year with interest rate 3.00 – 4.00% per annum. (2019 : 4.00% per annum)

## 7.2 Inter-revenue and expenses

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue from steel tower manufacturing				
- EMC Public Company Limited	6,215,791	35,206,553	-	-
Rental income				
- Rayong Wire Industries Public Company Limited	-	-	1,440,000	1,205,760
- Ua Withya Public Company Limited	-	-	1,440,000	1,205,760
- Enesol Company Limited	-	-	360,000	318,000
- Dimet (Siam) Public Company Limited	180,000	-	180,000	-
Total	180,000	-	3,420,000	2,729,520
Other service income				
- Rayong Wire Industries Public Company Limited	-	-	2,304,000	1,933,440
- Ua Withya Public Company Limited	-	-	2,304,000	1,933,440
- Enesol Company Limited	-	-	576,000	510,000
- Dimet (Siam) Public Company Limited	288,000	-	288,000	-
Total	288,000	-	5,472,000	4,376,880

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Fee income				
- Ua Withya Public Company Limited	-	-	581,189	3,318,000
- UWC Komen Biomass Company Limited	-	-	-	317,518
Total	-	-	581,189	3,635,518
Internal audit fee				
- Rayong Wire Industries Public Company Limited	-	-	720,000	720,000
- Ua Withya Public Company Limited	-	-	720,000	720,000
- Enesol Company Limited	-	-	360,000	360,000
- WJC Enterprise Company Limited	-	-	-	360,000
- UWC Komen Biomass Company Limited	-	-	120,000	240,000
Total	-	-	1,920,000	2,400,000
Parking fee income				
- Rayong Wire Industries Public Company Limited	-	-	110,572	167,580
- Ua Withya Public Company Limited	-	-	144,520	-
Total	-	-	255,092	167,580
Interest income				
- Ua Withya Public Company Limited	-	-	6,783,894	4,732,767
- Evergreen Biomass Company Limited	-	-	-	366,173
- WJC Enterprise Company Limited	-	-	-	1,939,461
- Dimet (Siam) Public Company Limited	162,710	-	-	-
Total	162,710	-	6,783,894	7,038,401
Interest expenses				
- Enesol Company Limited	-	-	2,229,575	733,699

### 7.3 Management benefit expenses

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	35,570,215	29,131,300	5,036,482	7,340,856
Post-employment benefits	1,184,711	1,754,199	541,938	489,593
Total	36,754,926	30,885,499	5,578,420	7,830,449

### 7.4 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Revenue from sales and revenue from steel tower manufacturing	Cost plus margin of the rate of around 5.00% - 30.00%
Revenue from services	Contract price
Internal audit fee	The amount approved by the Company's directors
Rental income	Cost plus margin from management at the rate of around 10.00% - 30.00%
Fee income from use of assets as collateral	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
Remuneration of directors and managements represent salary, meeting allowance, per diem 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
Subcontract fee	Based on the agreed price
Management Fee	Based on the agreed price

## 7.5 Relationship

<u>Name of Companies</u>	<u>Nature of relationship</u>
<u>Subsidiaries</u>	
Rayong Wire Industries Public Company Limited	72.93% shareholding and some common directors
Ua Withya Public Company Limited	37.61% shareholding and some common directors
Enesol Company Limited	100.00% shareholding and some common directors
Pipe Line Engineering Company Limited	100.00% shareholding and some common directors
Evergreen Biomass Company Limited	100.00% shareholding and some common directors
WJC Enterprise Company Limited	94.25% shareholding and some common directors
Paradise Green Energy Company Limited	24.45% indirectly owned subsidiary through Ua Withaya PLC
UWC Komen Biomass Company Limited *	37.61% indirectly owned subsidiary through Ua Withaya PLC (Until August 21, 2020)
Ultra Asia Company Limited	37.61% indirectly owned subsidiary through Ua Withaya PLC
Satuek Biomass Company Limited *	37.61% indirectly owned subsidiary through Ua Withaya PLC (Until August 21, 2020)
UWC Amphan Biomass Company Limited *	37.61% indirectly owned subsidiary through Ua Withaya PLC (Until August 21, 2020)
UWCC (Cambodia) Company Limited	26.33% indirectly owned subsidiary through Ua Withaya PLC
Ultra Asia Singapore Pte.Ltd.	37.61% indirectly owned subsidiary through Ua Withaya PLC
Ultra Network Pte.Ltd.	37.61% indirectly owned subsidiary through Ua Withaya PLC
Ultra Asia Investment Pte.Ltd.	37.61% indirectly owned subsidiary through Ua Withaya PLC
Sky Towers Infra Inc.	37.61% indirectly owned subsidiary through Ua Withaya PLC
<u>Joint venture</u>	
Sunflowergreen Company Limited	A joint venture of Evergreen Biomass Company Limited at 20.83%
<u>Associates</u>	
Dimet (Siam) Public Company Limited	An associate Company of Ua Withaya PLC at 24.99%
Saraburi Energy Systems 2 Company Limited	An associate Company of Ua Withaya PLC at 30.00%
Panova Company Limited	An associate Company of Ua Withaya PLC at 30.00%
Interglob Investment Company Limited	An associate Company of Ua Withaya PLC at 48.00%
<u>Other related companies</u>	
EMC Public Company Limited	Related company by shareholding
Key management personnels	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)

\* They are related parties until August 20, 2020 as the Group has already sold their companies.

## 7.6 Obligation

As at December 31, 2019, the Company has guarantees and pledged the Company's assets to secure a credit facility of a subsidiary obtained from a financial institution in the amount of Baht 769.50 million. During the year 2020, the said subsidiary has repaid the loan. The company therefore ceases to guarantee and redeem the assets used as collateral for loans.

8. Trade and other current receivable - related parties

Consisted of :-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade receivable				
Within credit term	233,925	12,148,886	-	-
Overdue 1 - 3 Months	110,339	-	-	-
Overdue 3 - 6 Months	-	-	-	-
Overdue 6 - 12 Months	-	-	-	-
Overdue over 12 Months	-	-	-	-
Total	344,264	12,148,886	-	-
Other receivables	2,887,920	4,383,782	-	31,827
Accrued interest receivable	1,322,824	1,323,626	25,326,066	21,948,806
Less Allowance for expected credit loss	(4,210,744)	(564,287)	(15,531,436)	(15,531,436)
Total	344,264	17,292,007	9,794,630	6,449,197

The movement of allowance for expected credit loss of other current receivable - related parties for the year ended December 31, 2020 and 2019 is as follows :-

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Opening balance	(564,287)	(564,287)	(15,531,436)	-
Increase during the year	(3,646,457)	-	-	(15,531,436)
Decrease during the year	-	-	-	-
Ending balance	(4,210,744)	(564,287)	(15,531,436)	(15,531,436)

9. Contract assets - related parties

Consisted of:-

			(Unit: Baht)	
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>

Accrued service income	192,600	-	7,579,528	7,974,600
<u>Less</u> Allowance for expected credit loss	-	-	(3,359,551)	-
Net	192,600	-	4,219,977	7,974,600

The movement of allowance for expected credit loss of contract assets - related parties for the year ended December 31, 2020 and 2019 is as follows :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Opening book value as previously reported	-	-	-	-
Impact of changes in accounting policy (Note 5.1)	-	-	(4,734,589)	-
Opening book value as restated	-	-	(4,734,589)	-
Increase during the year	-	-	-	-
Decrease during the year	-	-	1,375,038	-
Ending balance	-	-	(3,359,551)	-

#### 10. Trade and other current receivable - third parties

Consisted of:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>

(Unit : Baht)

	Consolidated		Separate financial statement	
	2020	2019	2020	2019
Trade receivables	320,694,823	388,548,858	84,108,921	84,108,921
<u>Less</u> Allowance for expected credit loss	(105,249,940)	(117,948,706)	(84,108,921)	(84,108,921)
Net	215,444,883	270,600,152	-	-
Other receivables	8,762,265	8,515,244	356,446	658,694
Prepaid expense	2,181,024	10,922,821	248,192	243,878
Retention receivables	9,861,061	13,783,560	-	-
Advance payments	14,513,446	16,909,766	-	463,175
Revenue Department receivable	14,601,655	17,989,369	4,355,202	4,148,004
Withholding tax receivables	116,821	34,049,142	-	675,126
Suspend input vat	4,263,731	2,637,928	16,456	28,628
Total other receivables	54,300,003	104,807,830	4,976,296	6,217,505
<u>Less</u> Allowance for expected credit loss	(29,211,390)	(15,856,567)	(289,001)	(1,088,683)
Net	25,088,613	88,951,263	4,687,295	5,128,822
Total trade and other current receivables	240,533,496	359,551,415	4,687,295	5,128,822

Outstanding trade receivable - third parties can be aged as follows:

(Unit : Baht)

	Consolidated		Separate financial statement	
	2020	2019	2020	2019
Within credit term	143,944,607	183,451,704	-	-
Overdue 1 month to 3 months	57,414,395	47,329,158	-	-
Overdue 3 months to 6 months	6,515,552	36,256,109	-	-
Overdue 6 months to 12 months	11,058,150	6,973,231	-	-
Overdue over 12 months	101,762,119	114,538,656	84,108,921	84,108,921
Total	320,694,823	388,548,858	84,108,921	84,108,921
<u>Less</u> Allowance for expected credit loss	(105,249,940)	(117,948,706)	(84,108,921)	(84,108,921)
Net	215,444,883	270,600,152	-	-

The movement of allowance for expected credit loss of trade receivables - third parties for the year ended December 31, 2020 and 2019 is as follows :-

(Unit : Baht)

Consolidated

Separate financial statement

	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Opening book value as previously reported	(117,948,706)	(105,700,264)	(84,108,921)	(84,108,921)
Impact of changes in accounting policy (Note 5.1)	(3,473,732)	-	-	-
Opening book value as restated	(121,422,438)	(105,700,264)	(84,108,921)	(84,108,921)
Increase during the year	(450,621)	(15,461,686)	-	-
Write off bad debts	13,038,666	-	-	-
Decrease during the year	3,584,453	3,213,244	-	-
Ending balance	(105,249,940)	(117,948,706)	(84,108,921)	(84,108,921)

The movement of allowance for expected credit loss of other current receivables - third parties for the year ended December 31, 2020 and 2019 is as follows :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Opening balance	(15,856,567)	(1,326,469)	(1,088,683)	(625,508)
Increase during the year	(13,468,376)	(14,530,098)	-	(463,175)
Decrease during the year	799,682	-	799,682	-
Difference from financial statement translation	(686,129)	-	-	-
Ending balance	(29,211,390)	(15,856,567)	(289,001)	(1,088,683)

#### 11. Contract assets - third parties

Consisted of:-

	(Unit: Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accrued service income	25,166,324	15,234,507	385,200	385,200
<u>Less</u> Allowance for expected credit loss	(652,707)	(385,200)	(385,200)	(385,200)
Net	24,513,617	14,849,307	-	-

The movement of allowance for expected credit loss of contract assets - third parties for the year ended December 31, 2020 and 2019 is as follows :-

	(Unit : Baht)	
	Consolidated	Separate financial statement



	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Opening balance	(385,200)	(385,200)	(385,200)	(385,200)
Increase during the year	(267,507)	-	-	-
Decrease during the year	-	-	-	-
Ending balance	(652,707)	(385,200)	(385,200)	(385,200)

12. Receivable under finance lease

Consisted of:-

(Unit : Baht)

	Consolidated					
	2020			2019		
	Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Receivable under finance lease	33,192,682	123,125,907	156,318,589	35,940,668	150,895,536	186,836,204
<u>Less</u> Allowance for expected credit loss	-	-	-	-	-	-
Net	33,192,682	123,125,907	156,318,589	35,940,668	150,895,536	186,836,204

The movement of receivable under finance lease for the year ended December 31, 2020 and 2019 is as follows :-

(Unit : Baht)

	Consolidated	
	<u>2020</u>	<u>2019</u>
Opening balance	186,836,204	210,373,100
Collected during the year	(30,469,199)	(23,536,896)
Modification of contractual cash flows	(48,416)	-
Ending balance	156,318,589	186,836,204

Receivable under finance lease - minimum lease payments receivable as follows:

(Unit : Baht)

Consolidated	
2020	2019

	Lease <u>receivable</u>	Unearned finance <u>income</u>	<u>Net</u>	Lease <u>receivable</u>	Unearned finance <u>income</u>	<u>Net</u>
Year 1	44,498,624	(11,305,942)	33,192,682	49,494,577	(13,553,909)	35,940,668
Year 2	44,498,625	(8,550,965)	35,947,660	49,494,576	(10,612,467)	38,882,109
Year 3	28,226,625	(5,952,112)	22,274,513	39,991,283	(7,153,918)	32,837,365
Year 4	20,090,625	(4,633,703)	15,456,922	20,090,625	(5,818,299)	14,272,326
Year 5	20,090,624	(3,350,787)	16,739,837	20,090,625	(4,633,703)	15,456,922
Remaining years	35,158,593	(2,451,618)	32,706,975	55,249,218	(5,802,404)	49,446,814
Total	192,563,716	(36,245,127)	156,318,589	234,410,904	(47,574,700)	186,836,204

### 13. Short-term loans to related parties

Consisted of :-

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Financial assets measured at amortized cost				
Short-term loan	8,055,237	8,060,119	167,162,922	154,546,000
<u>Less</u> Allowance for expected credit loss	(8,055,237)	-	(57,646,000)	(44,546,000)
Net	-	8,060,119	109,516,922	110,000,000

The movement of allowance for expected credit loss of short-term loans to related parties for the year ended December 31, 2020 and 2019 is as follows :-

