



SAMART
Digital



Message from the Board of Directors

The 2020 was a year of dramatic contraction in Thailand's economy from the situation of the coronavirus outbreak (COVID-19) occurring around the world. There are wide impact on all business sectors in particular to the tourism sector, the export sector, as well as domestic consumption, which has a severe effect on the overall economy of the country. Therefore, Samart Group is caring for all Thai people and encourage all sectors in going through this situation together. Samart Group has cooperated to comply with government measures to curb the spread of COVID-19 as well as strictly and continue to support civil society assistance, such as providing communication equipment, temperature measurement kit, face mask to medical personnel and nursing homes and provide assistance to people affected by this situation.

For Thai economy in 2021, the situation will begin to recover and expand. This is due to the increase in government investment and consumption, the growth of export value of goods including measures to restore and stimulate the economy of the public sector. There is a forecast that the number of foreign tourists will be lower than in the past year, it remains to evaluate the efficacy and number of the population being vaccinated at different stages. The information communication technology and digital technology market in 2021 will be able to grow well from the demand for technology in various organizations to support more online working with partners and work from home.

Executives and employees at all levels therefore have the same goal and cooperate as one team to overcome obstacles in the critical period. The Company intends to offer products and services that focus on creating technological innovation and value for customers to meet various customer needs as well as support to promote good relations with customers and business partners for sustainable mutual growth. The Board of Directors will oversee business operations in accordance with the Company's strategy and policy with regard to all stakeholders under the principles of good corporate governance together with participation in social and environmental responsibility for sustainable growth of business.

On behalf of Samart Digital Public Company Limited, the Board of Directors would like to express our sincere gratitude to all shareholders, customers, business partners, executives, employees and all stakeholders for their support and trust. This is the driving force behind the Company's business.



(Mr. Piyapan Champasut)

Chairman of the Board of Directors

Samart Digital Public Company Limited



(Mr. Watchai Vilailuck)

Executive Chairman

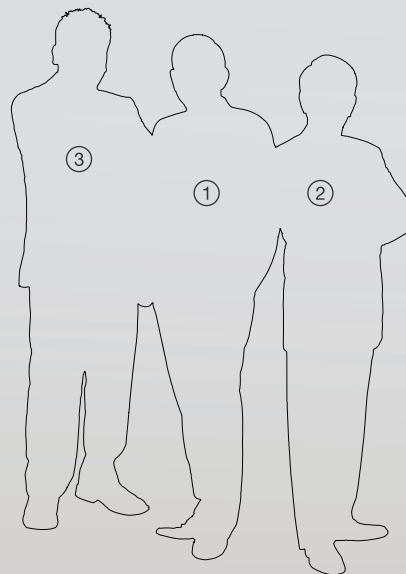
Samart Digital Public Company Limited



Board of Directors

As of December 31, 2020

1. Mr. Piyapan Champasut
 - Chairman of the Board of Director
 - Independent Director
 - Audit Committee Member
2. Dr. Chotivid Chayavadhanangkur
 - Independent Director
 - Chairman of the Audit Committee
 - Chairman of the Corporate Governance Committee
 - Nominating and Compensation Committee Member
3. Mr. Kunthit Arunyananda
 - Independent Director
 - Audit Committee Member
 - Compensation Committee
 - Corporate Governance Committee Member





Board of Directors

As of December 31, 2020

4. Mr. Wongkrit Jiamsripong

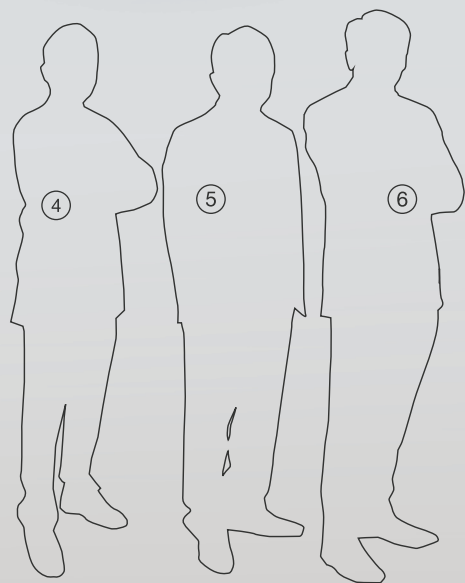
- Authorized Director
- Executive Director
- Risk Management Committee Member
- Corporate Governance Committee Member
- Nominating and Compensation Committee Member
- Chairman of the Sustainable Development Committee

5. Mr. Watchai Vilailuck

- Authorized Director
- Chief Executive Officer
- Executive Chairman
- Chairman of the Risk Management Committee

6. Mr. Charoenrath Vilailuck

- Director
- Risk Management Committee Member



Vision

Sustainable growth through Integrated Broadband Communication to ease everyday life

Mission

- Focusing on great customer experience on products through all touch points including software solutions and service to create beyond customer expectation
- Creating innovative content and application platform through various digital mediums in order to serve customer needs where as seeking for developing mutual sustainable growth with potential partners

Corporate Culture

- Think Ahead
- Customer Focus
- Team of Professionals
- Commit to excellence

Business Direction

Focusing on updated digital business development to harmonize consumer rapid trend with new distribution channel and new content media channel continuously

Contents

Message from the Board of Directors	001
Board of Directors	002
Vision, Mission, Corporate Culture and Business Direction	004
Report of the Executive Committee	006
Report of the Audit Committee	007
Report of the Corporate Governance Committee	009
Report of the Sustainable Development Committee	010
Report of the Risk Management Committee	011
Report of the Nominating and Compensation Committee	012
Corporate Social Responsibility	013
Financial Highlights	026
Policy and Overview of Business	027
Nature of Business	031
Business Structure	032
Revenue Structure	033
Information of Subsidiary Companies	034
Changes during the Year	036
Industry and Competition	037
Risk Factors	039
Shareholders	041
Dividend Payment Policy	042
Management Structure	043
Corporate Governance	057
Internal Control and Risk Management	095
Anti-Corruption	099
Connected Transactions	102
Management Discussion and Analysis	107
Report of the Board of Directors' Responsibilities for the Financial Reports	112
Independent Auditor's Report	113
Financial Statements	118
Remuneration of the Auditors	190
Directors, Management, Controlling Person, Company Secretary and Head of Internal Audit	191
General and Other Information	205

Report of the Executive Committee

Dear Shareholders

The Company strongly believes in the importance of managing the business operations according to the Company's business policies and plans, including any initiatives mandated by the resolutions of the Board of Directors and Shareholders meetings. All such implementations needed to be done have to be executed in strict adherence to the Company's Corporate Governance Policy and Business Ethics. Consequently, the Board of Directors appointed the Executive Committee to analyze and appraise numerous important issues prior to further consideration by the Board of Directors. Moreover, as a written guideline, the charter of the Executive Committee has been provided in order to clearly specify composition, qualification, term of post, roles and responsibilities of the Executive Board as well as details of meeting arrangement and report to the Board of Directors of the Company.

In 2020, the Executive Committee conducted 12 meetings to consider numerous matters concerning the Company. Results from the meeting, including the comments and recommendations, have been reported to the Board of Directors for consideration. The significant matters considered during the year were summarized below:

- Establish strategy and plan of the Company and its subsidiaries including problem resolution guidelines for each line of business operations on a quarterly basis. Every year, the Company arranges at least 2 management meetings where the participants are the manager level onwards to convey its operation plans and strategies to the management and the employees for their acknowledgement and compliance.
- Review and monitor business operations of the Company and its subsidiaries and provided advices for any problems may have to achieve business target.
- Analyze and assess annual salary increment and bonus. The salary increase and bonus allocation are in line with the Company's operating performance and commensurate with the industry's average remuneration. This recommendation was submitted to the Nominating & Compensation Committee for further consideration.
- Review the duties and responsibilities of the Executive Committee in accordance with the situation.
- Analyze and appraise numerous important issues mandated by the Board of Directors such as investment, fiscal year budget as well as consideration on promotion and new hire manpower.

The Executive Committee is intent to perform its duties to the utmost honesty, caution, and thoroughness with the objectives of ensuring the Company's highest benefits, equity and fairness to all shareholders and stakeholders. To be sure, the Executive Committee seeks monitors all company's systems to ensure the strictest adherence to all rules and regulations, Company's Objectives and Articles of Association, and comply with the good corporate governance principle in order to fulfill the targets on enhancement of stability and growth on continued basis which can further lead to the sustainable growth of business.



(Mr. Watchai Vilailuck)

Executive Chairman

Samart Digital Public Company Limited

Report of the Audit Committee

Dear Shareholders

The Audit Committee of Samart Digital Public Company Limited consists of 3 independent directors with combined experience in finance, accounting, and business administration named Dr. Chotivid Chayavadhanangkur as Chairman of the Audit Committee, Mr. Piyapan Champasut and Mr. Kunthit Arunyananda as committee members. All members possess adequate qualifications as required by the Audit Committee Charter and the regulations of the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.

The Audit Committee operates independently and performs its duties and responsibilities as assigned by the Board of Directors in overseeing the corporate governance and the internal control systems to ensure that the Company's business operations are carried out for the interests of its shareholders and other stakeholders and that the Management execute their duties with integrity, accountability, and in accordance with the Company's policies. The Audit Committee conducted 5 meetings in 2020, to discuss and share opinions with management, internal auditors and external auditor on matters related to the meeting agenda which was summarized below:

- The Audit Committee reviewed the quarterly and yearly financial statements and Management Discussion and Analysis of the Company and its subsidiaries throughout the significant accounting policies in consultation with management and external auditors. The Audit Committee's opinion was that the financial reporting was in accordance with Thai Financial Reporting Standards and present fairly, reliability and adequate disclosure. In addition, the Audit Committee also conducted 2 exclusive meetings with the external auditor without the management attending in order to freely discuss the information that is important for the preparation of financial statements.
- The Audit Committee reviewed the adequacy and effectiveness of risk management, internal control systems and internal audit from the internal audit report to ensure that the Company's operation was operated, controlled and monitored efficiently, effectively and achieved the goal.
- The Audit Committee reviewed internal audit activities by considering the independent of Internal Audit Department, the manpower and resources needed to perform the internal audit function including the performance evaluation of the Internal Audit Head and internal audit department, and also provided recommendation to support the internal audit activities to perform independently, effectively and efficiency.
- The Audit Committee reviewed the Company's compliance with the Securities and Exchange Act, regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other laws related to the Company's business operations as well as business commitments with third party agreements. The Audit Committee's opinion was that the Company fully complied with the aforementioned regulatory requirements in all material respects.
- The Audit Committee considered the nomination and proposed for the appointment of the external auditor and annual audit fee for 2020. This process entailed assessment of the current external auditor for its independence, performance from the year before, competency, experience and with competitive audit fee. After careful consideration, the Audit Committee therefore proposed the Board of Directors and shareholders meeting to appoint EY Office Limited as the external auditor of the Company and its subsidiaries for 2020.
- The Audit Committee reviewed and approved the annual internal audit plan of which based on the Company's strategies and risk based approach. The internal audit activities emphasized on the evaluation of the effectiveness of key preventive control as well as reviewed the evaluation of the Company's internal control system from internal audit report and internal control assessment results according to the internal Control Integrated Framework of The Committee of Sponsoring Organizations of the Tread Way Commission - Enterprise Risk Management (COSO - ERM) according to the SEC guideline. In addition, the Audit Committee also continuously reviewed and monitored the implementation of the recommendations in the report of the internal audit and the auditor in order to aware the root causes of issues and provide guidelines to prevent future potential loss to the Management.

- The Audit Committee reviewed the connected transactions or the transactions which might have conflicts of interest as well as disclosure of such transactions to ensure the compliance with rules and regulations prescribed by the Securities and Exchange Commission and other regulatory bodies and to certify that such aforementioned transactions were reasonable, transparent with adequate disclosure pursuant to the Good Governance Principles and for maximum benefits of the Company. The Audit Committee's opinion was that the Management conducted these transactions at an arm's length basis, with general business trading condition and reasonable price.
- The Audit Committee reported its activities to the Board of Directors by quarterly and provided useful recommendations, which were properly adopted.
- Review the duties and responsibilities of the Audit Committee in accordance with the situation.
- The Audit Committee conducted its self-assessment, the results in overall areas of assessment were excellent. This was shown that the Audit Committee perform all duties completely as assigned by the Board of Directors with knowledge, accountability with due care and be sufficient independence as well as give creatively opinion and recommendation for the benefit of all stakeholders.

In summary, the Audit Committee determined that the Board of Directors, Management, and Executive Directors had performed their duties with integrity and diligence in pursuit of the Company's goals. And the Company demonstrated commitment to effective and transparent Corporate Governance which included appropriate risk management and internal control system.



(Dr. Chotivid Chayavadhanangkur)
Chairman of the Audit Committee
Samart Digital Public Company Limited

Report of the Corporate Governance Committee

Dear Shareholders

The Company realizes on the importance and utmost emphasizes on corporate governance, code of business conduct, and Company's framework of sustainable development to improve corporate governance for greater efficiency. The Board of Directors has established written Corporate Governance Policy and Business Ethics for practices of directors, executives and employees in order to create more transparency, competitiveness and strengthen the confidence to shareholders, investors and all related parties. Hence, the Corporate Governance Committee, which the Chairman is an Independence Director, is assigned to oversee and monitor the business operations in compliance with the Corporate Governance Principles.

In 2020, the Corporate Governance Committee conducted 2 meetings to follow up and consider various matters to support and promote the Company's Good Corporate Governance Practices. The Corporate Governance Committee had subsequently reported to the Board of Directors, which could be summarized below:

- Review the Company's corporate governance policy and business ethics to comply with the Principle of Good Corporate Governance. The Corporate Governance Committee has considered and reviewed the appropriateness of applying good corporate governance principles by means that are suitable for the Company's business to ensure that the Corporate Governance Policy conforms to related rules, regulations and international corporate governance criteria as well as beneficial to creating value for sustainable business.
- Review all committee charters to comply with the Principle of Good Corporate Governance, other related regulations and the Company policies.
- Monitor performances of the Committees to ensure the compliance with the Company's corporate governance policy and the Principle of Good Corporate Governance by specifying that all Committees should from time to time report their performances to the Board of Directors and provide annual performances report to shareholders in the Annual Report.
- Encourage the minority shareholders to propose the agenda and submitted any enquiries for consideration in the Annual General Meeting of Shareholders to comply with the Securities and Exchange Act and the Principle of Good Corporate Governance.
- Encourage the Board of Directors to conduct self-assessment of the Board of Directors, individual director, committees including CEO assessment and Corporate Secretary Assessment annually. Results and recommendations from such assessments will be considered for further improvement.
- Review the Company's Corporate Governance Report disclosed in the Annual Report to comply with the regulations of the SEC and the SET.

The Corporate Governance Committee carries out duties and responsibilities as assigned by the Board of Directors, and continues to review, update and develop the Company's Corporate Governance as well as emphasizes and recognizes the importance of the rights of all stakeholders equitably to achieve the objective and target with accuracy and transparency. Due to the continual monitor and development of the Company's Corporate Governance Practices, the Company scored "Excellent" or "5 Stars" in the 2020 Corporate Governance Report and was ranked in Top Quartile of the group of companies with market capitalization of more than Baht 3,000-9,999 million surveyed by Thai Institute of Directors Association (IOD). In addition, the Company scored "Very Good" (4TIA) from the survey on quality in convening the 2020 AGM surveyed by Thai Investors Association.



(Dr. Chotivid Chayavadhanangkur)

Chairman of the Corporate Governance Committee
Smart Digital Public Company Limited

Report of the Sustainable Development Committee

Dear Shareholders

The Board of Directors of Samart Digital Public Company Limited recognizes the importance of sustainable development that will lead to the business' sustainable growth and must develop in parallel with the recognition of social and environmental responsibility as well as corporate governance. Thus, the Board of Directors has appointed the Sustainable Development Committee to formulate policy framework and operational guideline regarding social and environmental responsibility of the Company.

In 2020, the Sustainable Development Committee conducted 2 meetings to follow up and consider various matters to ensure the compliance with the sustainable development policy and charter of the committee. The significant matters considered during the year were summarized below:

- Review the Company's sustainable development policy.
- Build up corporate culture that could encourage all employees to had conscious mind and devoted their efforts and personal time for benefits of communities as a whole, and promoted and educated the employees at all levels on social and environmental awareness to serve as guidelines on social and environmental conservation and development throughout the organization.
- Follow up the Corporate Social Responsibility activities during the year.
- Conduct self-assessment of the Sustainable Development Committee and reported to the Board of Directors for development.
- Review the duties and responsibilities of the Sustainable Development Committee in accordance with the situation.
- Report performance to the Board of Directors and provided annual performances report to shareholders in the Annual Report.

The Sustainable Development Committee carries out the duties and responsibilities as assigned by the Board of Directors with utmost effort and focuses on developing the Corporate Social Responsibility activities coupled with managing the Company's business with the recognition of the Principles of Good Corporate Governance. The implementation of the sustainable development will not meet the target unless the valuable support from all stakeholders; shareholders, directors, management and employees including community and society associated with the operation of the Company ultimately leading to the sustainable growth of business.



(Mr. Wongkrit Jiamsripong)
Chairman of the Sustainable Development Committee
Samart Digital Public Company Limited

Report of the Risk Management Committee

Dear Shareholders

The Company's Risk Management Committee, which has been appointed by the Board of Directors, comprised of the Company's Executive Chairman as the Chairman and 3 directors as the members. In addition, top management has been assigned as working group.

The Company puts strong emphasis on management of risks of its businesses in order to accomplish the specified objectives and targets, as well as to prevent and reduce loss which may occur during business operations.

The Risk Management Committee has complied with such risk management policies and recommend various risk management guidelines to the management of the group of companies. In 2020, the Risk Management Committee held 3 meeting can be summarized as follows:

- Consider risk, impacts, risk management measures and follow-up progress on risk management of the Group of Companies.
- Give recommendation to eliminate and reduce potential risks as well as instruct the management of each department to report its operating results to the Risk Management Committee continually and regularly.
- Review new risks to make them correspond to the current change of businesses in order to reduce material risks of the Company.
- Review the duties and responsibilities of the Risk Management Committee in accordance with the situation.

The Risk Management Committee determines to manage the Company to ensure that it has corporate governance and that risks are in acceptable levels with aims to enhance confidence that the Company's risk management is adequate and cover all business operations to achieve the targets specified.



(Mr. Watchai Vilailuck)

Chairman of the Risk Management Committee
Samart Digital Public Company Limited

Report of the Nominating and Compensation Committee

Dear Shareholders

The Company realizes the importance of recruiting candidates to assume the positions of directors and top level executives as well as their appropriate remuneration packages. Consequently, the Board of Directors has appointed the Nominating and Compensation Committee, of which the Chairman is an Independence Director, to be responsible for screening and nominating candidates who are highly knowledgeable in their fields, capability, and have appropriate qualifications for director and top level executive positions, and setting policies and guidelines for remuneration package for directors, committee members and top executives.

In 2020, the Nominating and Compensation Committee conducted 4 meetings to consider numerous matters concerning the Company. The member who has an interest in any agenda shall be refrained from voting and not attend the meeting to consider that agenda. Results from the meeting, including the comments and recommendations, have been reported to the Board of Directors for consideration. The significant matters considered during the year were summarized below:

- Nominate and propose candidates who had knowledge and experience in business related to the Company's operation, and had full qualifications as the regulations of the SEC and the SET in order to assume the position of the Company's directors and committees in case of retiring by rotation and vacancy.
- Screen the remuneration packages for directors and committees, any directors who have been assigned to take more responsibilities in any committee would receive additional compensation as appropriated.
- Consider criteria of annual salary increment and bonus in consultation with the Human Resource Department and the Executive Committee at an appropriate level and consistent with the strategy and goals of the Company including the Company's operating results and market conditions at all times to propose to the board for approval.
- Conduct self-assessment of the Nominating and Compensation Committee and reported to the Board of Directors for development.
- Review the duties and responsibilities of the Nominating and Compensation Committee in accordance with the situation.
- Review criteria and procedures for nominating directors, committees and key executives including succession plan to propose to the board for approval.
- Report performance to the Board of Directors and provided annual performances report to shareholders in the Annual Report.

The Nominating and Compensation Committee performs duties carefully, prudently, reasonably, transparency and independence as well as a commitment based on principles of equality, justice, transparency and accountability for comply with the principles of good corporate governance and international recognition for the highest benefits to shareholders and all stakeholders. The remuneration of the directors and management is considered at the appropriate level to create incentive to obtain work efficiency as well as retain knowledgeable and capable persons to work with the Company. The consideration is based on the authority, assigned responsibility, and operating results, as well as growth and the Company's performance, business liquidity and factors which may affect the Company or overall economic situation. The methods are in accordance with the Charter and related regulations and be comparable to other companies in the same industry.



(Mr. Kunthit Arunyananda)

Chairman of the Nominating and Compensation Committee
Samart Digital Public Company Limited

Corporate Social Responsibility

Overall Policy

The Company conducts business by considering on responsibility to society and environment as well as good corporate governance for the sustainable growth of both the Company's business and society. Apart from CSR after process, which do continuously in form of various projects to promote innovation, charity events and donations, the Company concretes more action by setting up working group on social and environmental responsibility for sustainability of the business. The quorum consists of director, management and/or any qualified candidates to define policy framework and operational guideline on social and environmental responsibility so that they can use as guidelines on monitoring their progress and assessment of CSR operations to report to the Board of Directors. The Sustainable Development Committee shall convene the meeting at least twice a year.

Roles and Responsibilities of the Sustainable Development Committee

1. Set policy and action plan for sustainable development to comply with the Company's business operation in term of economy, society and environment.
2. Encourage and support the Company's activities to achieve the SD policy.
3. Monitor, review, follow up the operational progress and evaluate the effectiveness of SD policy implementation.
4. Report the Company's SD operation to the Board of Directors.

The Sustainable Development Policy

1. To conduct business based on good governance principle as well as social and environmental responsibility including others relating to sustainable development by primarily taking into consideration benefits of all stakeholders.
2. To build up corporate culture that can encourage all employees to have conscious mind while performing duties and also to have volunteer spirit which is willing to devote efforts and personal time for benefits of communities as a whole.
3. To promote and educate the employees at all levels on social and environmental awareness to serve as guidelines on social and environmental conservation and sustainable development throughout the organization.
4. To encourage on creation of social and environmental projects or activities including others relating to sustainable development.

As target to sustainable growth, the Company conducts business based on good governance principle and recognizes the importance of all stakeholders. The Company has considered and prioritized stakeholders as well as provided appropriate strategies for sustainable development of business as follows:

Stakeholder	Policies and Strategies
1. Customer	Provide trendy, high quality, reasonable price of product and service to meet the customers' diversity of needs as well as strengthen and maintain the good relationship between customers and the Company.
2. Employee	Respect for the individual privacy, provide fairly employment, develop the employees' skills and capability, provide both in-house and external training and educating course for more capability of employees, be aware of occupational safety and health of employee and also provide the appropriate compensation.
3. Trade partner	Systematically provide goods and services with the highest standard based on trading condition, contract and business ethics.
4. Shareholder	Operate all business affairs according to the principles of good Corporate Governance and Equitable Treatment for the highest benefits of every shareholder.

Stakeholder	Policies and Strategies
5. Creditors	Strictly follow to the agreements or any specific conditions
6. Society as a whole and communities	Give support to society and community in all activities, strengthen good relationship and give corporation for community sustainable development and concrete basis, to cultivate consciousness to the Company's employees on responsibility to the society, community and environment via media and internal activities continually.
7. Environment	Operate the business by considering on environmental conservation and security standard, support environment activities and conservation campaign as well as provide knowledge and training to the employees regarding environmental conservation.
8. Counterpart/Competitor	Conduct all business affairs under just rules and competitions, support free trading.

Details of policies for all stakeholders and implement of policies in the previous year disclosed in the section "Corporate Governance" under the topic "Business Ethics".

The Company prioritizes stakeholders in order to allocate resources as the defined priority for the highest efficiency and effectiveness of sustainable growth of business. Stakeholders who directly affect from the Company's operation are customers and employees. Therefore, the Company set vision, mission and Corporate Culture, aim to the Company's customers by providing trendy, high quality, reasonable price of products and services and select the integrated innovative products and services to meet the customers' needs as normal operation of the Company as follows:

VISION

Sustainable growth through Integrated Broadband Communication to ease everyday life

Mission

- Focusing on great customer experience on products through all touch points including software solutions and service to create beyond customer expectation
- Creating innovative content and application platform through various digital mediums in order to serve customer needs where as seeking for developing mutual sustainable growth with potential partners

Corporate Culture

- Think Ahead
- Customer Focus
- Team of Professionals
- Commit to excellence

The later significant stakeholder is the Company's employees. The Company realizes that all employees are valuable and crucial fundamental for the Company's sustainable success and growth. Thus, the Company provides fairly employment, tries to improve the employees' skills and capability, and provides both in-house and external training as well as educating course for more capability of employees. This includes educating and training courses related to CSR and anti-corruption as shown in "5. Fair Labor Practices", as well as setting up the Human Management and Development Policy as shown in the section "Management Structure" under the topic "Human Resources Management and Development Policy".

Progress and Reporting

The Company conducts business in comply with the SD Policy and take into consideration all stakeholders. The policies regarding treatments to all stakeholders are defined in the Company's Business Ethics. Details were disclosed in the section "Corporate Governance" under the topic "Business Ethics" and were posted on the Company's website at www.samartdigital.com. The SD policy comprises of 9 operating principles of conduct as follows:

1. Organization Governance
2. Fair Operating Practices
3. Anti-Corruption
4. Respect of Fundamental Human Rights
5. Fair Labor Practices
6. Consumer Responsibility
7. Contribution to the Community and Society
8. Environmental Conservation
9. Innovation and Publication of Innovation from the operations based on responsibility in society, environment and stakeholders

Progress of the above 9 operating principles of conduct are as follows:

1. Organization Governance

Promote and make good governance principle become corporate culture, adhere to responsibilities for all stakeholders with transparency and auditability.