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Opening balance	-	-	(44,546,000)	(39,900,000)
Increase during the year	(8,055,237)	-	(13,100,000)	(8,760,000)
Decrease during the year	-	-	-	4,114,000
Ending balance	(8,055,237)	-	(57,646,000)	(44,546,000)

### 14. Short-term loans to third parties

Consisted of :-

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Financial assets measured at amortized cost				
Short-term loan to third parties	8,850,000	8,850,000	8,850,000	8,850,000
<u>Less</u> Allowance for expected credit loss	(8,850,000)	(8,850,000)	(8,850,000)	(8,850,000)
Net	-	-	-	-

The movement of allowance for expected credit loss of short-term loans to third parties for the year ended December 31, 2020 and 2019 is as follows :-

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Opening balance	(8,850,000)	(8,850,000)	(8,850,000)	(8,850,000)
Increase during the year	-	-	-	-
Decrease during the year	-	-	-	-
Ending balance	(8,850,000)	(8,850,000)	(8,850,000)	(8,850,000)

#### 15. Inventories

Consisted of:-

	Consolidated					
	2020			2019		
	Cost	Allowance for diminution in value of inventories	Net	Cost	Allowance for diminution in value of inventories	Net
Finished goods	47,581,964	(19,803,484)	27,778,480	70,082,359	(29,646,967)	40,435,392
Work in progress	73,641,507	(25,742,857)	47,898,650	146,808,463	(47,414,411)	99,394,052
Raw materials	125,139,501	(8,748,359)	116,391,142	239,233,713	(25,513,040)	213,720,673
Factory supplies	18,866,409	(1,510,189)	17,356,220	30,115,743	(95,512)	30,020,231
Goods in transit	-	-	-	237,994	-	237,994
Total	265,229,381	(55,804,889)	209,424,492	486,478,272	(102,669,930)	383,808,342

The movement of allowance for diminutions in value of inventories for the year ended December 31, 2020 and 2019 is as follows :-

	Consolidated	
	<u>2020</u>	<u>2019</u>

Beginning balance	(102,669,930)	(53,730,017)
Additional during the year	(1,799,443)	(48,978,730)
Reversal during the year	49,173,886	38,817
Difference from financial statement translation	(509,402)	-
Ending balance	(55,804,889)	(102,669,930)

For the year ended December 31, 2020, the costs of inventories recognized as expenses are Baht 1,485.87 million in the consolidated financial statement (For the year ended December 31, 2019 : Baht 2,326.71 million in the consolidated financial statement).

For the year ended December 31, 2020, the Group have reversed allowance for diminutions in the value of inventories in amount of Baht 49.17 million in the consolidated financial statement (For the year ended December 31, 2019 : Baht 0.04 million in the consolidated financial statement).

As at December 31, 2020, some inventories that the Group expects to be sold for more than 12 months from the reporting period amount of Baht 24.44 million in the consolidated financial statement.(2019 : Baht 28.06 million in the consolidated financial statement)

#### 16. Other current financial assets

Consisted of :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Financial assets measured at amortized cost				
Fixed deposit	1,424,313	5,629,014	-	-
Financial assets measured at fair value through profit or loss				
Investment in listed equity instruments	428,200,509	322,621,320	248,107,265	183,842,156
Total	429,624,822	328,250,334	248,107,265	183,842,156

The movement of investment in listed equity instruments for the year ended December 31, 2020 and 2019 is as follow:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Beginning book value	322,621,320	742,551,501	183,842,156	469,809,568

Purchase during the year	9,862,897	138,215,957	9,354,486	33,286,689
Disposal during the year	(6,873,878)	(42,256,358)	(1,644,945)	(8,169,236)
Changes in fair value of investments	102,590,170	(515,889,780)	56,555,568	(311,084,865)
Ending book value	428,200,509	322,621,320	248,107,265	183,842,156

17. Assets (liabilities) of a disposal group classified as held for sale

On December 24, 2019, the Board of Ua Withya Public Company Limited Directors' Meeting 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 and liabilities classified as held for sales which are classified to disposal asset group (liabilities) as held for sales.

Assets of a disposal group classified as held for sales as at August 21, 2020 and December 31, 2019 were as follows:

	(Unit : Baht)	
	Consolidated	
	As at	
	<u>August 21, 2020</u>	<u>December 31, 2019</u>
Cash and cash equivalents	109,923,883	102,679,939

(Unit : Baht)		
Consolidated		
As at		
	<u>August 21, 2020</u>	<u>December 31, 2019</u>
Trade and other current receivables	53,194,281	59,769,579
Contract assets	-	43,178,840
Inventories	11,711,872	45,412,332
Property, plant and equipment (net loss on impairment)	665,409,171	808,124,733
Right-of-use assets (net loss on impairment)	1,459,161	-
Deposits at financial institutions pledged as collateral	30,205,755	23,620,341
Other intangible assets (net loss on impairment)	38,629,507	46,812,030
Other assets	11,693,609	7,211,091
Total	922,227,239	1,136,808,885
Short-term borrowing from financial institutions	39,980,950	34,226,475
Trade payable and other current payables	140,554,312	44,217,200
Current portion of long-term borrowings from financial institutions	28,519,397	29,491,357
Current portion of lease liabilities	611,174	759,831
Long-term loans from financial institutions	260,599,067	277,139,035
Lease Liabilities	-	353,531
Provision for employee benefit	-	3,102,253
Other liabilities	43,929,545	40,008,214
Total	514,194,445	429,297,896
Net asset group classified as held for sales	408,032,794	707,510,989

As at December 31, 2019, the power plant business unit land buildings and machines of Baht 398.20 million have been pledged for bank overdraft credit line and short-term loan from financial institutions.

The group recognizes the impairment loss of the disposal asset group classified as held for sale in an amount of Baht 149.44 million in the consolidated . Due to the management has expected the proceeds from the disposal of the asset group held for sale to be lower than the carrying amounts.

The Extraordinary General Meeting of Shareholders No.1/2020 held on August 20, 2020 has resolution to approve the disposition of the investment in biomass power plants with total generating capacity of 26.9 MWs, by the disposal of ordinary shares in its three subsidiaries and the transfer of claims in relation to outstanding loans owed to it by relevant subsidiaries at the initial amount approximately Baht 851.20 million

adjusted by the amount of cash, interest-bearing liabilities and actual net working capital of three subsidiaries as at the completion date in accordance with the conditions. The adjusted compensation net working capital at the closing date were accordance with the contract in the amount of Baht 417.44 million.

On August 21, 2020, which is the closing date, the subsidiary has already transferred its three subsidiaries to Absolute Clean Energy Public Company Limited and Asia Clean Energy Company Limited. The Company recognized the loss on disposal of such assets in the amount of Baht 9.41 million in the consolidated and transfer the asset of valuation surplus in the amount of Baht 24.86 million in the consolidated financial statements to deficits and non-controlling interest directly.

On December 11, 2020, the Executive Board of Ua Withya Public Company Limited Directors' Meeting has passed a resolution to approve the disposal of investment in Panowa Co., Ltd. by 278,144 shares or equivalent to 30.00% of paid-up share capital to probable interested company. Therefore, as at December 31, 2020, the Group classified related investment in associate as asset held for sales.

18. Deposits at financial institutions pledged as collateral

As at December 31, 2020 and 2019, deposits of Baht 133.02 million and Baht 218.15 million are pledged with local financial institutions as collateral for shipping of guarantee, credit facilities for bank overdraft, submitting a tender including guaranteeing the project with the Electricity Generating Authority, and guarantee the use of electricity to the Metropolitan Electricity Authority and credit facilities to letter of credit and liability under trust receipts for purchasing raw materials from oversea.

19. Other non-current financial assets

Consisted of :-

	(Unit : Baht)	
	Consolidated	
	<u>2020</u>	<u>2019</u>
Financial assets measured at fair value through profit or loss		
Investment in mutual fund	10,405	86,761,907
Total	10,405	86,761,907

The movement of investment in mutual fund for the year ended December 31, 2020 and 2019 is as follow:-

(Unit : Baht)

Consolidated

	<u>2020</u>	<u>2019</u>
Beginning book value	86,761,907	178,220,704
Purchase during the year	114,670,000	478,597,995
Disposal during the year	(201,116,277)	(569,619,395)
Changes in fair value of mutual fund	(305,225)	(437,397)
Ending book value	<u>10,405</u>	<u>86,761,907</u>

## 20. Investments in associates

The nature and carrying value of investment in associate can be summarized as follows :-

Name of <u>Company</u>	Nature of <u>business</u>	Country of <u>incorporation</u>	(Unit : '000 Baht)		Percentage		(Unit : '000 Baht)	
			Paid-up capital		% of holding		Equity method	
			<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b><u>Each material associate</u></b>								
Dimet (Siam) PLC	Production and distribution of exterior paints	Thailand	268,500	268,500	24.99	24.98	54,365	18,614
<b><u>Each individual immaterial associate</u></b>								
Saraburi Energy Systems 2 Co., Ltd.	Waste power paints	Thailand	21,750	21,750	30.00	30.00	4,713	6,307
Panova Co., Ltd. *	Production and distribution of fuel from solid waste	Thailand	-	22,220	-	30.00	-	7,009
<b><u>Each individual immaterial associate</u></b>								
(Unit : USD)								
Interglob Investment Co., Ltd.	Sale and rental of real estate	Cambodia	25,000	25,000	48.00	48.00	-	755
Net							59,078	32,685

\* Such investments are classified as held for sale (Note 17).

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 other current financial assets.

Financial information of associates that are material can be summarized as follows :-

	(Unit : Baht)
Dimet (Siam) PLC.	
<u>2020</u>	<u>2019</u>



Current assets	216,792,174	201,663,883
Non-current assets	117,090,538	195,803,843
Current liabilities	(144,490,182)	(146,875,607)
Non-current liabilities	(10,345,310)	(27,289,281)

(Unit : Baht)

Dimet (Siam) PLC.

	<u>2020</u>	<u>2019</u>
Revenue from sales and services	63,878,343	326,057,416
Other income	1,075,954	369,784
Cost of sales and services	(52,782,680)	(251,825,836)
Cost of distribution	(10,192,900)	(52,480,791)
Administrative expenses	(47,955,001)	(128,353,391)
Finance cost	(4,965,373)	(265,832)
Loss before income tax	(50,941,657)	(106,498,650)
Income tax expenses	(1,579,621)	(9,362,284)
Profit from continuing operations	(52,521,278)	(115,860,934)
Other comprehensive income must be classified into profit or loss in the future	-	48,123
Other comprehensive income may not be classified into profit or loss in the future	38,423,600	-
Total Comprehensive income	(14,097,678)	(115,812,811)
Dividends received from associates	-	-

The reconciliation of the above financial information to the carrying amount which is accounted for using the equity method in the consolidated financial statements can be summarized as follows :-

(Unit : Baht)

Dimet (Siam) PLC

<u>2020</u>	<u>2019</u>
-------------	-------------

Net assets	217,470,420	223,302,838
Group's interest in the associate	24.99%	24.98%
Group's share in the net assets	54,365,430	55,781,049
<b>Adjustment for using the equity method</b>		
Power purchase agreement net of deferred tax liabilities	-	-
Gain on property plant and equipment	-	-
Carrying amount under the equity method	54,365,430	55,781,049

The aggregate amount of financial information of associates that are individually immaterial can be summarized as follows :-

	(Unit : Baht)	
	<u>2020</u>	<u>2019</u>
Aggregate carrying amount of individual immaterial associates	29,375,635	14,071,071
Group's share in the aggregate amount of		
Loss from continuing operation	(5,258,364)	-
Other comprehensive income	-	-
Total comprehensive loss	(5,258,364)	-

The Group recorded the investment in Dimet (Siam) Public Co., Ltd. under the equity method in the consolidated financial statements for the years ended December 31, 2020 and 2019. The share of profit (loss) from the said investment in the associate at Baht 12.20 million and Baht (28.93) million, respectively, have been included in the consolidated statements of comprehensive income for the years ended December 31, 2020 and 2019 according to the proportion the Group's have in the participating profit or loss of the associate basing on the financial statements of the associated company.

However, The financial statements of Dimet (Siam) Public Co., Ltd. for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 have been audited by the auditor of the associate whom expressed a qualified opinion for the financial statements for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 on the basis of the inability to review sufficient appropriate audit evidence regarding the occurrence and appropriateness of the professional and consulting expenses account of Baht 32.01 million and other payable account of Baht 12.27 million incurred in the associated company's

financial statements during the year ended June 30, 2020. At present, the associate's management has suspended the payment and assigned a lawyer to prosecute the party and currently, the cases are under consideration by the Court.

The above situation may have an impact to the consolidated financial statements calculated as 10% of the share of profit (loss) from the investment in the associate and calculated as 0.14% of the total revenues in the consolidated statements of comprehensive income for the year ended December 31, 2019 and may have an impact to the consolidated financial statements calculated as 0.53% and 0.51% of the retained earnings and calculated as 0.11% and 0.07% of the total assets in the consolidated statements of financial position as at December 31, 2020 and 2019, respectively.

## 21. Investments in joint venture

The nature and carrying value of investment in joint venture can be summarized as follows :-

Name of <u>Company</u>	Nature of <u>business</u>	Country of <u>incorporation</u>	(Unit : '000 Baht)		Percentage				(Unit : '000 Baht)	
			Paid-up capital		% of holding		Equity method		Cost method	
			<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b><u>Each immaterial joint venture</u></b>										
Sunflowergreen Co., Ltd.	Wood chipper	Thailand	180,000	180,000	20.83	20.83	-	-	59,471	59,471
							-	-	59,471	59,471
<u>Less</u> Impairment loss									(59,471)	(59,471)
Net									-	-

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. The Court has appointed to hear the judgment on the case on March 17, 2021.