The Company realizes on the importance of the Good Corporate Governance that will be the fundamental factor for improving standard of business operation to create more transparency, competitiveness and strengthen the confidence of all shareholders, investors and other related parties. Thus, written Corporate Governance Policy and Business Ethics, which comply with the Corporate Governance Principles of the Stock Exchange of Thailand ("the SET"), have been set up for practices of directors, managements and employees of the Company. The Company Secretary Division is responsible for compliance unit to supervise, oversee and ensure that the operations of the Company, directors and managements have been correctly complied with the regulations of the SET, the SEC and the Public Company Limited Act including other relevant laws. More details of the 2020 Corporate Governance undertaken by the Company were shown in "Corporate Governance".

In past years, as the Company has proceeded to the principles of corporate governance, the Company scored "Excellent" or "5 Stars" in the 2020 Corporate Governance Report that was the highest score. There were only 240 listed companies from 692 listed companies or 35% of listed companies that got this highest score. The Company was also ranked in Top Quartile of the group of companies with market capitalization of more than Baht 3,000-9,999 million surveyed by Thai Institute of Directors Association (IOD). The Company will put the best effort to improve corporate governance even further. In addition, the Company scored "4 TIA" or "Very Good" from the survey on quality in convening the 2020 Annual General Meeting of Shareholders by Thai Investors Association.

2. Fair Operating Practices

Determine to operate business with fairness and with ethical behavior, observe the laws and respect all social rules.

The Company conducts business and manages work ethically. The Board of Directors has provided the business ethics manual for the Company's directors, managements and employees to adhere as their practical guidelines on integrity, honesty, standardization, quality, moral and fairness. It also covers the administration of all stakeholder groups, i.e. shareholder, employee, customer, competitor, business partner, creditor including society and the

environment. The practical guidelines including rights and benefits to all stakeholders have been specified in the Business Ethics for directors, managements and employees to comply. Such Business Ethics has been posted on the Company's website at www.samartdigital.com. Moreover, the Board of Directors also assign the Corporate Governance Committee to oversee performance of directors, managements and employees to ensure that they strictly adhere to this principle. For more details, please see in the section "Corporate Governance" under the topic "Business Ethics".

3. Anti-Corruption

Define the Anti-Corruption Policy and corporate into the Company's Code of Business Ethics Manual

The Company recognizes the importance of conducting business with transparency, and anti-corruption in all aspects. The Corporate Governance Committees' Meeting has continual reviewed the Anti-Corruption Policy and propose to the Board of Directors' Meeting to approve and used the policy as the general practical guideline throughout the Company. The current anti-corruption policy covered the following issues:

- Political neutrality and political assistance
- Donation for charity and support fund
- Receiving and giving present, property or other benefits policies

Furthermore, General Operating Guidelines are as follows:

- The process of risk assessment and risk management.
- Protection
- Training and Communication
- Reporting Channels
- Regulatory and monitoring of the implementation of the policy.

Result of the implementation of such policy caused the following matters:

- No case of misconduct on corruption or breach of the Ethics. It found only fault that not complied with the Company's regulation and it was amended and clarified the correct procedures to the employees.
- No director and executive resigned due to the issues of corporate governance.
- No case of the Company's negative reputation as a failure result in the monitoring function of the Board of Directors.

The Company disclosed the policy in the Company's Business Ethics manual and posted it on website at www.samartdigital.com for all employees to adhere. Details of the Anti-Corruption policy, Operating Guidelines, result of the implementation of such policies and training course regarding protection and prevention of corruption were disclosed in the section "Anti-Corruption".

4. Respect of Fundamental Human Rights

Put emphasis on fundamental human rights, promote and respect rights, freedom and equality. Do not support discrimination based on gender and social status and strongly prohibit child labor/forced labor.

The Company adheres to human rights principle as a mutual operating principle. All employees shall not undertake any action or shall by no means support any action to violate any human rights. On the contrary, the Company shall create the knowledge-based-organization on human rights as well as cultivate consciousness to the Company's employees to make them adhere to and follow. The policy on non-human right violation has been stated in the Business Ethics manual as follows:

- **Personal right and freedom:**

- The Company has policies that employee's personal information is the secret and shall not be sent or disseminated to unauthorized parties;
- Disclosure or transfer of personal information only upon the owner's consent;
- The human has right and freedom so long as not violate the right and freedom of others.

- **Equal treatment:**

- All employees shall be treated equally and there shall not be and discrimination against race, nationality, language, religion, gender, age and education;
- The employees shall value and respect each other and shall behave oneself appropriated with his/her duty pursuant to the regulations of the Company and the tradition and shall not damage the Company's image;
- The Company allows the employees to express their potentials fully and shall fix appropriated remuneration pursuant to the Company's regulations and also provide opportunity to the employees to further their education both in university level as well as short term and long term training course;
- Deliberation related to hiring and judgment of performance should be accurate and fair;
- When performing the work, avoid expressing opinions that have to do with differences of physical and mind, race, nationality, language, religion, gender, age, education, or any other attribute likely to cause conflict;
- Contribute to making the work environment free of oppression and injustice;
- The employee shows respect and tolerance for each other's opinions.

5. Fair Labor Practices

Create safety and healthy workplace, implement the employment conditions which are appropriated with fundamental labor laws as well as enhance skills of personnel on continued basis so that they can have better quality of life.

The Company always realizes that all employees are the most valuable assets of the Company and they are the successful factors in making the Company achieve its objectives. The Company must respect and obey the laws and ethics in order to establish justice, stability and peace in the society. Therefore, the Company takes good care of and equally treats them with regarding to the opportunity, compensation, appointment, transfer including fair and appropriated welfares in various aspects as follows:

1. Respect for the right to work pursuant to the fundamental human right principles. Details are provided under "Corporate Governance" under the topic "Business Ethics" in "Non violation of human rights policies and practices".
2. Set up "Compensation & Benefit Policy" with comply with principles to employee motivation, internal impartiality and compensation standards, and job value to company. The Company essentially determines corporate compensation, benefit and welfare policy being compatible to position accountability, knowledge, and competence with business operation and up-to-date compare to leading companies in the same and diversified industry. The Company ensures that compensation, benefit and welfare policy aligned to legal regulation. The Company also set up reasonable remuneration packages according to market situations, business competitions, job descriptions, work qualities including assessment of company's performance on short term and long term based on company's capability to pay for that remuneration packages. In addition, the Company provides opportunities for employees to express opinions and file complaints related to their jobs. Those suggestions and complaints will be taken into consideration seriously for solutions to draw benefits to all parties and build up good relationship.

For welfare to the employees, the Company has group health insurance in case of in-patient for employees as well as group life insurance which covered all kinds of death, annual medical check-up and provident fund to secure their working life security. The Company also provides social security fund, loan for accident or sickness to employees, grant in case of the employee or his/her family died, fitness center and special discount for Company's products. More details were shown in the section "Corporate Governance" under the topic "Employee Policies".

3. Set up "Safety and Health Policy", the Company develops policy and system of safety and health of employees in accordance with the requirements of law and performs all necessary measures to ensure the safety of life and health of employees. Furthermore, the Company also has the practical guidelines concretely such as appointment of the safety officers, training and cultivate consciousness of safety, occupational health and working environment for employees, annual evacuation drill in case of fire, fingerprint scanning system, medical examination, provide basic medical services as well as serving modern medicine and annual health check. More details were shown in the section of "Corporate Governance" under the topic of "Business Ethics" in "Employee policies".
4. Set up "Human Resources Management and Development Policy" as below:
 - Recruitment & Selection Policy: The Company set up strategy and HR policy by focus on optimizing the management and development of human resources. It also based on "Knowledge, Ability, Coupled with the Good People" with transparent recruitment process that is suitable for the right position and focus on success career to employee for sustainable growth of the Company.
 - Employee Relation & Engagement Policy: The Company encourages people to work together as a team. Our focus is to create a corporate culture that values and the coordination and collaboration efficiency.
 - Career Development Policy: The Company applied to categorize required business capabilities to Generic competency, Managerial Competency and Functional Competency for analyzing, planning, and leading to individual competency development with diversified development tools for all employee levels.
 - Employee Training & Development Policy: The Company provides both in-house and external training to support and develop the executives and employee's capabilities.
 - Talent Management Policy and Succession Planning: The Company provides courses and/or tools to manage and develop the employees with excellent performance potential and career planning.

Details regarding Human Resources Management and Development Policy were shown in the section "Management Structure" under the topic "Human Resources" in "Human Resources Management and Development Policy".

The Company is well aware that its existence and prosperity today owing to the support from the employees hence, the Company places emphasis and support on development of quality life of employees. In the past year, the activity undertaken by the Company was Lunch & Learn Project: emphasis on relationship among top executives and employees in form of two-way communication as a mean to communicate top management direction to all employees closely and directly percept employees' innovative, improvement and other open-mind ideas to enhance SAMART business operations and other processes.

Moreover, there were a various employee relation and employee engagement programs and activities to build synergy among employees, executives and organization i.e., Outing, Internal Survey Improvement Project and D-Club (CSR program).

6. Consumer Responsibility

Place importance on manufacturing products and provision of service with good quality and safety.

The Company strongly believes in building confidence and bringing satisfaction to all customers. Since their trusts are critical to our business, the Company promotes the following policies:

1. Determine to provide and produce commodities and services that are trendy to satiate customers' needs;
2. Provide high-quality products and services at reasonable price;
3. Provide accurate information without any exaggeration that may cause misunderstandings on product's quality and quantity, or special conditions for each product and service;
4. Formulate procedures that permit customers to inform about drawbacks of the products or improper services, because those complaints are valuable for the Company to come up with immediate remedy and improvement for problematic products and services;
5. Provide effective after-sale services for customer's convenience;
6. Guard all customers' information as top secret and refuse to use them for personal benefits;
7. Support all activities that will strengthen, maintain, lasting and good relationship between the Company and customer.

Details were shown in the section "Corporate Governance" under the topic "Business Ethics" in "Treatment of Customers"

7. Contribution to the Community and Society

Support and develop quality of life as well as prosperity of the community and society.

The Company is well aware that its existence and prosperity today is owing to the support from the communities and the society, hence, the Company places robust emphasis and support on the development of quality of life, prosperity of the communities and Thai society. The regularly activities undertaken by the Company under such scope and practical guideline are as follows:

1. Strengthen good relationship in the organizations, both from public and private sectors, as well as the community leaders in various levels so that the works for community development can be harmoniously coordinated on sustainable and concrete basis;
2. To provide the buildings, materials including funds to oversee the livelihood condition and safety of the communities, for instance the construction of bus shelter in front of the Company's office building, donation of rain coats and reflective coats to the traffic police in the areas of Pak Kred Local Police Station and Pak Klong Rangsit Local Police Station, support the learning materials and sport equipment to the schools in nearby areas, restoration of the temples and donation of money to the poor in the communities;
3. To raise funds and supply the necessities to help the disaster victims;
4. To cultivate consciousness to the Company's employees on responsibility to the society, community and environment via media and internal activities continually.

All related activities were shown in "Activities for society and environment".

8. Environmental Conservation

Conduct business by always taking into consideration of the environmental conservation and the use of resources in the meaningful way.

The Company recognizes the duties and responsibilities to environment, the Company has policies to:

1. Operate the business by taking into consideration of conservation and security standard, and also be civility to follow the law and related regulations;
2. Be responsible to utilize natural resources in form of raw materials, investments, human resources, and energies in prudent manners;
3. Support care taking environment activities and conservation campaign continually.

The Company has a policy to strengthen and provide knowledge and training on environment to the employees in the organization, in order to be aware of environmental responsibility as follows:

1. The Company has arranged campaign to cultivate conscious mind on environment and natural resources through employee participation activities;
2. The Company supports environment conservation to social and other organizations as well as disseminating news and information on environment in order to build up image and good understanding on environmental management;
3. The Company has policies to foster the guideline of responsibility to environment for understanding the importance of environment by training the employee continuously for efficient environment system.

In 2020, the activities arranged by Samart Group included:

Development of products and services valuable to the environment

The Company has developed products and services in line with environmental conservation and environmental safety standards as well as offering telecommunication services with care of environment.

Support and Assistance to Relief Environmental Problem

Organizing a caravan to donate the necessities including portable water purifiers, portable fire extinguishers, personal necessities and funds for the officials at Huai Kha Khaeng Wildlife Sanctuary in Uthai Thani province to support forest fire control.

Making employee aware of the valuable resources usage

The Company has emphasized on developing the employees' awareness to realize on environmental preservation and resource utilization through its internal media and energy saving campaigns. During 2020, the Company remodeled the activities to serve the changing situations and achieve the most benefits through projects as follows:

- **SAMART Loves the World: Reduce Use of Plastic Bag Season 2**

The campaign focused on the reduction of using plastic bags while encouraged the use of reusable bags. Fabric and paper bags were prepared at every floor of the office building to allow the employees to use and bring it back for reuse.

- **SAMART Loves the World: How to Throw Dangerous Waste**

The campaign created awareness on waste separation and waste management under the concept of "Worthy Use, Right Separation, Appropriate Disposal." The campaign focused on the disposal of electronic waste that required an appropriate disposal method to reduce the danger of toxic substances to be contaminated to the environment. The employees can bring their e-waste and throw them in the e-Waste Box before sending to be disposed properly and safely.

- **Clean & Clear Season 3**

The project promoted Good Habits Good Hygiene by stimulating the participants to separate wet garbage, dry waste and recycle waste for further waste management with maximum benefits.

- **5S Project / Big Cleaning Day**

The promotion of Good Hygiene and Good Environment in the workplace is done annually to create an efficient working environment

- **SAMART Team: Save to Survive**

The campaign emphasized on best utilization of internal resources through various practices including power turn-off during lunch break; internal communication via application; paperless office; trip planning for energy saving and pollution reduction; and video conferencing to save travelling time and in line with social distancing measure.

- **Abandon and Review Project: Second-Hand Stuff Donation**

The activity encouraged the employees to donate second-hand stuff that are not used but still in good condition to Wat Suan Kaew for further reuse. The project created awareness on best resource utilization for maximum benefit and offered better waste management

9. Innovation and Publication of Innovation with the operational responsibility for society, environment and stakeholders

Determine to develop and present innovation on technology application to uplift the standard of living, conserve environment and use resources in the most meaningful way.

During 2020, the Company has applied innovations and technologies to foster the government agencies' and state enterprises' mission in leveraging the quality of life to Thai people. The group continuously initiated activities that offered benefits to the society and the environment. It publicized 480 news through print media, radio, television, and online media in business section and the other 60 news in social activity section.

Business impact to social responsibility

As the Company conducts business in comply with the SD Policy through 9 operational principles, the Company and its subsidiaries had not been audited or investigated by the competent authority or any law in any way and the business of the Company and its subsidiaries had not been accused of having negative impacts on society and environment.

Activities for society and environment

Samart Group set up the policy and practical guidelines under the promotion framework of the "Create Quality People and Promote Moral Society" which comprise of the following projects and activities:

Create Quality People

1. Samart Innovation Funds 2020

- **Funding Support for University's Senior Projects**

SAMART provided funding supports worth to 30 senior projects related to artificial intelligence, machine learning and Internet of Things (IoT) in 6 universities, including King Mongkut's University of Technology North Bangkok, King Mongkut's Institute of Technology Lad Krabang, King Mongkut's University of Technology Thonburi, Thammasat University, Mahidol University and Kasetsart University.

SAMART Innovation Funds is a part of SAMART Innovation Awards, which have been organized continuously for 17 years since 2003.

- **Smart Training: New Trends for New Gen**

SAMART organized a training course to senior students at the Faculty of Applied Science, Department of Computer and Information Science, King Mongkut's University of Technology North Bangkok to fulfill their technological knowledge and prepare them with readiness to pace into their future technological career.

2. Educational Support

- **Samart Scholarship Project**

SAMART granted 75 scholarships worth to well-studying but fund-insufficient students in primary, secondary, and bachelor-degree level in 2020. The project has been organized annually.

- **Educational Funding Support**

Donated school supplies and sports equipment to Watwongpad School in Rat Sathit, Chaiyo, Ang Thong province.

- **School Renovation and Supplies Donation**

Cooperated with the Provincial Electricity Authority (PEA) to renovate Ban Phailom School's landscape and donate educational supplies to support the school's teaching and learning system. Ban Phailom School is in Bang Len District, Nakhon Pathom province.

- **Funding Support for Short Film Festival**

Offered funding support to students in Film and Digital Media Department, the Faculty of Communication Arts, Sripatum University to organize short film festival.

3. SPORT TALENT Support

- **Fox Hunt Season 5**

Sponsor Thai youngsters to train their football skills in Leicester City Academy while continue their high-school study at Ratcliffe College in England for 2 years.

- **Thai Football Club**

In 2020, SAMART Group supported 2 Thai football clubs in Thai League including Buriram United F.C. and Phrae United F.C.

- **2020 Polo Games**

Provided supports to Thailand Polo Association in organizing the Polo Games Season 2020 in Thailand.

- **Supported MS E-Sport Chonburi Team Season 2020.**

- **PEA Volleyball Training for Youth**

Supported "The 16th PEA's Volleyball Training for Youth" to train Thai youngsters volleyball skills. Instructed by PEA's national volleyball team, the training encouraged Thai youths to make use of their free time to gain a stronger health. The skills can be developed and practiced to raise the level of volleyball circles in Thailand.

- **PEA Happy Run Mini Marathon 2020**

SAMART sponsored "The 11th PEA Happy Run Mini Marathon 2020" on the occasion of celebrating the Provincial Electricity Authority's 60th anniversary to promote exercise for better health.



4. Quality People Development in Organization

- **Executive Tour**

SAMART's executives visited Huawei's Customer Solution Innovation and Integration Experience Center (CSIS) to explore Huawei's digital solutions and seek for future business partnership.

- **5G Workshop**

SAMART, in partnership with Huawei, organized a workshop "5G Workshop: Creating New Opportunities to Respond Customers' Needs." The workshop aims to enhance new technology knowledge in digital era and to develop the better solutions for our customers.

- **"Strong Together" Activity**

SAMART organized "Strong Together" activity to foster the group's unity and cultivate the employees with SAMART DNA including Think Ahead; Customer Focus; Team of Professional; and Commit to Excellence. The activity was held seven times during the year 2019 to 2020 with more than 800 employees participated.

Promote Moral Society

The promotion focused on encouraging the employees to take initiatives in social contribution by using "D Club", which was formed by a group of volunteer employees, to stimulate the volunteerism and helping-and-sharing awareness among the employees. The group also organized various activities to promote Buddhism and public charities through "SAMART Foundation" and other activities that are beneficial to the society.

1. Power of Volunteers for Social Development

- **Blood Donation Project**

The Company collaborated with the Thai Red Cross to encourage the employees and people in nearby communities to make blood donation. The project was held 3 times a year with more than 150,000 CC. of blood donated in 2020.

- **Merit Knitting Project**

Held for the 6th consecutive year, the project encouraged the employees to make knitting hats for monks, nuns and dhamma practitioners at Wat Pa Chai Chumpon in Khao Kho District, Phetchabun province.

2. Corporate Social Responsibility and Support During COVID-19 Epidemic

- **COVID-19 Prevention Measures**

SAMART laid down significant measures to prevent the epidemic of COVID-19 in the organization. Screening measure was introduced by using efficient temperature sensor machine to detect people's temperature before entering the areas with face mask required. Significant "Social Distancing" measures were launched including Work from Home (WFH), online video conferencing, social distancing in passenger elevators, and overlap working time and lunch break to reduce congestion during rush hour. The group continuously publicized vital information, educated and introduced new campaigns through various media channels to create the employees' awareness for COVID-19 prevention throughout the year.

- **Smart Phone Donation**

SAMART donated 100 smart phones to medical people working in Thammasat University Field Hospital, Rangsit Campus for use to communicate between patients and doctors, as well as nurses and staff to reduce risks of COVID-19 infection and increase safety while they are on duties.

- **Donation of Thermal Scanner**

In collaboration with its business partners, delivered Hikvision Temperature Screening Thermal Solution worth to the Ministry of Education for use to enhance the efficiency of COVID-19 prevention.

- **Face Shield Donation**

SAMART delivered 3,000 face shields to medical people in various hospitals including Thammasat University Hospital, Panyanantaphikkhu Chonprathan Medical Center, HRH Princess Maha Chakri Sirindhorn Medical Center SWU and the other 20 hospitals in the provinces.

- **Kindness Sharing by SAMART Foundation**

SAMART Foundation donated necessities to those affected by COVID-19 in Nonthaburi and Pathum Thani province as well as in Wat Kerdkan Udom community, Khlong 3, Pathum Thani.

- **Fabric Mask Workshop**

SAMART organized fabric mask sewing workshop for self-use and sharing. The workshop was a part of efforts to help reduce the epidemic of COVID-19 by encouraging the participants' social responsibility.

- **Sharing Corner**

SAMART allocated an area to be a "Sharing Corner" encouraging the employees to share food and beverage as well as the necessities such as alcohol gel, face mask and others to colleagues and their family that got impacts from the COVID-19 situation. The project created "the society of sharing" amidst the crisis.

3. **Buddhism Promotion**

- **Annual Alms Giving**

The event has been held regularly on January every year to enhance the prosperity to SAMART's executives and the employees.

- **Offering Candles**

SAMART offered candles to Wat Mai Ban Tan, Sakon Nakhon province in the Buddhist Lent Festival.

- **Kathin Merit-Making**

SAMART made a Kathin merit donating at 255,600 Baht to build the temple hall at Wat Phrathat Charoen Tham, Kaeng Khoi District, Saraburi province.

- **Dhamma Voice Radio Program**

The radio program broadcasts Dhamma principles through Public Address (PA) System every Monday on 12.00 - 13.00.

- **Dhamma Preaching**

SAMART organized dhamma preaching by Phra Ratchdhamanithet (Phra Payom Kalyano) titled "Dharma leads the ways to pass through the crisis in work and life." The event was a part of the "Abandon+Review" activity to encourage the participants to "abandon" things that are not beneficial to their life and to "review" their lifestyles during the past year before stepping to the new year with wisdom and happiness.

4. **Other Social Projects Support**

- Fund donation to "Phramongkutklao Hospital Foundation under the Royal Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn" on the occasion of the establishment anniversary of Thunhoon Newspaper.

- Fund donation to “Fund Raising Project to Construct Accommodation for Patients and Relatives at Baan Saeng Chan, Chanthaburi” on the occasion of the 67th anniversary of the establishment of the Government Housing Bank.
- Fund donation to “Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother” and “The Information Technology Foundation under the Initiative of Her Royal Highness Princess Maha Chakri Sirindhorn” on the occasion of the 60th anniversary of the establishment of the Provincial Electricity Authority.
- Fund donation to “Mother Earth Fund” on the occasion of the establishment anniversary of the Metropolitan Waterworks Authority.
- Fund donation to “Veterans General Hospital” on the occasion of the 19th anniversary of the establishment of the Small and Medium Enterprise Development Bank of Thailand (SME Bank).

Prevention and protection of corruption

The Company has established policies and general practices of anti-corruption channel to express their opinions and suggestions including channel to report concerns and procedures to protect employees who report such abuse. Anti-corruption policy and practical guidelines including procedures were disclosed in the Business Ethics and were posted on the Company’s website at www.smartdigital.com.

In addition, the Company maintains internal control system and risk management to prevent the involvement of corruption detailed in the section “Internal Control and Risk Management”. The Company also disclosed business risks, financial risks and social and environmental risks in the section “Risk Factors” and posted on the Company’s website at www.smartdigital.com.

Financial Highlights

	2018	2019	2020
Result of Operation (Million Baht)			
Sales and Service Revenue	743	999	637
Total Revenue	770	1,120	659
Gross Profit ⁽¹⁾	18	187	52
Net Profit (Loss)	(1,596)	(233)	(354)
Financial Position (Million Baht)			
Total Assets	5,926	5,328	4,392
Total Liabilities	4,909	4,479	3,897
Total Shareholders' Equity	1,017	849	495
Financial Ratio			
Net Profit Margin (%)	(207.33)	(21.28)	(52.04)
Return on Equity (%)	(230.70)	(28.47)	(59.32)
Return on Assets (%)	(25.94)	(4.24)	(7.06)
Debt to Equity Ratio (Times)	4.83	5.27	7.87
Earnings (Loss) per Share (Baht)	(0.19)	(0.02)	(0.03)
Dividend per Share (Baht)	-	-	-
Dividend Payout Ratio (%)	-	-	-
Book Value per Share (Baht)	0.09	0.07	0.04
Par Value per Share (Baht)	0.10	0.10	0.10
Number of issued and paid up shares (Million Shares)	11,324.42	11,324.42	11,324.42

Remark: ⁽¹⁾ Gross Profit was calculated by including sales support revenue.

Policy and Overview of Business

The Company is engaged in the distribution of communications and electronics equipment as well as provides integrated businesses in digital network and solution. In addition, the Company also provides interactive media and varieties of most updated information, news and edutainment contents in the form of voice and non-voice services. The Company has conducted 2 lines of business, Digital Network and Digital Content.

Vision, Mission, Corporate Culture and Business Direction

Vision

Sustainable growth through Integrated Broadband Communication to ease everyday life

Mission

- Focusing on great customer experience on products through all touch points including software solutions and service to create beyond customer expectation
- Creating innovative content and application platform through various digital mediums in order to serve customer needs where as seeking for developing mutual sustainable growth with potential partners

Corporate Culture

- Think Ahead
- Customer Focus
- Team of Professionals
- Commit to excellence

Business Direction

Focusing on updated digital business development to harmonize consumer rapid trend with new distribution channel and new content media channel continuously

Highlight of Change and Development

Samart Digital Public Company Limited (“SDC”), formerly known as Samart I-Mobile Public Company Limited, was established by Samart Corporation Public Company Limited (“SAMART”) in 1995 with a registered capital of Baht 50 million in the name of Samart Easy Pay Company Limited. The primary objective was to operate telecommunication business. The business operation of the Company has continually growth.