## 22. Investments in subsidiaries

The composition of the Group in the consolidated financial statements and the carrying value of investments in subsidiaries in the separate financial statement can be summarized as follows :-

Name of subsidiary	Paid-up capital ('000 Baht)		Investment portion (%)		Cost method ('000 Baht)		Dividends ('000 Baht)	
	2020	2019	2020	2019	2020	2019	2020	2019
<b><u>Subsidiaries don't having non-controlling interests</u></b>								

Enesol Co., Ltd.	302,500	302,500	100.00	100.00	272,325	272,325	20,000	-
Pipe Line Engineering Co., Ltd.	144,000	144,000	99.99	99.99	144,000	144,000	-	-
Evergreen Biomass Co., Ltd.	50,000	50,000	99.00	99.00	49,440	49,440	-	-
<b><u>Subsidiaries having material non-controlling interests</u></b>								
Rayong Wire Industries PLC	318,183	318,183	72.93	70.00	159,769	159,769	-	-
Ua Withya PLC	1,316,253	1,316,253	37.61	37.61	467,937	467,937	-	-
<b><u>Subsidiaries having immaterial non-controlling interests</u></b>								
WJC Enterprise Co., Ltd.	150,000	150,000	94.25	94.25	120,631	120,631	-	-
Total					1,214,102	1,214,102		
Less Impairment loss					(567,987)	(297,874)		
Net					646,115	916,228	20,000	-

Information on subsidiaries having non-controlling interests can be summarized as follows:

	Paid-up capital ('000 Baht)		Investment portion (%)		Non-controlling interest ('000 Baht)		Profit (loss) allocated to non-controlling interest ('000 Baht)	
	2020	2019	2020	2019	2020	2019	2020	2019
<b><u>Subsidiaries having material non-controlling interests</u></b>								
Rayong Wire Industries PLC	318,183	318,183	72.93	70.00	230,604	255,555	10,671	(84,623)
Ua Withya PLC	1,316,253	1,316,253	37.61	37.61	67,555	298,278	(193,791)	(515,481)
<b><u>Subsidiaries having immaterial non-controlling interests</u></b>								
Other subsidiaries					(4,970)	(18,448)	(797)	(3,283)
Total					293,189	535,385	(183,917)	(603,387)

Financial information before inter-company eliminations of the subsidiaries having non-controlling interests that are material can be summarized as follows:

(Unit : Baht)

	Rayong Wire Industries PLC.	
	2020	2019
Current assets	633,668,085	523,074,367
Non-current assets	494,533,291	488,507,566

Current liabilities	(167,190,221)	(215,749,055)
Non-current liabilities	(187,822,376)	(13,768,980)
Owners of the parent	544,512,183	524,509,060
Non-controlling interest	228,676,596	255,554,838

(Unit : Baht)

Rayong Wire Industries PLC.

	<u>2020</u>	<u>2019</u>
Revenues	630,568,010	683,970,673
Profit (loss) from continuing operations	30,882,437	(282,077,256)
Post-tax profit (loss) from discontinued operation	-	-
Other comprehensive income	(3,301,206)	(1,461,400)
Total comprehensive income	27,581,231	(283,538,656)
Dividend paid to non-controlling interest	19,715,738	-

(Unit : Baht)

Ua Withya PLC

	<u>2020</u>	<u>2019</u>
Current assets	234,768,675	1,879,092,851
Non-current assets	444,182,011	421,261,927
Current liabilities	(452,804,877)	(1,440,088,058)
Non-current liabilities	(76,019,040)	(376,716,551)
Owners of the parent	80,643,123	185,272,339
Non-controlling interest	69,483,646	298,277,830

(Unit : Baht)

Ua Withya PLC.

	<u>2020</u>	<u>2019</u>
Revenues	755,010,919	1,123,313,063
Profit (loss) from continuing operations	(84,695,138)	(580,818,106)
Post-tax profit (loss) from discontinued operation	(233,380,856)	(241,560,318)
Other comprehensive income	148,266	(3,942,454)
Total comprehensive income	(317,927,728)	(826,320,878)

Dividend paid to non-controlling interest

-

-

Rayong Wire Industries Public Company Limited's Board of Directors' Meeting no. 2/2020 with held on May 14, 2020, the Board approved the Share Repurchase Program (Treasury stock) for financial management purpose. The maximum amount for the share repurchase Baht 70.00 million. Number of shares repurchase 63,636,518 shares at the par value of Baht 0.50 per share which is equal to 10% of total paid-up capital. The repurchase period will be started from May 29, 2020 to November 28, 2020. The share resale period is determined after 6 months from the completion date of share repurchase but no later than 3 years.

As at December 31, 2020, Rayong Wire Industries Public Company Limited has repurchased 25,636,400 shares (Treasury stock) for financial management purpose. The proportion of the Company has increase from 70.00% to 72.93%. The Company recognizes the difference between the adjusted carrying amounts of the controlling and non-controlling interests in amount of Baht 1.89 million directly to the retained earnings account in the consolidated financial statements.

On April 24, 2020 , the Annual General Meeting of the Enesol Company Limited shareholders has resolved pay dividend to shareholders which fully paid and paid 25% of the registered share capital at Baht 6.61 per share and Baht 1.65 per share in total amount of Baht 20.00 million.

The Company tested the impairment of investment in Ua Withya Public Company Limited and recognized the loss on impairment to baht 296.90 million in the separate statements of comprehensive income.

## 23. Investment property

Consisted of:-

(Unit : Baht)

	Consolidated / Separate financial statement		
	<u>Land</u>	<u>Building</u>	<u>Total</u>
Cost:-			
As at January 1, 2020	413,813,922	940,000	414,753,922
Purchase	-	-	-

Transfer out	-	-	-
As at December 31, 2020	413,813,922	940,000	414,753,922
Accumulated depreciation :-			
As at January 1, 2020	-	(939,998)	(939,998)
Depreciation for the year	-	-	-
As at December 31, 2020	-	(939,998)	(939,998)
Allowance for impairment:-			
As at January 1, 2020	(62,585,968)	-	(62,585,968)
Addition	-	-	-
As at December 31, 2020	(62,585,968)	-	(62,585,968)
Net book value:-			
As at December 31, 2020	351,227,954	2	351,227,956
Depreciation for the year ended December 31, 2020			-

	(Unit : Baht)		
	Consolidated / Separate financial statement		
	<u>Land</u>	<u>Building</u>	<u>Total</u>
Cost:-			
As at January 1, 2019	413,813,922	940,000	414,753,922
Purchase	-	-	-
Transfer out	-	-	-
As at December 31, 2019	413,813,922	940,000	414,753,922
Accumulated depreciation :-			

As at January 1, 2019	-	(914,890)	(914,890)
Depreciation for the year	-	(25,108)	(25,108)
As at December 31, 2019	-	(939,998)	(939,998)
Allowance for impairment:-			
As at January 1, 2019	(10,857,206)	-	(10,857,206)
Addition	(51,728,762)	-	(51,728,762)
As at December 31, 2019	(62,585,968)	-	(62,585,968)
Net book value:-			
As at December 31, 2019	351,227,954	2	351,227,956
Depreciation for the year ended December 31, 2019			25,108

In December 2020, the independent appraiser (KAWIN Appraisal Co., Ltd.) appraised the value of land amount 151 plots (2019 : amount 151 plots) and their building by applying the market price comparison approach (based on the highest and best use principle) by using the bid price of other land having similar characteristic with the land and building of Company, and it appears that the fair value of land is equal to Baht 373.87 million.(2019 : Baht 374.58 million)

The independent appraiser has not changed any land and building valuation techniques used in the valuation of land and buildings in the previous year.

TFRS No.13 “Fair Value Measurement” establishes a fair value hierarchy that categories into three levels the inputs to valuation techniques used to measure fair value, as follows:

Level 1 :The inputs are quoted prices in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 : The inputs are observable inputs for the asset or liability, either directly or indirectly.

Level 3 : The inputs are unobservable inputs for the asset or liability.

Information on the level of the fair value hierarchy within the fair value measurements as at December 31, 2020 and 2019, is as follows:

	(Unit : Million Baht)			
	2020			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Land	-	373.87	-	373.87



(Unit : Million Baht)

	2019			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Land	-	374.58	-	374.58

There is no the income and expenses related to the investment properties recognized in profit or loss for the year ended December 31, 2020 and 2019.

As at December 31, 2019 , certain investment properties are pledged as collateral for Enesol Company Limited's borrowings from the financial institutions. At the present, the Company has fully redeemed the guarantee obligation.

## 24. Property, plants and equipment

Consisted of :-

(Unit : Baht)

	Consolidated						Total
	Land and improvement	Building, improvement and utility system	Machine and factory equipments	Figure and office equipment	Vehicle	Assets under construction	
Cost:-							
As at January 1, 2020	253,703,903	389,002,031	969,371,638	58,251,887	43,148,245	7,836,941	1,721,314,645
Impact of changes in accounting policy (Note 5.2)	-	-	-	(127,110)	(4,322,301)	-	(4,449,411)
As at January 1, 2020 (as restated)	253,703,903	389,002,031	969,371,638	58,124,777	38,825,944	7,836,941	1,716,865,234
Addition	-	1,615,898	7,854,318	1,058,507	3,521,396	19,932,793	33,982,912
Transfer in	-	1,041,608	59,758,148	-	4,280,585	65,000	65,145,341
Disposal/Write off	-	(62,675,315)	(18,978,622)	(8,364,024)	(3,294,066)	-	(93,312,027)
Transfer out	-	(485,645)	(85,473,090)	(1,872,828)	(5,793,010)	(1,037,559)	(94,662,132)
Translation Differences	8,880	123,416	-	-	325,360	179,345	637,001
As at December 31, 2020	253,712,783	328,621,993	932,532,392	48,946,432	37,866,209	26,976,520	1,628,656,329
Accumulated depreciation :-							
As at January 1, 2020	-	(298,932,399)	(606,789,746)	(47,192,607)	(28,027,939)	-	(980,942,691)
Impact of changes in accounting policy (Note 5.2)	-	-	-	29,670	829,717	-	859,387
As at January 1, 2020 (as restated)	-	(298,932,399)	(606,789,746)	(47,162,937)	(27,198,222)	-	(980,083,304)
Depreciation for the year	-	(6,599,680)	(30,413,522)	(2,507,627)	(2,560,588)	-	(42,081,417)
Disposal/Write off	-	23,982,809	18,444,860	6,616,668	2,712,310	-	51,756,647
Transfer in	-	-	(26,242,052)	-	(1,706,720)	-	(27,948,772)
Transfer out	-	461,324	36,903,948	1,517,715	2,236,965	-	41,119,952
Translation Differences	-	(9,237)	-	-	(63,664)	-	(72,901)
As at December 31, 2020	-	(281,097,183)	(608,096,512)	(41,536,181)	(26,579,919)	-	(957,309,795)

(Unit : Baht)

## Consolidated

	Land and improvement	Building, improvement and utility system	Machine and factory equipments	Figure and office equipment	Vehicle	Assets under construction	Total
Allowance for impairment:-							
As at January 1, 2020	-	(36,584,591)	(129,511,841)	(715,242)	(3,039,025)	-	(169,850,699)
Increase	(184,783)	(2,578,798)	(2,458,913)	-	(5,761,763)	(3,731,954)	(14,716,211)
Transfer in	-	-	(21,615,463)	-	(1,622,602)	-	(23,238,065)
Decrease	-	27,359,457	-	-	-	-	27,359,457
Transfer out	-	16,442	33,833,686	715,242	2,560,072	-	37,125,442
As at December 31, 2020	(184,783)	(11,787,490)	(119,752,531)	-	(7,863,318)	(3,731,954)	(143,320,076)
Net book value:-							
As at December 31, 2020	253,528,000	35,737,320	204,683,349	7,410,251	3,422,972	23,244,566	528,026,458
Depreciation in the statement of comprehensive income for the year ended December 31, 2020							42,081,417

(Unit : Baht)

	Consolidated						
	Land and improvement	Building, improvement and utility system	Machine and factory equipments	Figure and office equipment	Vehicle	Assets under construction	Total
Cost:-							
As at January 1, 2019	325,796,135	972,009,535	1,516,666,561	70,483,536	49,231,725	22,050,227	2,956,237,719
Addition	-	10,117,784	10,781,556	2,578,414	2,015,559	7,136,041	32,629,354
Transfer in	-	3,312,855	1,868,577	-	-	-	5,181,432
Disposal/Write off	-	-	(23,930,465)	(1,502,404)	(1,935,333)	(338,231)	(27,706,433)
Transfer out	-	-	-	-	-	(5,181,432)	(5,181,432)
Transfer to disposal asset group classified as held for sales	(72,092,232)	(596,438,143)	(536,014,591)	(13,307,659)	(6,163,706)	(15,829,664)	(1,239,845,995)
As at December 31, 2019	253,703,903	389,002,031	969,371,638	58,251,887	43,148,245	7,836,941	1,721,314,645
Accumulated depreciation :-							
As at January 1, 2019	(1,243,978)	(456,705,506)	(699,076,579)	(51,011,659)	(29,235,246)	-	(1,237,272,968)
Depreciation for the year	(785,210)	(20,710,634)	(46,655,034)	(6,311,935)	(6,565,445)	-	(81,028,258)
Disposal/Write off	-	-	17,013,881	1,469,415	1,717,862	-	20,201,158
Transfer to disposal asset group classified as held for sales	2,029,188	178,483,741	121,927,986	8,661,572	6,054,890	-	317,157,377
As at December 31, 2019	-	(298,932,399)	(606,789,746)	(47,192,607)	(28,027,939)	-	(980,942,691)
Allowance for impairment:-							
As at January 1, 2019	-	(9,556,804)	(80,640,133)	(715,242)	(3,039,025)	-	(93,951,204)
Addition	-	(27,027,787)	(163,528,678)	-	-	-	(190,556,465)
Reversal	-	-	93,085	-	-	-	93,085
Transfer to disposal asset group classified as held for sales	-	-	114,563,885	-	-	-	114,563,885
As at December 31, 2019	-	(36,584,591)	(129,511,841)	(715,242)	(3,039,025)	-	(169,850,699)
Net book value:-							
As at December 31, 2019	253,703,903	53,485,041	233,070,051	10,344,038	12,081,281	7,836,941	570,521,255
Depreciation in the statement of comprehensive income for the year ended December 31, 2019							81,028,258

(Unit : Baht)

	Separate financial statements			
	Building, improvement and utility system	Furniture and office equipment	Vehicle	Total
Cost:-				
As at January 1, 2020	300,000	16,525,108	1,079,007	17,904,115
Addition	-	14,450	-	14,450
Disposal/Write off	-	(360,142)	-	(360,142)
Transfer out	(7,878)	-	-	(7,878)
As at December 31, 2020	292,122	16,179,416	1,079,007	17,550,545
Accumulated depreciation :-				
As at January 1, 2020	(183,668)	(12,086,630)	(600,054)	(12,870,352)
Depreciation for the year	(92,225)	(675,393)	-	(767,618)
Disposal/Write off	-	-	-	-
Transfer out	-	360,130	-	360,130
As at December 31, 2020	(275,893)	(12,401,893)	(600,054)	(13,277,840)
Allowance for impairment:-				
As at January 1, 2020	-	-	(478,953)	(478,953)
Increase	-	-	-	-
Decrease	-	-	-	-
As at December 31, 2020	-	-	(478,953)	(478,953)
Net book value:-				
As at December 31, 2020	16,229	3,777,523	-	3,793,752

Depreciation in the statement of comprehensive income for the year ended December 31, 2020 767,618

(Unit : Baht)

	Separate financial statements			
	Building, improvement and utility system	Furniture and office equipment	Vehicle	Total
Cost:-				
As at January 1, 2019	-	16,510,764	1,079,007	17,589,771
Addition	300,000	62,644	-	362,644
Disposal/Write off	-	(48,300)	-	(48,300)
Transfer out	-	-	-	-
As at December 31, 2019	300,000	16,525,108	1,079,007	17,904,115
Accumulated depreciation :-				
As at January 1, 2019	-	(11,366,313)	(600,054)	(11,966,367)
Depreciation for the year	(183,668)	(758,521)	-	(942,189)
Disposal/Write off	-	38,204	-	38,204
Transfer out	-	-	-	-
As at December 31, 2019	(183,668)	(12,086,630)	(600,054)	(12,870,352)
Allowance for impairment:-				
As at January 1, 2019	-	-	(478,953)	(478,953)
Increase	-	-	-	-
Decrease	-	-	-	-
As at December 31, 2019	-	-	(478,953)	(478,953)
Net book value:-				
As at December 31, 2019	116,332	4,438,478	-	4,554,810

Depreciation in the statement of comprehensive income for the year ended December 31, 2019 942,189

As at December 31, 2020, certain plant and equipment items of the Group's have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 748.69 millions.(2019 : Baht 723.67 million)

During 2020, WJC Enterprise Co., Ltd. has sold various machines and equipment to third parties. The company recognized loss from disposal of assets In the income statement to Baht 10 million .

During 2020, the management of UWCC (Cambodia) Company Limited recognized the loss on impairment of asset in machinery and equipment to baht 11 million in the statement of comprehensive income. Since the management has estimated that the recoverable value is lower than the book value.

25. Right-of-use assets

Consisted of:-

(Unit : Baht)

	Consolidated			
	Land and office space	Office equipment And equipment	Vehicles	Total
As at January 1, 2020	-	-	-	-
Impact of changes in accounting policy (Note 5.2)	11,723,930	5,508,288	4,652,345	21,884,563
As at January 1, 2020 (as restated)	11,723,930	5,508,288	4,652,345	21,884,563
Increase in right-of-use assets	166,443,048	210,837	1,021,638	167,675,523
Decrease in right-of-use assets	-	-	(334,625)	(334,625)
Depreciation for the year	(8,980,018)	(905,435)	(840,477)	(10,725,930)
As at December 31, 2020	169,186,960	4,813,690	4,498,881	178,499,531

(Unit : Baht)

	Separate financial statements Office space
As at January 1, 2020	-
Impact of changes in accounting policy (Note 5.2)	4,889,995
As at January 1, 2020 (as restated)	4,889,995
Increase in right-of-use assets	-
Depreciation for the year	(3,431,104)
As at December 31, 2020	1,458,891

Expenses relating to leases consisted of:-

(Unit : Thousand Baht)

	Consolidated	Separate financial statements
		<u>2020</u>
Interest expense on lease liabilities	3,833	132
Expense relating to short-term lease	925	-

During the year 2020, Rayong Wire Industries PLC has recognized right-of-use asset and lease liability for land lease located in Map Ta Phut Industrial Estate amounting that used to factory construction in the amount of Bath 166.43 million. The original lease expired in June 2020 and the Company has entered into a new lease with the lessor for a period of 20 years.

## 26. Intangible assets

Consisted of:-

(Unit : Baht)

	Consolidated			
	Right to use gas branch piping system	Computer software	Computer software during installation	Total
Cost :-				
As at January 1, 2020	6,288,111	10,568,723	-	16,856,834
Purchase	-	144,000	4,778,500	4,922,500
Disposal	-	(663,650)	-	(663,650)
Transfer in	-	-	-	-
Transfer out	-	-	-	-
As at December 31, 2020	6,288,111	10,117,413	4,778,500	21,184,024
Accumulated amortization :-				
As at January 1, 2020	(5,507,121)	(8,378,408)	-	(13,885,529)
Amortization for the year	(419,208)	(561,554)	-	(980,762)
Write off	-	386,472	-	386,472
As at December 31, 2020	(5,926,329)	(8,621,830)	-	(14,548,159)
Allowance for impairment :				
As at January 1, 2020	-	-	-	-
Increase	-	(277,165)	-	(277,165)
Decrease	-	277,165	-	277,165
As at December 31, 2020	-	-	-	-
Net book value :				
As at December 31, 2020	361,782	1,495,583	4,778,500	6,635,865
Amortization charges for the year ended December 31, 2020				980,762



(Unit : Baht)

	Consolidated			
	Right to use gas			Total
	branch piping system	Power purchase agreement	Computer software	
Cost :-				
As at January 1, 2019	6,288,111	468,578,412	10,098,232	484,964,755
Purchase	-	-	739,861	739,861
Disposal	-	-	(18,380)	(18,380)
Transfer to disposal asset group classified as held for sales	-	(468,578,412)	(250,990)	(468,829,402)
As at December 31, 2019	6,288,111	-	10,568,723	16,856,834
Accumulated amortization :-				
As at January 1, 2019	(5,087,914)	(143,676,836)	(7,769,143)	(156,533,893)
Amortization for the year	(419,207)	(24,400,001)	(777,808)	(25,597,016)
Amortization	-	-	15,297	15,297
Transfer to disposal asset group classified as held for sales	-	168,076,837	153,246	168,230,083
As at December 31, 2019	(5,507,121)	-	(8,378,408)	(13,885,529)
Allowance for impairment :				
As at January 1, 2019	-	(154,205,810)	-	(154,205,810)
Increase	-	(99,685,714)	-	(99,685,714)
Transfer to disposal asset group classified as held for sales	-	253,891,524	-	253,891,524
As at December 31, 2019	-	-	-	-
Net book value :				
As at December 31, 2019	780,990	-	2,190,315	2,971,305
Amortization charges for the year ended December 31, 2019				25,597,016

(Unit : Baht)		
Separate financial statements		
Computer software		
	<u>2020</u>	<u>2019</u>
Cost :		
As at January 1,	36,800	36,800
Purchase	-	-
Transfer out	-	-
As at December 31,	36,800	36,800
Accumulated amortisation :		
As at January 1,	(30,755)	(25,795)
Amortisation for the year	(4,960)	(4,960)
Transfer out	-	-
As at December 31,	(35,715)	(30,755)
Net book value :		
As at December 31,	1,085	6,045
Amortisation in statement of comprehensive income	4,960	4,960

## 27. Other non-current assets

Consisted of:-

(Unit : Baht)				
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Withholding tax receivable	41,754,296	30,855,557	675,126	-
Advance maintenance expense	13,419,663	48,697,692	-	-
Deposit	2,326,113	4,738,611	1,730,582	2,419,297
Guarantee payments	345,101	409,880	-	-
Others	8,270	185,931	-	-
Total	57,853,443	84,887,671	2,405,708	2,419,297
<u>Less</u> Allowance for expected credit loss	(45,101)	-	-	-
Net	57,808,342	84,887,671	2,405,708	2,419,297

The movement of allowance for expected credit loss of other non-current assets for the year ended December 31, 2020 and 2019 is as follows :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Opening balance	-	-	-	-
Increase during the year	(45,101)	-	-	-
Decrease during the year	-	-	-	-
Ending balance	(45,101)	-	-	-

28. Bank overdraft and Short-term loans from financial institutions

As at December 31, 2020, and 2019, the whole amount is trust receipt of Rayong Wire Industries Public Company Limited several financial institutions. Such loans carries interest at the rates between 2.25% - 3.47% per annum and rate of 2.67% - 2.85% per annum, respectively. Ownership of merchandise purchased from trust receipt contract performance is still belonged to a commercial bank until there is repayment of trust receipt payables to such commercial banks. Such borrowings were collateralized by deposits at financial institutions (Notes to financial statement No.18).

29. Trade and other current payable - third parties

Consisted of:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables	123,570,538	246,588,419	-	-
Other payables	11,901,650	8,604,959	196,672	196,672
Asset payables	232,167	-	-	-
Accrued expenses	51,689,772	49,455,201	2,438,423	3,697,126
Accrued interest payable	376,150	5,855,882	-	-
Suspend output vat	4,746,200	7,820,624	426,850	499,800
Withholding tax payable	1,215,553	1,269,735	91,445	154,571
Revenue Department payable	220,473	542,549	-	-
Total	193,952,503	320,137,369	3,153,390	4,548,169

30. Contract liabilities - third parties

Consisted of:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Advance revenue from service	1,197,370	52,920,844	-	-

31. Short-term loan from third parties

Consisted of:-

	(Unit : Baht)	
	Consolidated	
	<u>2020</u>	<u>2019</u>
Short-term loan from third parties	57,000,000	49,000,000

As at December 31, 2020 and 2019, short-term loan from other company has maturity in February and June 2021, and carries fixed interest rate at 6.25% per annum. Such loan were unsecured. Currently, the Company has renewed the promissory note due in February 2021 to be paid in August 2021.

32. Provision of other current liabilities

The movement of provision for the year ended December 31, 2020 and 2019 are as follows:-

	(Unit : Baht)	
	Consolidated	
	<u>2020</u>	<u>2019</u>
Opening net book value	64,686,730	-
Increase during the year	-	64,686,730
Decrease during the year	(64,686,730)	-
Ending net book value	-	64,686,730

Provision consists of:-

		(Unit : Baht)	
		Consolidated	
		<u>2020</u>	<u>2019</u>
Current		-	64,686,730
Non-current		-	-
Total		-	64,686,730

### 33. Lease liabilities

Consisted of:-

		(Unit : Baht)	
		Consolidated	Separate financial statement
		<u>2020</u>	<u>2019</u>
Lease liabilities		174,847,846	2,943,931
		586,772	-

Change of lease liabilities for the year ended December 31, 2020 is as follows :-

		(Unit : Baht)	
		Consolidated	Separate financial statement
Opening book value as previously reported		2,943,931	-
Impact of changes in accounting policy (Note 5.2)		16,777,404	4,002,955
Opening book value as restated		19,721,335	4,002,955
Additions during the year		169,391,692	-
Repayment during the year		(14,265,181)	(3,416,183)
Ending balance		174,847,846	586,772

The maturity analysis of lease liabilities is as follows:-

		(Unit : Baht)	
		Consolidated	
		2020	2019
		Lease liabilities	Deferred lease charges
		Net	Lease liabilities
		Net	Deferred lease charges
Not later than 1 year		12,746,967	(6,543,680)
Later than 1 year but not later than 5 years		58,783,016	(29,163,717)
More than 5 years		178,246,161	(39,220,901)
Total		249,776,144	(74,928,298)

(Unit : Baht)

Separate financial statement						
	2020			2019		
	Lease liabilities	Deferred lease charges	Net	Lease liabilities	Deferred lease charges	Net
Not later than 1 year	591,360	(4,588)	586,772	-	-	-
Later than 1 year but not later than 5 years	-	-	-	-	-	-
Total	591,360	(4,588)	586,772	-	-	-

As at December 31, 2020, the Group performs the contract of long term financial leased with several lessor companies so as to lease land, building, office space, vehicles and equipment by number of 17 contracts. (2019 : 7 contracts) The leased contracts determine leased fee repayment as monthly installment from Baht 3,500 to Baht 295,680 per month and Baht 9 million per year.(2019 : Baht 3,500 to Baht 59,787 per month) The leased period is carried from 1 - 20 years.(2019 : 3 - 5 years)