In 2003, the Company has changed the name to be Samart I-Mobile Company Limited and restructured its business and shareholding structures to facilitate the development to be fully integrated Mobile Multimedia services. On September 18, 2003, the Company’s par value was split from Baht 10 per share to Baht 1 per share. Additionally, the Company increased its registered capital of Baht 110 million by issuing 110 million new ordinary shares at a par value of Baht 1 totaling Baht 110 million for initial public offering. The new registered capital of the Company was Baht 430 million. The Company was approved to be a public company on September 30, 2003 and the Company’s ordinary shares were listed in the Stock Exchange of Thailand on December 9, 2003. On May 6, 2008, the Company approved the alteration of par value from par value of Baht 1.00 per share to Baht 0.10 per share in order to achieve greater liquidity in the Company’s stock trading as its price was higher than the other stocks in the same type of business. The Company also approved the increase of its registered capital of Baht 14 million from Baht 430 million to Baht 444 million for the issuance of warrants offering to the Company’s directors and the employees of the Company and its subsidiaries.

Since 2016, the Company has reorganized management structure in order to be competitive under the transition to the digital era, reduced the size of handset business and finally closed down in 2018, and then shift to complete digital services. The digital services include Digital Trunked Radio System (“DTRS”) of which the target clients are state-owned enterprises and government agencies, and Co-Tower rentals for Mobile Operators in the Nationwide National Parks. These 2 projects are in collaboration with CAT Telecom Public Company Limited (“CAT”). For content business, the Company has changed towards digital platform. The Company changed its name to Samart Digital Public Company Limited (“SDC”) in 2017.

To support business changes and new business operations, the shareholders’ meeting approved the increase in its registered share capital to be offered to the existing shareholders of the Company in proportion to their respective shareholdings (Rights Offering) and to accommodate the exercise of the warrants. The Company received money from the capital increase totaling Baht 2,077 million, therefore, the Company’s issued and paid-up capital increased from Baht 440 million to Baht 1,132 million with shares premium of Baht 1,385 million. The 1,731,043,303 units of warrants (SDC-W1) were issued in this regard. The exercise ratio is 1 warrant: 1 share, with an exercise price of Baht 0.5 per 1 ordinary share. The warrants have a life of 5 years and are exercisable on the last business day of the June and December of each year throughout the life of the warrants, commencing from December 28, 2018.

In the year 2019-2020, the Company has still focused on operating businesses with recurring income and closed down the business that do not generate income. The Company reorganized the workforce structure to be suitable for business operations and negotiated with various financial institutions for debt restructuring.

Since the end of 2019, the COVID-19 pandemic has slowed down to the World’s economic and adversely impacting most businesses and industries including the business activities of the Company and subsidiaries in terms of delay in commence of new projects and decrease or suspended of the provision of services. This is significantly impacting the Group’s financial position, operating results, and cash flows at present, and is expected to do so in the future, including compliance with debt covenants. 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.

Change and development during the past 3 years

2020

- In 2020, the Company had entered into a debt restructuring agreement with the financial in order to amend the terms of repayment of short-term loan million to the new maturity within March 31, 2023.

Under the Company’s loan agreement and memorandum, the Company must comply with certain conditions stipulated in the agreement such as to maintain the percentage of shareholding of Samart Corporation Public Co., Ltd., in the Group, to maintain financial ratios and to receive financial support from Samart Corporation Public Co., Ltd. in total of not exceeding Baht 600 million. The amount of the financial support was approved by the Company’s Extraordinary General Meeting of Shareholders on September 1, 2020.

2019

- On February 14, 2019, the meeting of Board of Directors of Samart Digital Media Co., Ltd., a subsidiary company, passed a resolution approving an acquisition of increased share capital of Entertainment Tree Co., Ltd., a subsidiary company, in proportion to shareholding, and an acquisition of the shares remaining after the share allocation in total of 270,000 shares of Baht 10 per share. The subsidiary fully paid for the share subscription on February 20, 2019.

As a result of the acquisition of increased share capital, the percentage of shareholding of Samart Digital Media Co., Ltd. in Entertainment Tree Co., Ltd. increased from 44.99% to 61.87%.

- On February 18, 2019, the Extraordinary General Meeting of Entertainment Tree Co., Ltd., a subsidiary company, passed a special resolution approving the increase in the registered share capital from Baht 5 million (500,000 ordinary shares of Baht 10 each) to Baht 8 million (800,000 ordinary shares of Baht 10 each) through the issuance of 300,000 additional ordinary shares at par value of Baht 10 each. The subsidiary company registered share capital increased with the Ministry of Commerce on February 25, 2019.

2018

- On February 15, 2018, an Extraordinary Meeting of Samart Multimedia Co., Ltd., a subsidiary company, passed a special resolution approving the change of the subsidiary's name from "Samart Multimedia Co., Ltd." to "Samart Digital Media Co., Ltd.". The subsidiary registered the change of its name with the Ministry of Commerce on February 20, 2018.
- On April 27, 2018, an Annual General Meeting of the Company's shareholders passed a resolution approving the cancellation of the relevant existing resolution of the Extraordinary General Meeting of the Company's shareholders No. 1/2017 on September 27, 2017, relating to the registered share capital increase and approved the reduction and the increase in the Company's registered share capital as follows:

Registered share capital

	Number of shares (shares)	Amount (Baht)	Registration date with the Ministry of Commerce
Balance as at December 31, 2017	9,900,562,500	990,056,250	
Decrease in registered share capital	(5,500,312,500)	(550,031,250)	
	4,400,250,000	440,025,000	May 17, 2018
Increase in registered share capital	11,000,625,000	1,100,062,500	
Balance as at December 31, 2018	15,400,875,000	1,540,087,500	May 18, 2018

In addition, the meeting approved the allocation of not more than 8,800,500,000 newly-issued ordinary shares, at the par value of Baht 0.1 per share, for the purpose of offering for sale to the existing shareholders of the Company in proportionate to their respective shareholdings (Rights offering), at the allocation ratio of 1 existing ordinary share to 2 newly-issued ordinary shares, at Baht 0.3 per share.

Issued and fully paid-up capital

	Number of shares (shares)	Amount (Baht)	Shares premium (Baht)	Registration date with the Ministry of Commerce
Balance as at December 31, 2017	4,400,250,000	440,025,000	1,230,452,034	
Increase from share offering to existing shareholders	6,924,173,218	692,417,322	1,384,834,644	
Balance as at December 31, 2018	11,324,423,218	1,132,442,322	2,615,286,678	June 4, 2018

Warrants

Such Annual General Meeting of the Company's shareholders passed a resolution to issue warrants no. 1 (SDC-W1) up to 2,200,125,000 units of warrants to the existing shareholders of the Company who subscribe to and are allocated newly issued shares by offering to them in proportion to their shareholdings (rights offering) at the ratio of 4 newly issued shares to 1 warrant, without any cost. The exercise ratio is 1 warrant : 1 share, with an exercise price of Baht 0.5 per 1 ordinary share. The warrants have a life of 5 years and are exercisable on the last business day of the June and December of each year throughout the life of the warrants, commencing from December 28, 2018.

- On April 30, 2018, an Annual General Meeting of the shareholders of I-Sport Media Co., Ltd., a subsidiary company, passed a resolution to dissolve the company. The subsidiary company registered its dissolution on May 9, 2018 and its liquidation was registered with the Ministry of Commerce on June 12, 2018.
- On December 18, 2018, the Company entered into an agreement to enter into a consortium with Samart Telcoms Public Co, Ltd. named SS Consortium, for the purpose of entering into a price proposal of Mobile Switching Office equipment for Digital Trunked Radio System with CAT Telecom Public Co., Ltd. The Company was appointed as the lead company of SS Consortium and is authorized to act on behalf of SS Consortium. The agreement is effective from the date that the agreement is signed and will terminate when SS Consortium has fully discharged its responsibilities under the sale agreement or the SS Consortium's price proposal has not accomplished. The Company is obliged to comply with certain conditions and pay fees for the project as stated in the agreement.

Subsequently, on December 26, 2018, SS Consortium entered into a sales agreement with CAT Telecom Public Co., Ltd. to sell Mobile Switching Office equipment. The agreement will terminate when SS Consortium has fully discharged its responsibilities under the sale agreement with CAT Telecom Public Co., Ltd.

Nature of Business

The Company and subsidiaries have 2 lines of business as follows:

1. Digital Network

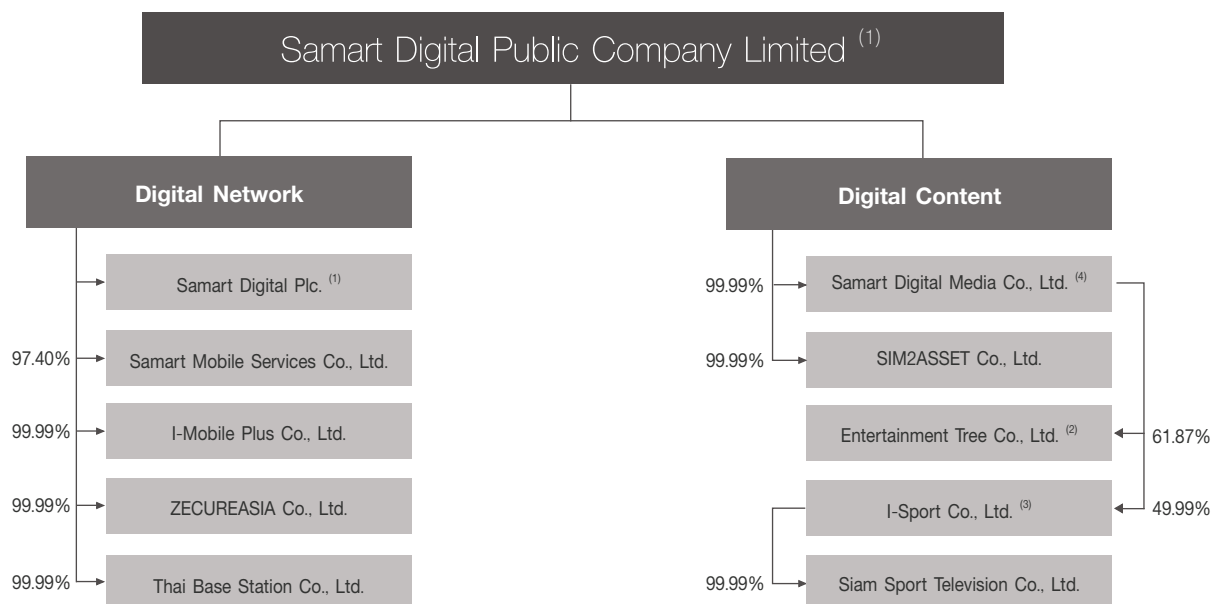
The Company is engaged in the distribution of communications and electronics equipment as well as provides integrated businesses in digital network and solution. Since 2017, the Company has transformed the business into a full digital service such as Digital Trunked Radio System (“DTRS”) services and Co-Tower rentals for Mobile Operators in the Nationwide National Parks in collaboration with CAT Telecom Public Company Limited. The Company still focus on doing business with recurring income.

2. Digital Content

The Company provides varieties of most updated information, news and edutainment contents that address to everyone’s need and fit with their lifestyles in the form of voice and non-voice including Multimedia in various forms of VDO Streaming, Real-time Service, and One-on-One Service through multi channel communication devices. The sample of services are sports update reporting and fortune - teller and horoscope.

Business Structure

As of December 31, 2020



- Remarks:** ⁽¹⁾ Formerly known as Samart I-Mobile Public Company Limited, changed the Company's name to Samart Digital Public Company Limited on October 6, 2017.
- ⁽²⁾ The remaining portion of 38.13% held by 2 ordinary persons who have business expertise in such company.
- ⁽³⁾ The remaining portion of 37.50% and 12.51% held by Siam Sport Syndicate Plc. and 9 ordinary persons respectively.
- ⁽⁴⁾ Formerly known as Samart Multimedia Co., Ltd., changed its name to Samart Digital Media Co., Ltd. on February 20, 2018.

Revenue Structure

The revenue structure of the Company and subsidiaries as of December 31, 2018 - 2020 is as follows:

(Unit: Million Baht)

Revenue	Operated by	% of shareholding	2018		2019		2020	
			Revenue	%	Revenue	%	Revenue	%
Digital Network	SDC	100.00	256	34.45	517	51.75	439	68.92
	SMS	97.40						
	ZA, IMP, TBS	99.99						
Digital Content	SDM, S2A	99.99	487	65.55	482	48.25	198	31.08
	I-SPORT, SSTV	49.99						
	ENT	61.87						
Total Revenue from Sales and Services			743	100.00	999	100.00	637	100.00

SDC = Samart Digital Plc. ⁽¹⁾

IMP = I-Mobile Plus Co., Ltd.

S2A = SIM2ASSET Co., Ltd.

SSTV = Siam Sport Television Co., Ltd. ⁽³⁾

SDM = Samart Digital Media Co., Ltd. ⁽²⁾

I-SPORT = I-Sport Co., Ltd.

ENT = Entertainment Tree Co., Ltd.

SMS = Samart Mobile Services Co., Ltd.

ZA = ZECUREASIA Co., Ltd.

TBS = Thai Base Station Co., Ltd.

Remarks ⁽¹⁾ Formerly known as Samart I-Mobile Public Company Limited, changed the Company's name to Samart Digital Public Company Limited on October 6, 2017.

⁽²⁾ Formerly known as Samart Multimedia Co., Ltd., changed its name to Samart Digital Media Co., Ltd. on February 20, 2018.

⁽³⁾ I-SPORT holds 99.99% shares in SSTV, therefore, the Company holds 49.99 % indirect shareholding in SSTV.

Information of Subsidiary Companies

As of December 31, 2020

Name of Company	Type of Business	Shareholder	Registered Capital	Total Ordinary Share	Company's shareholding	
					Number of shares	%
Samart Digital Media Co., Ltd. 99/10 Moo 4, Software Park, 26 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6363	Provide content services via fully integrated wire and wireless technologies both voice services via Audiotext and Call Center, and non-voice services including content producer and developer.	SDC	200 Million Baht	2,000,000	1,999,997	99.99
Samart Mobile Services Co., Ltd. 37/1 Moo 2, Phaholyothin Rd., Klong 1, Klongluang, Pathumthanee 12120 Tel. 0-2502-6000 Fax. 0-2502-6496	Provide wholesale and resale 3G mobile services including telecommunication services.	SDC	490 Million Baht	49,000,000	47,724,999	97.40
I-Mobile Plus Co., Ltd. 99/10 Moo 4, Software Park, 26 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-8532	Provide wholesale and resale 3G mobile services including telecommunication services.	SDC	100 Million Baht	10,000,000	9,999,997	99.99
ZECUREASIA Co., Ltd. 99/10 Moo 4, Software Park, 26 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-8532	Distribute mobile phones bundling with content services including security products and solution.	SDC	1.25 Million Baht	125,000	124,997	99.99
SIM2ASSET Co., Ltd. 99/10 Moo 4, Software Park, 26 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6491	Provide real estate agent services to match sellers and buyers (Matching), as well as provide consulting services	SDC	5 Million Baht, Paid-up capital of 2.5 Million Baht	500,000	499,997	99.99
Thai Base Station Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2502-6491	Provide space rental and services as well as distributes telecommunication equipment and system.	SDC	10 Million Baht	100,000	99,998	99.99

Changes during the Year

In the past 3-4 years, there were changes in the organization structure and the business itself to enhance the services in accordance with the global trend and the government's digital Thailand strategic plan which focuses on building the foundation for the infrastructure and the people in order to move towards Thailand 4.0: Digital age for the economy and the society. The Company closed down its handset business in 2018 and then shift to complete digital services. The Company has still focused on operating businesses with recurring income and closed down the business that do not generate income. The Company reorganized the workforce structure to be suitable for business operations and negotiated with various financial institutions for debt restructuring.

Since the end of 2019, the COVID-19 pandemic has slowed down to the World's economic and adversely impacting most businesses and industries including the business activities of the Company and subsidiaries in terms of delay in commence of new projects and decrease or suspended of the provision of services. This is significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future, including compliance with debt covenants. 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.

Significant changes of each business in the past year are summarized below:

Digital Network

The Company has shifted to complete digital services since 2017. The Company provides digital communication services by signing a contract for Digital Trunked Radio System ("DTRS") installation project with CAT Telecom Public Company Limited ("CAT") to expand its capability in DTRS services and sufficiently serve the consumer needs in necessary areas. The main target group is public organizations that need secure telecommunication. In addition, there is another collaboration with CAT to install Co-Tower in National Park areas. Both projects are expected to generate consistent income to the Company in the future. In the past year, the Company installed the network equipment as planned. However, the COVID-19 pandemic had an impact in terms of delay in commence of new projects.

Digital Content

With the rapid development of technology, the behavior of digital media consumer has changed. Consumers can choose to consume a variety of media quickly and choose to consume only the interested media. In order to adapt to the changing consumption behavior, the Company therefore closed down the production of sport broadcasting via satellite and the provision of information on eating, drinking, traveling through the website. The Company turned to produce content that the Company has expertise focusing on mobile channel such as sport and life style content. Meanwhile the sport business is aiming towards complete digital sports business. In addition, the Company has introduced sport technology service by providing VAR (Visual Assistant Referee) service to the Football Association of Thailand, the first implementation of VAR service in ASEAN. In the past year, the COVID-19 pandemic has resulted in a decrease in revenue from services. The revenue from live broadcasting on various sport events has also decreased from cancellation or postponement.

Industry and Competition

The Thai economy in 2020 contracted by 6.1 compared a growth of 2.3 percent in 2019, mainly due to the export value that declined by 6.6 percent, private consumption and investment contracted by 8.4 percent and 1.0 percent respectively. The number of foreign tourists, decreased by 83.2 percent, was at 6.7 million persons compared with 39.9 million persons in 2019. Moreover, the average headline inflation was at -0.8 compared with that in 2019 at 0.7 percent.

For 2021, Thai economy is expected to grow in range of 2.5-3.5 percent at gradual pace supported mainly by public investment growing by 10.7 percent, government consumption expanding by 5.1 percent, and private investment and consumption growing by 3.8 percent and 2.0 percent, respectively. Export value of goods is expected to expand by 5.8 percent due to the recovery of the global economy, the stimulus measures in countries around the world, and efficiency of vaccine and the progress of vaccine distribution to people to prevent the spread of COVID-19. Additionally, recovery measures and government stimulus policies will help the economy to expand. However, risk factors must be closely monitored such as COVID-19 containment, success of vaccine distribution in the countries, economic policies of key trading partners, and volatility of international capital flow. It is anticipated that the number of foreign tourists in 2021 would decrease to 5.0 million people. The projection of average inflation tends to be in the range of 1.0-2.0

Global spending on Information Technology products and services including communication services in 2020, according to the latest forecast by Gartner, Inc., declined by 3.2 percent with the total value of USD 3.69 trillion and the spending on IT devices contracted at 8.2 percent. Decreasing 9.3 percent from 2019, Thailand's IT and communication services spending in 2020 was Baht 648,961 million, consisting of spending on Communication Services at Baht 385,713 million dropping by 5.9 percent, IT Devices at Baht 148,014 million decreasing 18.1 percent, Data Center at Baht 20,841 million declining 17.9 percent, IT Services at Baht 56,520 million falling by 6.7 percent, and Enterprise Software at Baht 37,868 million decreasing 3.6 percent. The COVID-19 pandemic is major factor causing global and Thai economic contraction hence ICT spending slowdown.

Gartner's latest forecast indicated worldwide IT spending to expand 6.2 percent in 2021 with the total value of USD 3.9 trillion. For ICT market in 2021, TMB Analytics forecasts to grow 5.8 percent due to supporting factors: the constantly drive of Thailand 4.0 policy; Eastern Economic Corridor Digital Innovation Zone (EECd) development policy; Smart Cities with the target to expand more than 100 areas nationwide including Bangkok; and promotion of Bio-Circular-Green Economy (BCG) driven by ICT and digital technology in planning, management, analysis, and efficient implementation. Furthermore, full supports for 5G technology increase the needs of various equipment and systems related in the supply chain, including the expansion of investment for 5G provisioning. Besides, impacts from COVID-19 situation urge demands for several enterprises and organizations to adopt more ICT for increase of Work From Home and also Anywhere Operations enabling enterprises to serve their customers and conduct business anywhere. Such impacts also expedite several enterprise to implement Digital Transformation and adopt more digital services resulting in expansion of digital industry. Krungsri Research indicates that in the next three years, new technologies will play major roles in several industries. Such technologies are: Internet of Things (IoT), which can be applied to every industry; Artificial Intelligence (AI) that can leverage competitiveness and can be adopted in various aspects; Edge Computing reducing processing of the centralized system helping responding end users faster; and Drones integrated with sensor technologies, satellite technologies, IoT and AI that would help reach areas for survey and make transportation more convenient. Moreover, Big Data Analytics will grow and be widespread. Identity proofing technology and Block Chain / Distributed Ledger technology will be widely applied in several electronic service platforms for validation of transactions. Krungsri Research also informs that Cybersecurity awareness in Thailand is at lower degree compared to other countries such as Malaysia, India, and China. There will be more enforcement on Cybersecurity Acts and Personal Data Protection Act; the market of products and services related to these laws, especially products regarding Cybersecurity will have opportunities to grow.

Despite of the projection of economic expansion along with the growth of the market in ICT and digital technology, the risk factors concerning uncertainty of global economy, trading policies of United States of America and China, and COVID-19 pandemic can cause the economic growth lower than anticipated resulting in more intense competition in ICT and digital technology market. Providers in ICT industry and from other industries for example, banking, financial services and insurance, retails, etc. are promoting innovation development in order to deploy such innovation in their Digital Platforms for competition. Collaboration among business networks has emerged to add values in products, services, and platforms. Both domestic and international service providers on Platform as a Service (PaaS), Software as a Service (SaaS), and Infrastructure as a Service (IaaS) including Digital Tech Startup abroad are entering the market. They compete in development of their own products and services to provide better customer experiences in quality, speed, convenience, and values. Moreover, several products and services come with high competition in price and marketing campaign. Competition in ICT market and Digital industry therefore is expected to be intense.

Risk Factors

Risk factors may have an impact on the Company's operation are as follows:

1. Business Risks

1.1 Risks from Digital Content

Result from technological change and more influence in role of internet in consumer's daily life, they can easily data access with free of charge. Additionally, mobile operators set up mobile content service unit to serve their customers and the related government sectors increase more criteria to subscribe mobile content services. All the mentioned factors, the Company has transformed its services into new applications such as VDO streaming, real-time services, or one-on-one services of which the customer satisfaction feedback was very good. In order to match with consumer behavior change, the Company plans to develop new applications to serve needs of premium customers.

1.2 Risks from Digital Network

For the services of Digital Trunked Radio System, the Company is still exposed to the risk of counterparty's default in terms of delay in performance or the inability to complete the project operation, which will result in the Company's delay in operation. The Company may need to seek new project with the capability and readiness for operation. Furthermore, the Company's revenue depends on CAT's capacity to collect payments from the users, which the Company will be affected in terms of payment collection from CAT, under the terms of the said agreement. However, the Company believes that this will not significantly affect the operation of the project because the majority of the users are government agencies, state-owned enterprises and large private entities.

2. Financial Risk

2.1 Foreign Currency Risk

The Company and subsidiaries have imports, which are denominated in foreign currencies that expose to the risk from foreign exchange fluctuation. However, the foreign exposures have been hedged under forward contracts and the Company has closely monitored financial market and foreign exchange. As of December 31, 20/20, the Company and subsidiaries have foreign currency assets and liabilities of USD 5.24 million (separated financial statement presented USD 5.24 million).

2.2 Interest Rate Risk

The fluctuation of interest rate in the market can affect cost of funds through the Company and subsidiaries' short-term and long-term loans from financial institutions that have the interest rate based on money market. As of December 31, 2020, the Company and subsidiaries had total loans from financial institutions of Baht 2,848 million, in which 46.91% is in short-term. However, the Company and subsidiaries have closely monitored the interest rate in financial market and selected appropriate borrowing terms in order to minimize the financial costs.

2.3 Expected credit losses

The Company and subsidiaries may have risk associated with the unpaid trade receivables. As of December 31, 2020, the Company and subsidiaries enclosed trade receivable (unrelated parties) of Baht 474 million, representing 10.79% of total assets. The Company has reversed the allowance for expected credit losses amount of Baht 83 million in 2020. Having credit control procedures and substantial monitoring of debt collection, therefore the Company and its subsidiaries do not expect to incur material financial losses.

2.4 Guarantee to subsidiary companies

The Company has contingent liabilities with respect to the guarantee of subsidiaries' credit facilities which are working capital line and joint credit line with the Company. Accordingly, the Company may expose to risk associate with the default on the guaranteed loans. However, as a regular business monitoring especially on financial position of subsidiaries, the management is confident that there will be no any event of defaults. As of December 31, 2020, subsidiaries' outstanding loans guaranteed by the Company were Baht 6 million.

3. Risk from major shareholders holding over 50% of the shares

As of December 31, 2020, Vilailuck Group including Samart Corporation Public Company Limited and its subsidiaries hold 9,537,886,300 shares or 84.23% of the Company's issued and paid-up capital. It can control most of the shareholders' resolutions on various important matters such as the appointment of directors, or other resolutions that need majority votes of the shareholders, except for those resolutions that require three-fourths of the shareholders' votes, as specified by the law or the Company's Articles of Association. As a result, other shareholders may not be able to gather enough votes to offset the major shareholders' influence. However, the Company appointed 3 independent directors to be the Audit Committee to review the connected transactions or the transactions that may lead to conflicts of interests to ensure that they are in compliance with the law and the regulations of the SET and the SEC, and are reasonable and for the highest benefit of the Company.