#### 34. Debentures

The movements of debentures for the year ended December 31, 2020 are as follows :-

	(Unit : Baht)
	<u>Consolidated</u>
Opening book value as previously reported	600,000,000
Impact of changes in accounting policy (Note 5.1)	(5,239,984)
Opening book value as restated	594,760,016
Addition during the year	-
Repayment during the year	(597,059,735)
Profit on redemption of callable debenture	(1,355,160)
Interest expense followed in effective interest rate	(1,585,105)
Amortized front-end-fee	5,239,984
Ending debentures balance	-

Summary of debentures included their interest rate and term payment as follow :-

Credit facility (Million Baht)					
	<u>2020</u>	<u>2019</u>	<u>Period</u>	<u>Interest Rate</u>	<u>Collateral</u>
1 <sup>st</sup> credit facility line	-	300.00	Jan 2018 - Jan 2020	6.25 per annum	The Securities of the Company were secured as collateral. In addition, under the conditions of the issuance of debentures, the Company must comply with certain conditions and maintain financial ratios.
2 <sup>nd</sup> credit facility line	-	300.00	Dec 2019 -Mar 2021	6.50 per annum	The Securities of the Company were secured as collateral. In addition, under the conditions of the issuance of debentures, the Company must comply with certain conditions and maintain financial ratios
Total	-	600.00			

Debentures - minimum payments as follows :-

	(Unit : Baht)	
	Consolidated	
	2020	2019
Not later than 1 year	-	300,000,000
2 - 5 years	-	300,000,000
Total	-	600,000,000

### 35. Employee benefit obligation

Changes in the present value of the employee benefit obligation in case of retirement or termination under the labor law for the year ended December 31, 2020 and 2019 are as follows:

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	2020	2019	2020	2019
Opening defined benefit balance	65,606,966	56,700,722	9,122,252	6,005,605
Past service cost	-	11,220,723	-	1,292,575
Current service cost	4,398,646	3,950,874	664,889	503,652
Interest cost	1,827,131	1,592,806	174,253	176,401
Actuarial gains(losses) arising from change in demographic	10,104,767	(191,886)	172,547	(13,795)
Actuarial losses arising from change in financial	1,927,888	985,124	68,129	430,935
Actuarial gains(losses) arising from change in experience	(4,555,908)	4,769,497	(6,299,801)	726,879
Reversed from restructuring	-	(3,719,829)	-	-
Transferred to assets held for sale	-	(3,102,253)	-	-
Benefit paid	(19,757,941)	(6,598,812)	-	-
Closing defined benefit balance	59,551,549	65,606,966	3,902,269	9,122,252

Principal actuarial assumptions as at December 31, 2020 and 2019 are as follows :

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate at end of year	1.09 - 2.47	2.12 - 2.48	1.66	2.12
Future salary growth	4.00 - 7.84	3.29 - 7.84	5.00	5.24
Proportion of employees opting for early retirement	0.00 - 40.00	0.00 - 40.00	1.91 - 22.92	0.00 - 40.00

As at December 31, 2020 and 2019, changes in the actuarial assumption will affect to the employee benefit obligation as follows:

	Consolidated		Separate financial statement	
	Employee benefit obligation		Increase (decrease)	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
If the discount rate increase 0.5 %	(2,116,987)	(2,475,909)	(188,956)	(344,026)
If the discount rate decrease 0.5 %	3,807,829	2,630,035	203,319	362,189
If the future salary growth increase 1%	4,660,629	3,780,608	403,339	344,310
If the future salary growth decrease 1%	(4,179,719)	(3,603,171)	(356,767)	(330,675)
If the proportion of employees opting for early retirement increase 20%	(5,036,272)	(5,356,139)	(209,380)	(702,979)
If the proportion of employees opting for early retirement decrease 20%	5,906,955	5,301,839	233,635	69,841

The expected maturity analysis of the undiscounted employee benefit obligation is as follows:-

	Consolidated financial statement		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Not later than 1 year	3,881,177	9,932,941	-	-
2 - 5 years	31,703,372	41,123,068	1,741,264	6,377,733
More than 5 years	82,152,511	104,878,434	7,640,968	11,553,142
Total	117,737,060	155,934,443	9,382,232	17,930,875

As at December 31, 2020, the weighted average duration of the defined employee benefit obligation of the Group are 8-16 years on consolidated and 13 years on separate financial statements.(2019: 9-16 years on consolidated and 9 years on separate financial statements)



### 36. Deferred tax assets/liabilities

Changed of deferred tax assets and liabilities for the year ended December 31, 2020 and 2019 is as follows:-

(Unit : Baht)

	Consolidated									
	January 1, 2019	Recognized profit or loss	Recognized in comprehensive income	Recognized in shareholders' equity directly	Transfer to Disposal assets group classified as held for sale	December 31, 2019	Changes in accounting policy	Recognized in profit or loss	Recognized in comprehensive income	December 31, 2020
Trade and other current										
receivable - third parties	18,153,844	-	-	-	-	18,153,844	-	(325,906)	-	17,827,938
Receivable under finance lease	(24,474,869)	5,774,846	-	-	-	(18,700,023)	-	18,700,023	-	-
Short-term loans to third parties	1,770,000	-	-	-	-	1,770,000	-	(800,000)	-	970,000
Inventories	10,092,532	-	-	-	-	10,092,532	-	(4,747,255)	-	5,345,277
Other current financial assets	(42,806,795)	42,806,795	-	-	-	-	-	(20,822,975)	-	(20,822,975)
Other non-current financial assets	(150,730)	-	89,604	-	-	(61,126)	-	61,045	-	(81)
General investments	3,000,000	-	-	-	-	3,000,000	-	-	-	3,000,000
Investments in subsidiaries	(135,150,966)	-	-	1,778,446	-	(133,372,520)	-	43,451,428	-	(89,921,092)
Investment properties	2,171,441	-	-	-	-	2,171,441	-	-	-	2,171,441
Property, plants and										
equipment	(25,627,111)	(3,836,762)	-	-	(20,205,575)	(49,669,448)	-	-	-	(49,669,448)
Debenture	-	-	-	-	-	-	(159,504)	159,504	-	-
Employee benefit obligation	10,687,836	(149,060)	205,885	-	(285,175)	10,459,486	-	(676,476)	(1,201,120)	8,581,890
Lease liabilities	(449,762)	(183,413)	-	-	-	(633,175)	-	(323,602)	-	(956,777)
Power purchase agreement	(78,690,622)	69,347,765	-	-	9,342,857	-	-	-	-	-
Loss carried forward	68,640,768	(49,718,015)	-	-	(18,922,753)	-	-	-	-	-
Total	(192,834,434)	64,042,156	295,489	1,778,446	(30,070,646)	(156,788,989)	(159,504)	34,675,786	(1,201,120)	(123,473,827)

(Unit : Baht)

	Separate financial statement							
	January 1, 2019	Recognized in profit or loss	Recognized in comprehensive income	December 31, 2019	Changes in accounting policy	Recognized in profit or loss	Recognized in comprehensive income	December 31, 2020
Trade and other current receivable - third parties	16,821,784	-	-	16,821,784	-	-	-	16,821,784
Receivable under finance lease	-	-	-	-	-	-	-	-
Short-term loans to third parties	1,770,000	-	-	1,770,000	-	(800,000)	-	970,000
Other current financial assets	(32,077,150)	32,077,150	-	-	-	(11,311,113)	-	(11,311,113)
General investments	3,000,000	-	-	3,000,000	-	-	-	3,000,000
Investments in subsidiaries	9,953,817	-	-	9,953,817	-	-	-	9,953,817
Investment properties	2,171,441	-	-	2,171,441	-	-	-	2,171,441
Property, plants and equipment	95,791	-	-	95,791	-	-	-	95,791
Employee benefit obligation	1,201,120	-	-	1,201,120	-	-	(1,201,120)	-
Total	2,936,803	32,077,150	-	35,013,953	-	(12,111,113)	(1,201,120)	21,701,720

The Group offsets the deferred tax assets and the deferred tax liabilities for the presentation in the statement of financial position only in a case where such assets and liabilities relates to the same taxable company and the income tax is levied by the same taxation authority, as follows :-

(Unit : Baht)

	Consolidated		Separate financial statement	
	2020	2019	2020	2019
Amount recognized as assets/liabilities in the statement of financial position				
- Deferred tax assets	13,708,374	31,604,691	21,701,720	35,013,953
- Deferred tax liabilities	(137,182,201)	(188,393,680)	-	-
Total	(123,473,827)	(156,788,989)	21,701,720	35,013,953

The deferred tax asset is not recognized in the statement of financial position; consisted of:-

(Unit : Baht)

	Consolidated financial statement		Separate financial statement	
	2020	2019	2020	2019
Unused tax losses				
- Expire in next 1 year	14,072,614	15,105,966	-	-
- Expire in next 2-13 years	261,745,340	232,540,017	3,096,234	5,749,674
Temporary differences	144,752,679	187,739,466	56,698,592	83,932,874
Total	420,570,633	435,385,449	59,794,826	89,682,548

The deferred tax liability, which is not recognized in the statement of financial position, arises from undistributed profits associated with investments in subsidiaries, joint ventures and associates; consisted of :-

	(Unit : Baht)	
	Consolidated	
	<u>2020</u>	<u>2019</u>
Deferred tax assets (liabilities) are not recognized :		
- Subsidiaries	59,616,662	59,574,848
- Joint ventures	11,894	11,894
- Associates	28,203,134	34,820,753
Total	<u>87,831,690</u>	<u>94,407,495</u>

### 37. Share capital

	Number of share (Unit : share)	Amount (Unit : Baht)
Registered share capital (Baht 1.00 per share)		
As at January 1, 2019	1,117,712,067	1,117,712,067
Reduction of share capital	(372,570,138)	(372,570,138)
Increment of share capital	223,542,577	223,542,577
As at December 31, 2019	968,684,506	968,684,506
Increment of share capital	-	-
As at December 31, 2020	<u>968,684,506</u>	<u>968,684,506</u>
	Number of share (Unit : share)	Amount (Unit : Baht)
Paid-up share capital (Baht 1.00 per share)		
As at January 1, 2019	745,141,929	745,141,929
Increment of share capital	-	-
As at December 31, 2019	745,141,929	745,141,929
Increment of share capital	-	-
As at December 31, 2020	<u>745,141,929</u>	<u>745,141,929</u>

The Annual General Meeting of Shareholders of the Company of year 2019 with held on April 30, 2019, has resolved the following details:-

- Approved decrease registered capital from Baht 1,117,712,067 to Baht 745,141,929 by cancellation of unsold shares as amounting of 372,570,138 shares (par value of Baht 1.00).

- Approved increase registered capital from Baht 745,141,929 to Baht 968,684,506 by issuing ordinary shares as amounting of 223,542,577 shares (par value of Baht 1.00) to support the capital increase by General Mandate.

- Approve allocate ordinary shares for increased registered capital by General Mandate as amounting of 223,542,577 shares (par value of Baht 1.00) According to propose of capital increase as follows:

- 1) Allocate new shares as amount of 149,028,385 shares (or 20% of paid-up capital as at date Board resolve on capital increase) to offer to existing shareholders;

- 2) Allocate new shares as amount of 74,514,192 shares (or 10% of paid-up capital as at date Board resolve on capital increase) to offer to private placement.

The Company had registered the capital with the Department of Business Development, Ministry of Commerce, effective on May 15, 2019 for reduction of capital and on May 3, 2019 for increment of capital.

The Annual General Meeting of Shareholders of the Company of year 2020 with held on April 30, 2020, has resolved the following details:-

- To approve extension of allocation of newly issued ordinary shares of company by General Mandate as amounting of 223,542,577 shares (par value of Baht 1.00) to the next General Meeting of Shareholders:

- 1) Allocate newly shares as amount of 149,028,385 shares (or 20 percent of paid up capital) for existing shareholders;

- 2) Allocate newly shares as amount of 74,514,192 shares (or 10 percent of paid up capital) for private placement.

### The capital management

The Group constitutes purpose with respect to capital management in order to remain for ability in the continued operation and ability to appropriately provide remuneration to various group of participating interest while the Group will maintain capital in the level with the least risk.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt obligations.

### 38. Legal reserve

Under the provisions of the Public Company Limited Act C.E. 1992, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. This reserve is not available for dividend distribution.