4. Social and Environmental Risk

In order to maintain the continuity and sustainability of the Company's operation, the Company is owing to the support from both community and society. The business operation, which results in negative impacts on society, community, and environment, will damage the image following by the poor performance of business in long term. The Company is well aware of the importance of social and environmental responsibility, the development of quality of life, and prosperity of the communities. Thus, the Company has set the policy and practical guideline regarding strengthen good relationship with the organizations both from public and private sectors, as well as community leaders so that the works for community development can be harmoniously coordinated on sustainable and concrete basis. For instance, the Company hosted SAMART Innovation project, and provided SAMART scholarships, support for improvement of library, playground to upcountry schools, donations of computers to a remote border school, and training on necessary telecommunication-technology knowledge and work skills to produce the qualified professionals into Thai society. Besides, the Company conducts business by always taking into account the environmental conservation and using resources in the most meaningful way. The Company has a policy to strengthen and provide knowledge and training on environment to the employees in the organization, in order to be aware of environmental responsibility. The Company has promoted environmental care among its employees via both internal communications and energy saving campaign project every year. The Company continuously follows its social and environmental policy in purpose to be with society in harmony and sustain business growth altogether.

Shareholders

As of August 3, 2020, the top ten shareholders were as follows:

No.	Shareholder's Name	Number of Shareholding	%
1.	Vilailuck Group ⁽¹⁾	9,537,886,300	84.23
	- Samart Corporation Public Company Limited ⁽²⁾	9,364,737,000	82.70
	- Samart Telcom Public Company Limited	85,861,200	0.76
	- Vilailuck International Holding Co., Ltd.	30,535,100	0.27
	- Mr. Watchai Vilailuck ⁽³⁾	23,343,000	0.21
	- Samart U-Trans Co., Ltd.	15,160,000	0.13
	- Mrs. Sukanya Vanichjakvong ⁽³⁾	14,900,000	0.13
	- One to One Contacts Public Company Limited	3,000,000	0.03
	- Ms. Srintip Vilailuck	350,000	0.00
2.	Mr. Nuttapol Jurangkool	298,085,100	2.63
3.	Mr. Thaveechat Jurangkool	222,544,300	1.97
4.	Mr. Rachot Poompanmoung	172,350,000	1.52
5.	Ms. Chomkamol Poompanmoung	89,708,100	0.79
6.	Mr. Somchai Saeung	80,000,000	0.71
7.	Mr. Apisak Theppadungporn	27,226,900	0.24
8.	Mr. Preeda Attavinijsrakan	27,129,600	0.24
9.	Mr. Somchai Anothaiyuenyong	25,000,000	0.22
10.	Thai NVDR Co., Ltd.	16,557,950	0.15
Total shares of top ten shareholders		10,496,488,250	92.70
Total shares of the minority shareholders		827,934,968	7.30
Grand total		11,324,423,218	100.00

Source: Thailand Securities Depository Co., Ltd. as of August 3, 2020

Remarks: ⁽¹⁾ Samart Corporation Public Company Limited, Samart Telcom Public Company Limited, Vilailuck International Holding Co., Ltd., Mrs. Sukanya Vanichjakvong, Mr. Watchai Vilailuck, Samart U-Trans Co., Ltd., One to One Contacts Public Company Limited and Ms. Srintip Vilailuck are acting in concert regarding the determination of the relationship or Behavior as an act with another person and comply with Section 246 and 247.

⁽²⁾ A holding company of which Vilailuck International Holding Co., Ltd. and Vilailuck family hold 14.78% and 27.32% of the total shares respectively.

⁽³⁾ Includes holding by spouse and minor children.

Dividend Payment Policy

The Company has a policy to pay dividend to shareholders of no less than 50% of its net profit after deduction of all reserves as stated in the Company's Articles of Association and related laws. However, the dividend payment is subject to the Company's future investment plans and business expansion, including other necessity and suitability.

In consideration of dividend payment for profit from disposal of investment or fixed assets of the Company or subsidiaries, it is at the discretion of Management and the Board of Directors to consider whether or not to pay dividend or amount to be paid by taking into account the Company's future investment plans and business expansion, including other necessity and suitability.

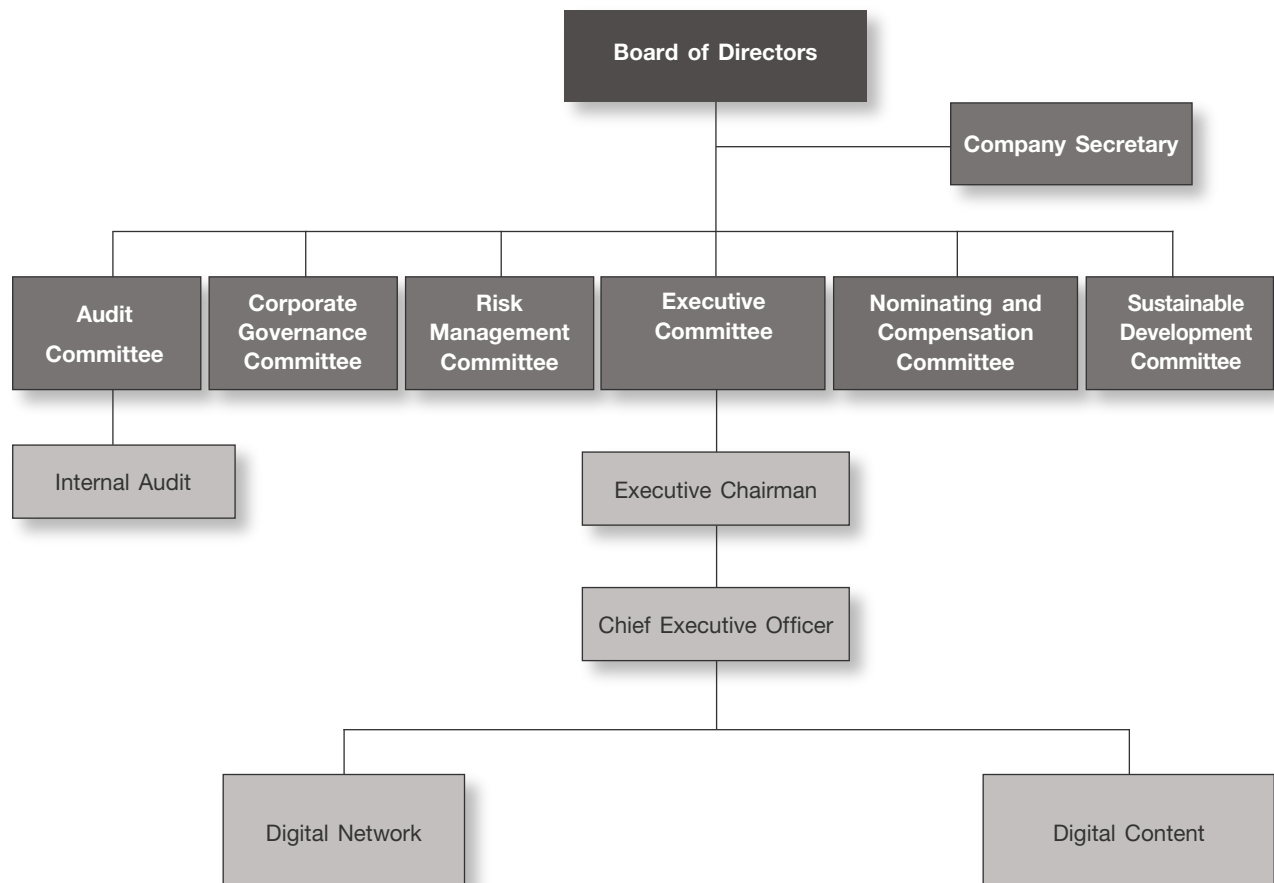
The dividend payment of subsidiaries should base on policy of the Company.

Detail of dividend payment

Financial Ratio		2018	2019	2020
Earnings (Loss) per Share	(Baht)	(0.19)	(0.02)	(0.03)
Dividend per Share	(Baht)	-	-	-
Dividend Payout Ratio	(%)	-	-	-

Management Structure

The management structure of the Company as of December 31, 2020 consisted of the Board of Directors and 6 Committees; Audit Committee, Corporate Governance Committee, Risk Management Committee, Executive Committee, Nominating and Compensation Committee, and Sustainable Development Committee, to oversee management and internal control systems to be comply with the Company's policy as follows:



Remark: Head of Accounting and Finance are under Chief Executive Officer.

1. Board of Directors

As of December 31, 2020, the Board of Directors comprised of 6 members as the following details:

Name	Position
1. Mr. Piyapan Champasut	Chairman of the Board of Directors / Independent Director / Audit Committee Member
2. Dr. Chotivid Chayavadhanangkur	Independent Director / Chairman of the Audit Committee / Chairman of the Corporate Governance Committee / Nominating and Compensation Committee Member
3. Mr. Kunthit Arunyananda	Independent Director / Audit Committee member / Chairman of the Nominating and Compensation Committee / Corporate Governance Committee Member
4. Mr. Charoenrath Vilailuck ⁽¹⁾	Director / Risk Management Committee Member
5. Mr. Watchai Vilailuck ⁽¹⁾	Authorized Director / Executive Chairman / Chief Executive Officer / Chairman of the Risk Management Committee
6. Mr. Wongkrit Jiamsripong ^{(1), (2)}	Authorized Director / Chairman of the Sustainable Development Committee / Executive Committee Member / Risk Management Committee Member / Corporate Governance Committee Member / Nominating and Compensation Committee Member

Remark: ⁽¹⁾ Representative directors from Samart Corporation Plc., a major shareholder, with 82.70% stake holding.

⁽²⁾ Was appointed as Director on December 15, 2020 in replacement of Mrs. Sukanya Vanichjakvong, who resigned on December 1, 2020.

The number of directors is in line with the Company's Articles of Association that the Board of Directors should have at least 5 members. Not less than one a half of such members shall have residence within the Kingdom and the directors of the Company shall have qualification as specified by law. All 3 members of the Audit Committee have adequate knowledge and experience to review creditability of the Company's financial statements.

Education and working experience of each director including position in subsidiaries and related companies as of February 28, 2021 were disclosed in the section "Directors, Management, Controlling Person, Company Secretary and Head of Internal Audit". Details of Committee were disclosed in the section "Corporate Governance" under the topic "Committees".

Details of number of director's meeting attendance, date of appointment as director, term of post and the resigned directors during the year were disclosed in the section "Corporate Governance" under the topic "Meeting of the Board of Directors and Committees".

Authorized Directors as of December 31, 2020:

Mr. Watchai Vilailuck and Mr. Wongkrit Jiamsripong are authorized to sign on behalf of the Company with the Company's seal affixed.

Roles and Responsibilities of the Board of Directors

Qualifications of Director

1. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E.2535 (including amendments) or other relevant laws as well as not lacking trustworthiness in accordance with the announcement of the Securities and Exchange Commission (the SEC), including the Company's Articles of Association.

2. Not undertaking any business, being a partner or a shareholder of other juristic person's of the same nature and in competition with the Company's business whether doing it for the benefit of itself or others, except for the notification to the shareholders' meeting before the appointment.
3. Have leadership, vision, and independent consideration for best benefit of the Company and the shareholders.
4. Have various knowledge, experience, and specific skill that suitable for the Company's business.
5. Have responsibility, carefulness, integrity, and business ethics.
6. Have sufficient time for fully participated as a Director of the Company.

Qualifications of Independent Director

1. Holding no more than 0.5 % of total voting shares of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, including shares held by any related person of such independent director.
2. Not being or ever been an executive director, worker, employee, salaried consultant, or controlling person of the Company, parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company unless the foregoing status has ended for at least 2 years prior to the date of appointment.
3. Not being a person related by blood or legal registration as father, mother, spouse, sibling and child, including the spouse of the child, of other director, executive, major shareholder, controlling person, or person nominated as a director, executive, or controlling person of the Company or subsidiary.
4. Not having or ever had business relationship with the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company in a manner that may obstruct his /her independent judgement, and not being or ever been a significant shareholder or controlling person of person having a business relationship with the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.

The aforementioned business relationship is inclusive of any normal business transaction, rental or lease of property, transaction relating to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions. These result in the Company or counterparty being liable to indebtedness payable to the other party in the amount from 3% of net tangible assets of the Company or from Baht 20 million, whichever is lower. The amount of indebtedness, included the obligation incurred during 1 year prior to the date of having a business relationship with the same person, is determined by the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board concerning regulations in respect of an entering into connected transaction mutatis mutandis.

5. Not being or ever been an auditor of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person, and not being a significant shareholder, controlling person of the Company, or partner of the audit firm that employs auditors of the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.
6. Not being or ever been a professional services provider, including legal advisor or financial advisor who receives service fee more than Baht 2 million per year from the Company, parent company, subsidiary, affiliate, major shareholder or controlling person of the Company, and not being a significant shareholder, controlling person, or partner of such professional service provider unless the foregoing relationship has ended for at least 2 years prior to the date of appointment.
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder, or shareholder who is a connected person of major shareholder.

8. Not undertaking any business of the same nature and in significant competition with business of the Company or subsidiary or not being a significant partner in the partnership or executive director, worker, employee, salaried consultant, or shareholder holding more than 1% of total voting shares of another company undertaking any business of the same nature and in significant competition with business of the Company or subsidiary.
9. Not having any other characteristic that cause the inability to express independent opinions.