### 39. Income tax (income) expense

The income tax (income) expenses recognized in loss for the year ended December 31, 2020 and 2019 are as follow:

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current tax expense	1,983,490	1,202,441	-	-
Expense (income) deferred tax expense relating to the origination and reversal of temporary differences				
- Assets held for operation	(34,675,786)	361,608	12,111,113	(32,077,150)
- Assets held for sale	4,152,723	-	-	-
Total income tax (income) expense recognized in profit or loss	(28,539,573)	1,564,049	12,111,113	(32,077,150)

The relationship between income tax expense and accounting loss for the year ended December 31, 2020 and 2019, are as follow :-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting loss	(216,007,094)	(1,537,153,487)	(184,528,923)	(519,784,932)
Tax rate used	20%	20%	20%	20%
Tax at the applicable tax rate	(43,201,419)	(307,430,697)	(36,905,785)	(103,956,986)
Temporary difference not recognized as a deferred tax asset	17,419,811	115,370,436	57,091,138	67,956,969
Temporary difference before the periods aren't recognized as deferred tax assets.	(74,643,223)	(2,313,827)	(392,546)	(822,800)
The effect of income that isn't required to be calculated for taxation profits	(1,115,459)	(2,609,651)	(3,999,992)	-
Expenses that aren't deductible in determining taxation profit	2,824,373	1,343,100	46,341	72,210
Expenses that are deductible in determining taxation profit	(6,915,307)	(5,125,569)	-	(1,614)
Effect of write-down of deferred tax assets	(16,648,702)	49,682,300	-	-
Loss from operation for the year	98,260,733	162,491,661	-	4,675,071
Effect of income tax rates of subsidiaries	(792,337)	-	-	-
Loss carried forward	(3,728,043)	(9,843,704)	(3,728,043)	-
Total income tax expense (income) recognized in profit and loss	(28,539,573)	1,564,049	12,111,113	(32,077,150)

Tax rate	<u>2020</u>	<u>2019</u>
- The Company and subsidiary in Thailand		
- Profit of non-BOI business	20%	20%
- Profit of BOI business		
- Exemption from taxation	-	-
- Reduction of tax 50%	10%	10%
- Overseas subsidiary companies	Flat tax and 17%-30%	Flat tax

The income tax expenses recognized in other comprehensive income for the year ended December 31, 2020 and 2019 are as follow:

(Unit : Baht)				
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax				
Actuarial losses	1,201,120	(205,885)	1,201,120	-
Gain (loss) from fair value measurement of financial asset	-	(89,604)	-	-
Total income tax expense recognized in other comprehensive income	1,201,120	(295,489)	1,201,120	-

#### 40. Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the period attributable to shareholders (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

#### 41. Supplemental disclosures of cash flow information

##### 41.1 Cash and cash equivalents consist of :-

(Unit : Baht)				
	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash on hand	676,099	892,105	9,562	14,581
Cash deposits-Saving accounts	289,649,087	421,621,224	32,497,419	9,995,368
Cash deposits-Current accounts	735,758	423,279	58,900	58,900
Fixed deposits not exceeding 3 months	8,741,107	2,342,917	375,023	373,632
Total	299,802,051	425,279,525	32,940,904	10,442,481

##### 41.2 Non-cash items are as follows :-

(Unit : Baht)				
	Consolidated		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Right-of-use asset not yet paid	184,452,928	-	4,889,995	-
Purchase equipment but not yet paid	47,167	18,606,242	-	-

### 41.3 Liabilities arising from financing activities :-

The movements of liabilities arising from financing activities the year ended December 31, 2020 and 2019 was as follow:-

(Unit : Baht)

	Consolidated			
	January 1, 2020	Cash flows	Additions during the year	December 31, 2020
Short-term loans from financial institution	192,327,589	(67,584,634)	-	124,742,955
Short-term loans from third parties	49,000,000	8,000,000	-	57,000,000
Lease liabilities	2,943,931	(12,323,903)	184,227,818	174,847,846
Debenture	600,000,000	(600,000,000)	-	-
Total	844,271,520	(671,908,537)	184,227,818	356,590,801

(Unit : Baht)

	Consolidated				
	January 1, 2019	Cash flows	Additions during the year	Changes in foreign exchange rates	December 31, 2019
Bank overdraft	17,338,160	(17,338,160)	-	-	-
Short-term loans from financial institution	363,031,079	(169,163,144)	-	(1,540,346)	192,327,589
Short-term loans from third parties	39,500,000	9,500,000	-	-	49,000,000
Long-term loans from financial institution	24,520,000	(24,520,000)	-	-	-
Lease liabilities	9,530,841	(7,131,062)	544,152	-	2,943,931
Debenture	600,000,000	-	-	-	600,000,000
Total	1,053,920,080	(208,652,366)	544,152	(1,540,346)	844,271,520

(Unit : Baht)

	Separate financial statement			
	January 1, 2020	Cash flows	Additions during the year	December 31, 2020
Short-term loans from related parties	30,000,000	5,000,000	(212,314)	34,787,686
Lease liabilities	-	(3,416,183)	4,002,955	586,772
Total	30,000,000	1,583,817	3,790,641	35,374,458



(Unit : Baht)

	Separate financial statement			
	Additions during the			December 31, 2019
	January 1, 2019	Cash flows	year	
Short-term loans from related parties	-	30,000,000	-	30,000,000
Total	-	30,000,000	-	30,000,000

#### 41.4 Net cash inflow on disposal of subsidiaries:-

For the year ended December 31, 2020, the subsidiary sold 3 indirect subsidiaries of the Company to Absolute Clean Energy Public Company Limited and Asia Clean Energy Company Limited in notes to financial statement no. 17 The cashflows from loss of control is as follows :

	(Unit : Baht)
Consideration received in cash	417,440,287
<u>Less</u> cash and cash equivalents of subsidiaries (Note 17)	(109,923,883)
Cash received from loss of control	<u>307,516,404</u>

#### 42. Employee benefit

##### 42.1 Provident fund

For the year ended December 31, 2020, the Group recognizes as the employee benefit expense for the payment of contribution into the provident fund at the amount of Baht 3.98 million and Baht 0.45 million in consolidated and separate financial statement, respectively.(2019 : Baht 4.70 million and Baht 0.60 million in consolidated and separate financial statement, respectively)

## 42.2 Retirement employee benefit

For the year ended December 31, 2020 and 2019, the Group recognizes the employee benefit expense in case of retirement or termination under the labor law, as follows:

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Amounts recognized in profit or loss				
Past service cost	-	11,220,723	-	1,292,575
Current service cost	4,398,646	3,950,874	664,889	503,652
Interest cost	1,827,130	1,592,806	174,253	176,401
Total amounts recognized in profit or loss	6,225,776	16,764,403	839,142	1,972,628
Amounts recognized in other comprehensive income				
Actuarial losses arising from change in demographic assumption	10,104,767	(191,886)	172,547	(13,795)
Actuarial losses arising from change in financial assumption	1,927,888	985,124	68,129	430,935
Actuarial (gain)losses arising from change in experience adjustment	(4,555,908)	4,769,497	(6,299,801)	726,879
Total amounts recognized in other comprehensive income	7,476,747	5,562,735	(6,059,125)	1,144,019
Total	13,702,523	22,327,138	(5,219,983)	3,116,647

An item of the employee benefit expense in case of retirement or termination under the labor law for the year ended December 31, 2020 and 2019 are inclusively presented in the line items, as follows :

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cost of sales	2,627,061	1,597,992	-	-
Selling expenses	214,877	217,315	-	-
Administrative expenses	2,199,127	13,194,897	297,204	1,483,035
Management benefit expenses	1,184,711	1,754,199	541,938	489,593
Total	6,225,776	16,764,403	839,142	1,972,628

43. Expenses by nature

The following expenditure items of expense have been classified by nature:

			(Unit : Baht)	
	Consolidated		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Raw material and consumables used	1,070,674,798	1,699,278,788	-	-
Change in finished goods and work in progress				
decreased	95,667,351	93,223,952	-	-
Purchased finished goods	8,549,123	-	-	-
Staff costs	177,724,572	302,121,348	7,927,008	11,012,712
Repair and maintenance expenses	77,036,967	7,793,140	-	-
Depreciation and amortization	133,887,255	106,650,382	4,089,311	972,257
Doubtful accounts (reversal)	10,287,666	10,708,902	(5,375,039)	15,994,611
Allowance for declining in value of inventories	(43,729,591)	35,509,443	-	-
Utility expenses	44,219,202	41,487,896	427,150	420,112
Director remunerations	32,407,246	30,885,499	5,224,977	7,830,449
Rental	11,201,796	7,638,442	3,400,489	7,510,210
Subcontract expense	5,749,298	76,176,357	-	-
Loss on investment	181,281	526,322,259	181,281	322,301,242
Transportation expenses	14,164,379	21,235,505	132,136	105,192
Loss on impairment of investment properties	-	51,728,762	-	51,728,762
Loss on impairment of property, plant and equipment	-	190,556,465	-	-
Loss on impairment of intangible assets	-	99,685,714	-	-
Loss on impairment of other assets	13,776,193	14,061,749	-	-
Loss from write-off of fixed assets	10,556,331	1,838,617	-	10,096
Loss on impairment of investments in subsidiaries	-	-	270,112,349	110,446,067
Loss on impairment of investments in associate (reversal)	(31,358,961)	69,865,996	-	-
Loss on disposal of investments in associate	65,789,933	755,366	-	-
Loss from onerous contract (reversal)	(64,686,730)	64,686,730	-	-

44. Credit line of financial institutions

(Unit: Million Baht)

	Consolidated					
	2020			2019		
	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Bank overdrafts	1.00	-	1.00	10.00	-	10.00
Long-term loans	-	-	-	330.00	(330.00)	-
Letters of guarantee	53.48	(39.83)	13.65	76.95	(44.03)	32.92
Promissory note aval	-	-	-	40.00	(34.23)	5.77
Letter of credit and packing credit	244.59	(124.74)	119.85	594.59	(201.20)	393.39
Total	299.07	(164.57)	134.50	1,051.54	(609.46)	442.08

The Group has pledged fixed deposits to guarantee against such credit facilities, the Company's directors also provide private guarantee for these loans.

45. Operating segments

The Group identified the operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and assess its performance and shall disclose the amount reported for each operating segment item to be the measure reported to the Group's chief operating decision maker for the purpose of allocating resources to the segment and assessing its performance.

The Group classifies the operating segment in the form of type of business operated. The Group has 6 operating segments which are consists of investing in other companies segment, steel wire segment, steel structure and design and distributing main structure according to pattern segment, electricity and thermal energy segment, contractor and tunneling segment and distribution of industrial product segment.

The Group measures the profit or loss for each segment from the gross profit excluding the items of other income, interest revenue, gain or loss on exchange rate, other central expenses and finance cost.

The segment operation for the year ended December 31, 2020 and 2019 are as follows:

(Unit : Million Baht)

	Consolidated													
	Investing in other companies		Steel wire		Steel structure poles, design and distributing main structure according to pattern		Electricity and thermal energy		Contractor and tunneling		Industrial product		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues from external customers	-	-	559.63	676.09	676.74	1,105.06	226.72	283.56	-	1.56	5.23	8.30	1,468.32	2,074.57
Gross margin (loss)	104.12	(502.87)	36.39	(8.15)	17.98	(288.71)	(26.78)	(6.70)	-	(0.63)	2.23	3.19	133.94	(803.87)
Other income													121.74	16.84
Interest income													17.88	16.14
Distribution expenses													(25.79)	(33.72)
Administrative expenses													(224.81)	(212.89)
Loss on impairment of asset													(16.74)	(358.63)
Loss on impairment of investment													(149.44)	(69.86)
Temporary shutdown expenses													(21.91)	-
Finance cost													(48.22)	(62.23)
Share of profits(loss) from investments in associates													(2.66)	(28.93)
Loss before income tax expenses													(216.01)	(1,537.15)

The reconciliations of each segment total assets to the Group's assets and other material items.

Consolidated

(Unit : Million Baht)

	Investing in other companies		Steel wire		Steel structure poles and design and distributing main structure according to pattern		Transmission tower and thermal energy		Contractor and tunneling		Industrial product		Central		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Depreciation	4.09	0.97	26.97	22.90	11.06	12.78	1.90	28.17	1.16	7.32	5.75	8.69	1.88	0.20	52.81	81.03
Amortization	-	-	0.07	0.26	0.48	0.48	0.43	24.86	-	-	-	-	-	-	0.98	25.60

Information about geographical areas for the year ended December 31, 2020 and 2019 are as follows:-

(Unit : Million Baht)

	Consolidated					
	Thailand		Philippines		Total	
	2020	2019	2020	2019	2020	2019
Revenues from external customers	1,468.32	2,074.57	-	-	1,468.32	2,074.57
Non-current assets (excluding financial instruments and deferred tax assets)	885.89	924.72	-	-	885.89	924.72

For the year ended December 31, 2020, the Group has the revenue from sale of goods to 2 major customers in the amount of Baht 522.69 million earned from steel structure poles and design and distributing main structure according to pattern segment and electricity and thermal energy segment. (For the year ended December 31, 2019 : 2 major customers in the amount of Baht 374.23 million earned from steel structure poles and design and distributing main structure according to pattern segment and electricity and thermal energy segment).

#### 46. Revenue

The relationship between the revenue information disclosed for each reportable segment and the revenue derived from transfer of goods and services over time and a point in time for the year ended December 31, 2020 and 2019 are as follows:-

(Unit : Million Baht)

	Consolidated													
	Segment operation													
	Investing in other companies		Steel wire		Steel structure poles and design and distributing main structure according to pattern		Electricity and thermal energy		Contractor and tunneling		Industrial product		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from external customers	-	-	559.63	676.09	676.74	1,105.06	226.72	283.56	-	1.56	5.23	8.30	1,468.32	2,074.57
Revenue recognized when a performance obligation														
- satisfied at a point in time	-	-	559.63	676.09	676.74	1,105.06	226.72	283.56	-	-	5.23	8.30	1,468.32	2,073.01
- satisfied over time	-	-	-	-	-	-	-	-	-	1.56	-	-	-	1.56
Total	-	-	559.63	676.09	676.74	1,105.06	226.72	283.56	-	1.56	5.23	8.30	1,468.32	2,074.57

The amount of revenue recognized in the financial statement for the year ended December 31, 2020 and 2019 that was included in the contract liability balance as at December 31, 2019 and 2018 are as follow:-

	(Unit: Baht)	
	Consolidated	
	As at	
	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Production and distribution of steel structure for electricity poles	20,454,212	18,969,665

For the year ended December 31, 2020 and 2019, there is not an amount of revenue recognized concerning the performance obligation satisfied in the previous period.

#### 47. Financial instruments

The principal financial risks faced by the Group are market risk, credit risk and liquidity risk. In this regard, the Group will enter into derivative financial transactions as appropriate with the objective to mitigate the impact of risks. However, the Group did not speculate in or engage in trading of any derivative financial instruments.

##### Market risk

The market risks faced by the Group are currency risk, interest rate risk and other price risk.

##### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group constitutes material risk from exchange rates in overseas currencies because there are trading transactions, cash at bank, trade receivable, trade payable and trust receipt that are foreign currency. The management has managed risk from exchange rates by performing the forward foreign currencies contract dependent on each case.

As at December 31, 2020 the significant outstanding balances of the Company's financial assets and liabilities denominated in foreign currencies are as follow:

	(Unit: Currency)	
	2020	
	Consolidated	
<u>Foreign currency</u>	<u>Assets</u>	<u>Liabilities</u>
USD	313,990	-
PHP	59,111,224	18,806,286

The sensitivity analysis for currency risk will affect to the profit or loss as follows:

	(Unit : Thousand Baht)
	Consolidated
	Increase (decrease) in profit before income tax
	<u>2020</u>
If the USD/Baht exchange rate strange 1%	(94)
If the USD/Baht exchange rate weak 1%	94
If the PHP/Baht exchange rate strange 0.5%	(12)
If the PHP/Baht exchange rate weak 0.5%	12

#### Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Group operates its business by purchasing steel to manufacture by processing it into various types of steel products. In order to continually sell according to the nature of the business of the Group, the Group had a risk of being affected by fluctuations from the changes in the steel price.

The sensitivity analysis for steel price risk will affect to the profit or loss as follows:

	(Unit : Thousand Baht)
	Consolidated
	Increase (decrease) in profit before income tax
	<u>2020</u>
If the steel price at the reporting date increase 1%-5%	(2,828)
If the steel price at the reporting date decrease 1%-5%	2,828



The Group has the investment in listed equity securities and open fund equity securities, and therefore the Group is exposed to the risk of being adversely affected by fluctuations as a result of the future value of such investment.

The sensitivity analysis for equity price risk will affect to the profit or loss as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate financial statements
	Increase (decrease) in profit before income tax	
	<u>2020</u>	
If the price of listed equity securities at the reporting date increases 10%	42,820	24,811
If the price of listed equity securities at the reporting date decreases 10%	(42,820)	(24,811)

#### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The gross carrying amount of trade receivables and contract assets and the lifetime expected credit losses calculated by using a provision matrix, which specifies a fixed provision rates depending on the number of days that a trade receivable is past due based on historical credit loss are as follows:-

	(Unit : Thousand Baht)					
	Consolidated					
	Days past due as at December 31, 2020					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	Total
Expected loss rate	0.00% - 0.24%	0.00% - 6.75%	0.00% - 14.10%	0.00% - 57.14%	100%	
Gross carrying amount – trade receivables	144,175	57,528	6,516	11,058	101,762	321,039
Expected credit loss	275	516	423	2,274	101,762	105,250

	(Unit : Thousand Baht)					
	Separate financial statement					
	Days past due as at December 31, 2020					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	Total
Expected loss rate	0.00%	0.00%	0.00%	0.00%	100%	
Gross carrying amount – trade receivables	-	-	-	-	84,109	84,109
Expected credit loss	-	-	-	-	84,109	84,109

## Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Maturity for the Group's financial liabilities as at December 31, 2020 based on the contractual undiscounted cash flow is as follows:-

(Unit : Thousand Baht)

	Consolidated			Total	Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years		
December 31, 2020					
Short-term loans from financial institution	124,743	-	-	124,743	124,743
Trade and other current payable - related parties	195	-	-	195	195
Trade and other current payable - third parties	92,600	-	-	92,600	92,600
Lease liabilities	12,084	46,060	190,262	248,406	173,572
Short-term loans from third parties	92,703	-	-	92,703	92,491

(Unit : Thousand Baht)

	Separate financial statements			Total	Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years		
December 31, 2020					
Trade and other current payable - related parties	1,031	-	-	1,031	1,031
Trade and other current payable - third parties	3,153	-	-	3,153	3,153
Lease liabilities	591	-	-	591	587
Short-term loans from related parties	35,000	-	-	35,000	34,788

## 48. Fair value Measurement

TFRS No.13 “Fair Value Measurement” defines fair value as 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.

The TFRS requires the Company shall disclose about fair value measurement for financial asset and liability in which the other related TFRSs requires or permits fair value measurement or disclosure about fair value.

The TFRS establishes a fair value hierarchy that categorizes into 3 levels the inputs to valuation techniques used to measure fair value, as follows :-

Level 1 : The inputs are quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 : The inputs are observable inputs for the asset or liability, either directly or indirectly.

Level 3 : The inputs are unobservable inputs for the asset or liability.

Financial assets and financial liabilities of the Company measured the fair value in the statement of financial position are as follows:

(Unit : Million Baht)

Assets and Liabilities	Fair value		Fair value hierarchy	Valuation techniques (For level 2 and 3)
	2020	2019		
Foreign currency forward as assets (liabilities) contract (Note 49.2)	-	(0.04)**	Level 2	Calculated using the value announced by the financial institution.
Investment in listed equity instruments (Note 16)	428.20	322.62	Level 1	The bid price in the market at the end of the reporting period.
Investment in mutual fund (Note 19)	0.64	86.76	Level 2	Net asset value of investment units at the end of the reporting period

\*\*The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

For the year ended on December 31, 2020, there is no the transfer of any amount between level 1 and level 2 of the fair value hierarchy.

The financial assets and financial liabilities not measured the fair value in the statement of financial position are as follows:

(Unit : Thousand Baht)

Assets and liabilities	Consolidated		
	2020		
	Carrying amount	Fair value	Fair value hierarchy
Financial assets			
Deposits at financial institutions pledged as collateral	133,018	133,085	Level 2
Financial liabilities			
Long-term loan from financial institutions	124,743	124,743	Level 2
Short-term loan from related party	57,000	57,000	Level 2

(Unit : Thousand Baht)			
Assets and liabilities	Separate financial statement		
	2020		
	Carrying amount	Fair value	Fair value hierarchy
Financial assets			
Short-term loan to related party	110,000	109,517	Level 2
Financial liabilities			
Short-term loan from financial institutions	35,000	34,788	Level 2

The carrying amount of cash and cash equivalents, trade receivables and trade payables approximates the fair value.

The fair value of deposits at financial institutions pledged as collateral, short-term loan to related party, short-term loans from other company are determined by using the discounted cash flow method. The contractual future cash inflows are discounted at the current market interest rate for similar financial instruments adjusted by counterparty risk.

#### 49. Commitments and contingent liabilities

49.1 Apart from the various liabilities presented in the financial statements, the Group have the obligations as at December 31, 2020 and 2019 are as follow:-

(Unit : Million Baht)		
	Consolidated	
	<u>2020</u>	<u>2019</u>
Letter of Credit		
USD	-	0.29
Letter of Guarantee		
Baht	39.33	43.98

49.2 As at December 31, 2019, a subsidiary has entered into the forward foreign currency contracts in amount of USD 0.25 million which holds the contract life not exceeding one year.

49.3 As at December 31, 2020 , a subsidiary has commitments from entered into agreement with two foreign companies to procure spare parts and maintenance for electrical equipment. The contract covers the time period specified by the machine working hours and the number of major inspections specified in the contract. The contract periods are 8-15 years. the Group has outstanding commitments of Baht 155.77 million.(2019 : Baht 171.58 million)

- 49.4 As at December 31, 2020, a subsidiary has entered into a business advisor contract for investment in the foreign business group for 1 contract. This contract is for 1 year . The subsidiary has an obligation to pay in the amount of Baht 175,000.
- 49.5 As at December 31, 2020, a subsidiary has entered into a legal and tax consultant regarding the oversea joint venture for one contract. The subsidiary has an obligation to pay for the service according specific condition.
- 49.6 As at December 31, 2020, a subsidiary has entered into a financial advisor agreement. To be a consultant for credit facility financing Take care of advising the terms and conditions of various agreements In preparing creditfor a period of 3 years. The Company is committed to pay a fixed rate of 150,000 baht per month and variable rate compensation under the conditions stipulated in the agreement.
- 49.7 As at December 31, 2020 , the Group has a commitments under security contracts with three companies for a period of 1 year. The group have an obligaton to pay a service fee in amount of Baht 55,000 - 152,000 per month.
- 49.8 As at December 31, 2020, the Company has entered into a property rental agreement with a company. This contract is for 3 years. The subsidiary has an obligation to pay in the amount of Baht 281,600 per month.
- 49.9 The subsidiary company has construction commitments with two companies as follows :-

	(Unit : Million Baht)	
	Consolidated	
	<u>2020</u>	<u>2019</u>
Total value of agreements	13.86	-
Recognized cost	(2.77)	-
Balance	11.09	-

#### 50. Reclassification of accounting transactions

Some transactions in consolidated and separate statements of financial position as at December 31, 2019 are newly reclassified so as to comply with reflection in consolidated and separate statements of financial position as at December 31, 2020 which can be summarized as follows:

		(Unit : Baht)	
		As at December 31, 2019	
Transactions which <u>formerly presented</u>	<u>Reclassified</u>	<u>Consolidated</u>	<u>Separate financial statement</u>
Trade and other current receivable	Trade and other current receivable - related parties	17,292,007	6,449,197
Trade and other current receivable	Contract asset - related parties	-	7,974,600
Trade and other current receivable	Contract asset - third parties	14,849,307	-
Other current asset	Trade and other current receivable - third parties	56,890,629	4,851,759
Trade and other current payable	Trade and other current payable - related parties	197,420	96,083
Trade and other current payable	Contract liabilities	52,920,844	-
Other current liabilities	Trade and other current payable - third parties	15,009,987	654,371
Trade and other current payable	Liabilities included in disposal asset group classified as held for sale	4,046,591	-

#### 51. Approval of financial statements

These consolidated and separated financial statements were authorized for issue by the Company's board of directors on March 1, 2021.

### Remuneration Fee of Auditor

Year 2020, SPAUDIT COMPANY LIMITED (“DELOITTE”) as company and its subsidiaries auditor by following details

No.	Company	Amount (Baht)
1.	Capital Engineering Network Public Company Limited	1,500,000.-
2.	Ua Withya Public Company Limited	1,500,000.-
3.	Rayong Wire Industries Public Company Limited	1,300,000.-
4.	Enesol Company Limited	650,000.-
5.	WJC Enterprise Company Limited	240,000.-
6.	Pipe Line Engineering Company Limited	120,000.-
7.	Evergreen Biomass Company Limited	80,000.-
8.	UWC KOMEN BIOMASS Company Limited	339,000.-
9.	UWC AMPHAN BIOMASS Company Limited	288,000.-
10.	Satuek Biomass Company Limited	180,000.-
11.	Paradise Green Energy Company Limited	120,000.-
12.	Ultra Asia Company Limited	250,000.-
<b>TOTAL</b>		<b>6,567,000.-</b>

By this, SPAudit 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 SPAudit Company Limited

Incidentally, Directors and Executives never be employees or partners or any other related to SPAudit 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

<b>Name of Company</b>	: Capital Engineering Network Public Company Limited
<b>Nature of Business</b>	: Holding Company
<b>Office address</b>	: 1011 Supalai Grand Tower, 17 <sup>th</sup> Floor Rama III Road, Kwaeng Chongnonsi, Khet Yannawa, Bangkok 10120
<b>Registered Capital</b>	: Baht 968,684,506
<b>Paid Up Capital</b>	: Baht 745,141,929
<b>Share Value</b>	: Baht 1 per share
<b>Registered Number</b>	: 0107536000935
<b>Telephone</b>	: 0-2049-1041
<b>Fax</b>	: 0-2049-1045
<b>Website</b>	: www.cenplc.com

### 2. Investment in other companies which holds more than 10 percent

#### (1) Ua Withya Public Company Limited

<b>Nature of Business</b>	: 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
<b>Head Office Address</b>	: 247 Romklow Road Kwang Saensaeb Khet Minburi Bangkok 10510
<b>Telephone</b>	: 0-2543-9020-8
<b>Fax</b>	: 0-2543-9189, 0-2543-9029
<b>Website</b>	: www.uwc.co.th
<b>Number of Shares Sold</b>	: Registered capital of Baht 1,711,128,364.40 and Paid up Capital of Baht 1,316,252,588 as consists of 13,162,525,880 ordinary shares (par value of Baht 0.10)
<b>Number of Shares Company holds</b>	: Amount of 4,950,839,150 shares or 37.61 percent

#### (2) Rayong Wire Industries Public Company Limited

<b>Name of Company</b>	: Rayong Wire Industries Pubic Company Limited
<b>Nature of Business</b>	: 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
<b>Office Address</b>	: 1011 Supalai Grand Tower, 17 <sup>th</sup> Floor Rama III Road, Kwaeng Chongnonsi, Khet Yannawa, Bangkok 10120
<b>Factory Address</b>	: Mabtapud Industrial Estate No.5 I-5 Road, Tambon Mabtapud, Amphur Muang, Rayong 21150
<b>Telephone</b>	: 0-2049-1001
<b>Fax</b>	: 0-2049-1005-6
<b>Website</b>	: www.rwi.co.th



**Number of Shares Sold** : Registered of capital of Baht 447,237,889.50 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 72.93 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, 17<sup>th</sup> 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, 17<sup>th</sup> 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 100.00 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, 17<sup>th</sup> 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 100.00 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  
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**4. Other importance information**

-none-

# Corporate Social Responsibility

## Year 2020



**CSR**  
***Corporate  
Social  
Responsibility***

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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 2020, 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.

-Wutichai Leenabanchong-

(Mr. Wutichai Leenabanchong)  
Executive Chairman and  
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 : [dolnapa@cenplc.com](mailto:dolnapa@cenplc.com)


➤ **Capital Engineering Network Public Company Limited**



1011 Supalai Grand Tower, 17<sup>th</sup> Floor, Rama 3 Road,  
Chongnonsi, Yannawa, Bangkok 10120  
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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"> <li>• Shareholders' meeting</li> <li>• Annual Report</li> <li>• Report on business operation quarterly, disclose information through SET system and company's website</li> <li>• Publish suggestion and complain through "Investor Relation" on company website or contact directly to corporate secretary</li> </ul>	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• Clearly policies on dividend</li> <li>• Corporate business in accordance to corporate governance</li> </ul>

Stakeholders	Communication Channels	Responding of Expectation
 <p>Employees</p>	<ul style="list-style-type: none"> <li>• Training and Development of employee</li> <li>• Organize various activities that allow employees to participate</li> <li>• Internal communication between employees electronically, such as the Internet</li> <li>• Public relations news via voice calls and post announcement board</li> <li>• Accepting suggestions and complaints via Posts Box or line supervisors.</li> </ul>	<ul style="list-style-type: none"> <li>• Set the code of ethics for employees to adhere to in their work</li> <li>• Supervise and promote the quality and job security of employees</li> <li>• Treat employees equally. Without discrimination On human rights principles</li> <li>• Appropriate and fair compensation and welfare</li> <li>• Continuously develop capabilities and promote employee education. Including promoting progress in the field of work</li> <li>• Provide communication channels for employees to be able to make suggestions or make complaints in various matters</li> <li>• 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</li> </ul>
 <p>Community And Social</p>	<ul style="list-style-type: none"> <li>• Educational activities for the public</li> <li>• Community Projects both careers, education and environmental care</li> <li>• Social activities that contribute to community participation</li> <li>• Energy conservation campaign activities, preserve the environment and efficient use of resources</li> <li>• Accepting suggestions and complaints through company's website</li> </ul>	<ul style="list-style-type: none"> <li>• Practice in accordance to corporate social responsibilities</li> <li>• Support development of communities and society as a whole</li> <li>• Share knowledge as organizational skills to the community professionally</li> <li>• Community Projects both careers, education and environmental care</li> <li>• Training staff on anti-corruption and corruption and disseminate policy on company website and internal communication channels</li> <li>• Consideration of environmental standards in the operation</li> </ul>



Stakeholders	Communication Channels	Responding of Expectation
 <p>Partnership</p>	<ul style="list-style-type: none"> <li>• Explain and support partnership to acknowledge policies and code of conduct in order to operate the business</li> <li>• To visit partnership in order the exchange knowledge, experiences and expertise and listen to problems/suggestion</li> <li>• Fair and Equal</li> <li>• Accept suggestion and company through company's website</li> </ul>	<ul style="list-style-type: none"> <li>• Complying with trade conditions and agreements</li> <li>• Take fair competition rules into consideration</li> <li>• Communicate and inform partners about policies and business ethics</li> <li>• Exchange knowledge, experiences and expertise</li> <li>• Not asking for accepting or other benefits aside from trade agreements</li> <li>• Consider appropriate procurement in accordance with regulation</li> </ul>
 <p>Customer</p>	<ul style="list-style-type: none"> <li>• Meeting with customers</li> <li>• Communication channel through website/ Electronic Media / Visiting customers / Attend the expo</li> <li>• Survey of needs and satisfaction</li> <li>• Provide channel for customers to complain or suggest in order to improve operation</li> </ul>	<ul style="list-style-type: none"> <li>• Improvement on quality of product to be safe to customers</li> <li>• Innovate to add value on products and service continuously</li> <li>• Maintain customers confidentiality</li> <li>• Provide communication channel to customers to ask, suggest, comment and complaint</li> <li>• Bring any complaints or suggestion to adjust and develop on products in order to meet needs of customer</li> </ul>
 <p>Competitor</p>	<ul style="list-style-type: none"> <li>• Receive information from public</li> </ul>	<ul style="list-style-type: none"> <li>• Operate the business transparently under fairly trade and competition</li> <li>• Not seeking confidential information of competitor through dishonest</li> <li>• Not destroying reputation by accuse against competitors</li> </ul>
 <p>Trade Payable</p>	<ul style="list-style-type: none"> <li>• Annual Report / Responsibilities toward social, community and environment</li> <li>• Through relevant agencies and company's website</li> <li>• Open up for suggestion and complaint through company's website</li> </ul>	<ul style="list-style-type: none"> <li>• Practice in accordance to inter-trade strictly</li> <li>• On time payment to creditor and as agreement as company use bank transfer method "media clearing" which facilitate creditors</li> </ul>
 <p>Government Agencies</p>	<ul style="list-style-type: none"> <li>• Request legal advice and taxation via phone And the website of the Revenue Department</li> <li>• Legal advice and practices related to operations from relevant government agencies, such as the Ministry of Labor Department of Business Development etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with various laws and regulations related to business operation correctly, transparently</li> <li>• Environmental quality control is better than the standard prescribed by law</li> <li>• Clarification of information with government agencies Fast and accurate supervision</li> </ul>

Stakeholders	Communication Channels	Responding of Expectation
 Media	<ul style="list-style-type: none"> <li>• Interviewing and give information</li> </ul>	<ul style="list-style-type: none"> <li>• Promote good corporate image</li> <li>• Communicate accurate information, completely ignore false communications Distort the truth or immoral good</li> </ul>

## 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 4 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 by being all 3 independent Directors 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 2020, 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 compete 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 2020 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"> <li>1. Quality control of raw material in accordance with standards</li> <li>2. Deliver raw materials on time</li> <li>3. Quality of raw material as required</li> </ol>	<ol style="list-style-type: none"> <li>1. Efficient use of resources</li> <li>2. Waste separation/dumping accurate by type and location</li> <li>3. There are protection system, contamination control waste to environment</li> <li>4. Ways to control chemical, materials, raw material and hazardous materials</li> <li>5. The delivery system uses vehicles that are in good condition and not pollute</li> <li>6. Prepare for emergencies</li> <li>7. Safety Health and workplace environment</li> <li>8. Compliance with environmental regulation</li> <li>9. Corporate in solving environmental problem</li> <li>10. No complaints from stakeholders / related Person</li> </ol>

### **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 2020, 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 2020, company has employees as at December 31, 2020 in totaling of 14 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

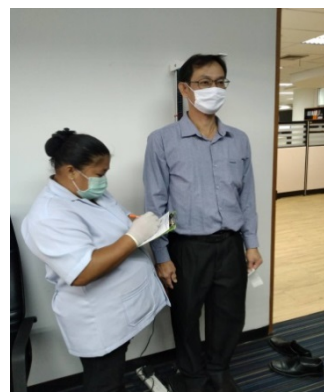
- Benefits that promote future security such as welfare, providence fund, cooperative, saving account, gratuity
- Benefit of living expenses such as uniform, arrangement for shuttle bus, transportation fee, fuel surcharge, lunch and rent

### **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 (สุขภาพดี)
  - Annual Check Up
  - Drug Testing activities
  - Organize a nursing room and have a regular doctor



## 2. Happy Heart

Encourage employees to be considerate and caring for each other

- Donate blood to save human live
- Support communities product  
Such as Rice milk fermented cloth mask
- Supporting Children's Day activities at Map Ta Phut Industrial Estate



## 3. Happy Society

Promote unity Be generous to the communities where they work and live in a social environment

- Donate drinking water to the project  
Friends of the community join together to prevent flood disaster
- Support community products  
"Lemongrass mosquito repellent" from community enterprise, Ban San Chao Herbs Group
- Co-donate Jatupajaya, Pha Pa Samakkhi at Nong Fab Temple.



## 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	247	6	1	7
RWI	100 but not exceed 500	7	127	10	1	11

Safety Officers	UWC			RWI		
	Amount			Amount		
	Male	Female	Total	Male	Female	Total
1. Jor.Por as Executive Level	19	11	30	13	3	16
2. Jor.Por as Supervisor Level	19	4	23	27	6	33
3. Jor.Por as Professional Level	-	1	1	1	-	1
TOTAL	38	16	54	41	9	50

Details	UWC	RWI
Statistic of Accidents	10	12
Statistic of leave due to sickness		
- Less than 3 days	4	5
- More than 3 days	6	7

### **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 2020, 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	<p>Internship Program</p> <ul style="list-style-type: none"><li>- Chiangmai University</li><li>- Kasembundit University</li><li>- Kanchanaphisek Technical College Mahanakorn</li><li>- Rayong Technical College</li><li>- Rambhai Burni Rajabhat University</li><li>- King Mongkut University of Technology North Bangkok (Rayong Campus)</li><li>- Rajamangala University of Technology Isan</li><li>- Suranaree University of Technology</li></ul>
Society	<ul style="list-style-type: none"><li>- Blood Donation</li><li>- Pour water of revered elders</li><li>- Children's Day activities projects</li><li>- Project to build kindness to society at Rayong Panyanukul School, Rayong</li><li>- "Waste can create more value" project at Ban Nong Muang School, Rayong</li><li>- Support Charity Activity "THE BRIDGE OF HOPE" as at CAMILLIAN SOCIAL CENTER"</li><li>- Supporting the Serm Kwan project to share smiles and children and underprivileged families at Rayong Hospital</li><li>- Join to leave a robe ceremony At Nong Phae Temple</li><li>- Join to leave a robe ceremony At Noen Krai Prok Temple</li><li>- Join activities of "BIG CLEANING DAY" As at I 5 Road jointly with Maptaphut Industrial Estate</li></ul>

### **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



### **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 2020 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 (during July 23-24 , 2020)

	Air quality index / Analysis result (mg/m <sup>3</sup> )	
	PM 10	PM 2.5
Measuring station	0.026	0.016
Standard	0.120	0.05
Assessment	<b>Passed</b>	<b>Passed</b>

### 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 <sup>3</sup>	≤200	2.265
	2) Phosphate	Scrubber	mg/m <sup>3</sup>	-	0.433
	3) Sulfur Dioxide (SO <sub>2</sub> )	-	ppm	≤60	≤1.3
	4) Carbon monoxide (CO)	-	ppm	≤690	384.0
2. Working Area Air Quality Monitoring	1) Hydrogen Chloride	Scrubber	mg/m <sup>3</sup>	≤2	0.014
	2) Benzene	-	mg/m <sup>3</sup>	≤0.5	<0.010
	3) Lead (Pb)	-	mg/m <sup>3</sup>	≤0.05	No Production
3. Sound Level Monitoring (8 Hour working)	8 hrs. (Working hours)	-			
	- 1 <sup>st</sup> Drawing		dB(A)	≤85	85.0
	- PCW1		dB(A)	≤85	No Production
	- PCW2		dB(A)	≤85	96.0
	- PCS1		dB(A)	≤85	81.0
	- PCS2		dB(A)	≤85	80.0
	- Wire Rod		dB(A)	≤85	70.0
	- Wire Mesh		dB(A)	≤85	No Production
	- Hard Draw Wire		dB(A)	≤85	82.0
	- Pickling		dB(A)	≤85	74.0
4. Heat Stress Monitoring	- 1 <sup>st</sup> Drawing	-	Degree Celsius	Not more than 32 °C	30.4
	- PCW1				No Production
	- PCW2				29.5
	- PCS1				29.8
	- PCS2				29.8
	- Wire Rod				29.2
	- Wire Mesh				No Production
	- Hard Draw Wire				30.4

	Parameter	Treatment System	Measure Unit	Standard	Measurement
	- Pickling				30.4

#### 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	1.2	-
	Chimney Temperature	°C	517	-
	Speed of wind in chimney	m/s	4.91	-
	Air volume out from chimney	m <sup>3</sup> /min	333.29	-
	Content of Oxygen (O <sub>2</sub> )	%	16.8	-
	Content of Dust (TSP)	mg/m <sup>3</sup>	5.1	60
	Sulfur Dioxide (SO <sub>2</sub> )	ppm	6.0	20
	Nitrogen Oxides in form of Nitrogen Oxides Gas (NO as NO <sub>2</sub> )	ppm	2.0	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	7.0	5.5 – 9.0
2. Total Suspended Solids (TSS)	<5.0	50 mg / l
3. Total Dissolved Solid (TDS)	<25	3,000 mg / l
4. Chemical Oxygen Demand (COD)	<40	120 mg / l
5. Zinc	ND (<0.02)	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	6.8
2. Total Suspended Solids		<50 mg/l	0.2
3. Total Dissolved Solids		<3,000 mg/l	1,240
4. Oil & Grease		<5 mg/l	2.5
5. Chemical Oxygen Demand		<120 mg/l	13
6. Biology Oxygen Demand		<20 mg/l	2
7. Dissolved Oxygen		-	7.13
8. Color @ Original pH		≤ 300 ADMI	10
9. Color @ pH 7.0		≤ 300 ADMI	12

### 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 Siam Yamato Steel Company Limited
3. Sediment from waste water treatment	Stabilize and landfill	Professional West Public Company Limited Better World Green Public Company Limited
4. Zinc dust and granules	Reuse	WN Associate Company Limited Nawaphattakrit Company Limited Nattawut Phanit Limited Partnership Sam Phran Foundry Limited Partnership TMB (Thailand) Company Limited
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	Mabtaphut District	
2. Wire and Metal Scrap	<ul style="list-style-type: none"> <li>- Reuse</li> <li>- Brought back to re-melting</li> <li>- Separating for selling</li> </ul>	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-

# **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.