Terms of positions

Pursuant to the Public Company Acts B.E. 2535, at first Annual General Meeting of Shareholders after the registration of the Company and at the first Annual General Meeting of Shareholders in every subsequent year one-third of the directors, who have been longest in office, shall retire. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Nominating and Compensation Committee. However, the independent directors shall be in post no longer than 3 consecutive terms except getting a unanimous approval from the Nominating and Compensation Committee due to his/her contribution to the Company. In addition, the Committee ensures that the extra term will not cause or has an impact to the independent of such director, and shall be approved from the resolution of the Board of Directors' and/or the shareholders' meetings.

Roles and Responsibilities of the Board of Directors

The Board of Directors will focus and ensure that the Company's business will achieve its target and in the direction that create value and best benefit to the shareholders as well as all stakeholders. Any conflict of interest with the Company and its subsidiaries will be prohibited. The Board will also comply with the Company's Ethics with responsibility, due care, and integrity to ensure all Company's businesses are run under Company's objectives, Articles of Association, resolutions of the Board of Directors' and shareholders' meetings as well as laws and regulations of the SET, the SEC and other related laws. Their duties include:

1. Conduct business with responsibility, due care, and integrity, and ensure the Company's operations in accordance with the law, objectives, Articles of Association of the Company as well as the resolution of the Board of Directors' and shareholders' meeting to protect the rights and interests of the Company and shareholders.
2. Formulate policies and directions of the Company's operations including supervising the management to proceed in accordance with the specified policies and strategies with efficiency and effectiveness.
3. Establish and review the Company's vision, mission and strategy by prioritize and promote appropriate and safe innovation and technology to increase business opportunities, and ensure effective communication throughout the Company in order to drive the business in the same direction.
4. Approve annual budget and investment of the Company as well as ensure proper resource allocation and effective systems and controls, and monitor the implementation of the Company's strategies and annual plans.
5. Appoint directors to replace of those who retire by rotation as well as consider the remuneration package for directors and committee members proposed by the Nominating and Compensation Committee for further consideration of the shareholders' meeting. The Board of Directors also consider the appointment of directors in case of vacancy due to any reason other than the expiration of the term unless the remaining term of office of the director is less than 2 months. The replacing director shall hold office only for the remaining term of the replaced director.
6. Appoint committees to oversee administrative process and internal system to be in accordance with the specified policy and approve the charters of all committees.
7. Appoint Executive Chairman and define its roles and responsibilities as well as ensure that Executive Chairman perform its duties as assigned.
8. Appoint Company Secretary and define its roles and responsibilities as well as ensure that Company Secretary perform its duties as assigned.

9. Approve policy, structure, criteria of remuneration for directors, committees, Executive Chairman, key executive, management and employees as well as propose remuneration for directors and committees for further approval from the shareholders' meeting.
10. Prepare quarterly and annual financial statements to disclose or propose to the shareholders' meeting for approval, as the case may be, as well as supervise to disclose important information accurately, sufficiently and on time to comply with the relevant rules and regulations.
11. Nominate appropriated auditor and its remuneration from proposal of the Audit Committee for further consideration of the Annual General Meeting of Shareholders.
12. Provide written Corporate Governance Policy and Business Ethic, and ensure that the Company has effective internal control and risk management system to prevent conflict of interest.
13. Ensure that good corporate governance is implemented to demonstrate the Company's commitment to operate the business with ethics and to bring fair treatment to all stakeholders.
14. In case of entering into any direct or indirect transaction with the Company and subsidiaries, such director should immediately inform his/her or related parties' interest to the Company.
15. Supervise to ensure that succession plans for the Executive Chairman and key executives are in place.
16. Encourage and promote innovation including social and environmental responsibilities.
17. Approve interim dividend payment to the Company's shareholders and report the interim dividend payment in the next shareholders' meeting.
18. Approve the acquisition or disposal of the Company's assets according to the rules of the Capital Market Supervisory Board.
19. Approve the connected transactions of the Company according to the rules of the Capital Market Supervisory Board.
20. Organize an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year.
21. Continuously monitor performance of the Company and subsidiaries to comply with the operation plans and budgets of the Company.
22. Supervise subsidiary and affiliate to comply with the Company's policy.

The Company conducted business and manage the Company's operation ethically and transparently with honesty and due care for the benefit of shareholders and all stakeholders. The Board of Directors has provided the Business Ethics manual for the Company's directors and executives to adhere as their practical guidelines and posted on the Company's website at www.samartdigital.com.

The Board of Directors also has duties to approve other transactions pursuant to the notification of the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand and other related laws.

Delegation of Authorities between the Board of Directors and the Management

The Company has specified the delegation of authorities clearly which have been firstly applied since 1995 by specifying approval authority on credit line of the Board of Directors and the Management pursuant to the transaction types, such as finance/accounting/budget, human resources, procurement, general management/administration, marketing and public relations. However, the Company revised such policies and operating guidelines to make them more appropriated with the current situation.

2. Management

The Management as of February 28, 2021:

1. Mr. Watchai Vilailuck Executive Chairman / Chief Executive Officer / Acting Head of Digital Network
2. Mr. Thawee Udomkitchote ⁽¹⁾ Head of Digital Content
3. Mrs. Sumonthip Srimek Vice President - Accounting
4. Mr. Hiran Phanbanlaem Assistant Vice President - Finance

Remark: ⁽¹⁾ Was appointed as Head of Digital Content on February 11, 2021. He is currently Director of I-Sport Co., Ltd., and Siam Sport Television Co., Ltd.

Details of Education, working experience including and position in subsidiaries and related company as of February 28, 2021 were disclosed in the section “The Board of Directors, Management, Controlling Person, Company Secretary and Head of Internal Audit”.

3. Company Secretary

The Nominating and Compensation Committee considered and appointed a potential and experienced person as Company Secretary proposed for further approval of the Board of Directors. The Board of Directors has appointed Miss Boonrut Mongkolratanakorn as Company Secretary since October 31, 2003. In addition, she has been appointed as secretary to Committees. The Company has specified qualifications, roles and responsibilities of Company Secretary as follows:

Qualifications of Company Secretary:

1. Have well-rounded knowledge and understanding of the Company’s businesses.
2. Understand roles and duties of Company Secretary.
3. Have knowledge and understanding concerning legal matters, regulations of the SEC and the SET.
4. Do not exploit the Company’s business opportunity for personal benefits as well as preserve the confidential information of the Company.
5. Have good human relationship and can coordinate and contact with other agencies inside and outside the Company.
6. Possess English proficiency.
7. Have working experiences on Company Secretary at least 3-5 years.

Roles and responsibilities of Company Secretary:

1. Perform his/her duty with accountability, duty of care and duty of loyalty as well as has to comply by laws and any other related regulation.
2. Support the Board of Directors for their activities included providing consultation in related to the Company’s Articles of Association, and any other regulations from related authorities.
3. Arrange meetings for the Board of Directors, Committees and Shareholders as well as coordinate to ensure all resolutions have been implemented complying with the Company’s Objectives, the Articles of Association and the resolutions of the Board of Directors’ and the shareholders’ meetings as well as laws and related regulations.
4. Prepare and keep the Company’s documents such as register of directors, notice calling directors’ and shareholders’ meetings as well as the minutes of such meetings and the annual report, etc.
5. Keep a report on interest filed by a director and executive as well as submit a copy of the report to the Chairman of the Board of Directors and Audit Committee within 7 business days from the date on which the Company has received such report.

In addition, Company Secretary Division is assigned to be compliance unit to supervise and oversee the operation of the Company, directors and executives to ensure that they been correctly complied with the regulations of the SET, the SEC, the Public Company Limited Act., and other related laws.

In case Company Secretary vacates the position or incapable to perform duty, the Nominating and Compensation Committee shall select the candidate to propose for consideration and approval of the Board of Directors to appoint a new company secretary within 90 days since the date that company secretary has vacated the position or has been incapable to perform duty. In this regards, the Board of Directors shall be empowered to assign any director to perform the duty as the substitutes during such period.

Profile and experience of Miss Boonrut Mongkolratanakorn was shown in “Directors, Management, Controlling Person, Company Secretary and Head of Internal Audit”. During the past year, Company Secretary has attended the training courses and seminars to strengthen knowledge as follows:

- SMART Disclosure Program
- Enhancing Good Corporate Governance based on CGR Scorecard
- Greenhouse Gas Reduction Policy: Opportunities, Challenges and Assessment Methods
- AIS Academy for Thais: Jump for Innovation / Jump over the Challenge / Jump with EDTECH
- SEC Capital Market Symposium 2020
- Digital Newsroom and Owned Media Revolution

4. Remuneration of Directors and Management

Remuneration of Directors

Policy of Directors’ Remuneration has been clearly and transparent set to be comparable to the general practice in same industry consistent with the Company’s strategies and long-term objective, and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any Committee will be paid appropriately more in accordance with the extra work. The Nominating and Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders. The Company discloses criteria and remuneration of each director in Annual Report and Form 56-1.

Remuneration of directors consists of Meeting allowance and bonus without other benefits. Meeting allowance will be approved by shareholders’ meeting and will be paid to the director who attends in the meeting. All members in the Board of Directors and the Audit Committee will have the same rate of meeting allowances. The meeting allowance rate for the Chairman of the 2 mentioned committees shall be 2 times higher than the other directors. The meeting allowance rate for the Chairman of Nominating and Remuneration Committee and the Corporate Governance Committee shall be 1.33 times higher than the other committee member. There is no consideration of meeting allowance for the Executive Committee, the Risk Management Committee and the Sustainable Development Committee since all members are the Company’s executives. Remuneration of directors will be consideration based on the suitability of various reasons and to be comparable to the general practice in same industry as well as the Company’s operating result, roles & responsibilities of the Board of Directors and the overall business.

The remuneration of Directors and Committees’ members of the Company was approved from the 2020 Annual General Meeting at the amount of not exceeding Baht 4 million which consists of meeting allowance and bonus without other benefits. The meeting allowance for each meeting participated of Directors and Committees was shown below:

The Board of Directors and the Audit Committee

- Chairman Baht 30,000 per time
- Member Baht 15,000 per time

The Nominating and Compensation Committee and the Corporate Governance Committee

- Chairman Baht 20,000 per time
- Member Baht 15,000 per time

Remuneration of Management

Remuneration of top management shall be in accordance with principles and policies specified by the Nominating and Compensation Committee. Such remuneration is in the appropriated level and can be comparable with the rate of the same industry by taking into consideration duties, responsibilities and performance of the Company as well as performance of each top management. In addition, it must be able to motivate and retain the qualified and capable personnel.

Annual remuneration and bonus of the top managements shall have the fixed consideration criteria by based on performance of the Company, overall economic conditions and performance of each top managements. These criteria shall be explained in advance before they can be used for the assessment at the end of the year. The Nominating and Compensation Committee shall consider prior propose to the Board of Directors for approval.

Remuneration of Executive Chairman

Remuneration of the Executive Chairman, who is the top management of the Company, is not only consideration in accordance with Management's Remuneration Policy, but the Board of Directors also set the performance evaluation of the Executive Chairman annually by each Director in order to be a reference for remuneration consideration. The policy of remuneration are as follows:

Category		The purpose & link to the principle of remuneration
Fixed Pay	Salary & other benefits, such as, Provident fund	To motivate and retain the competent Executive Chairman.
Short Term Incentive	Annual bonus	To reward for the success of achieving the goals as defined for each year.
Long Term Incentive	Compensation according to Stock Option* & provident fund in the part that the Company contributes and increases according to year of work experience	<ul style="list-style-type: none"> • To motivate and retain the competent Executive Chairman. • To ensure alignment between interests of Executive Chairman and shareholder. • To promote the growth and value to shareholders in long term.

Remark: * The Stock Option will be depend on the Board of Directors' consideration which will be based on the appropriate time and situation.

In 2020, the Company paid remuneration to directors and management as follows:

1. Monetary and other remunerations of Directors and Committees' Members:

Directors	Monetary (Baht)								
	Company							Subsidiaries	Grand Total
	Meeting Allowance					Bonus	Total		
	Board of Directors	Audit Committee	Corporate Governance Committee	Nominating and Compensation Committee	Total				
1. Mr. Piyapan Champasut Chairman of the Board of Directors / Independent Director	270,000	75,000	-	-	345,000	100,000	445,000	-	445,000
2. Dr. Chotivid Chayavadhanangkur Independent Director	135,000	150,000	40,000	60,000	385,000	80,000	465,000	-	465,000
3. Mr. Kunthit Arunyananda Independent Director	135,000	75,000	30,000	80,000	320,000	80,000	400,000	-	400,000
4. Mr. Charoenrath Vilailuck Director	135,000	-	-	-	35,000	80,000	215,000	-	215,000
5. Mr. Watchai Vilailuck Director	135,000	-	-	-	35,000	80,000	215,000	-	215,000
6. Mrs. Sukanya Vanichjakvong ⁽¹⁾ Director	120,000	-	30,000	45,000	195,000	80,000	275,000	-	275,000
7. Mr. Wongkrit Jiamsripong ⁽²⁾ Director	-	-	-	-	-	-	-	-	-
Grand Total	930,000	300,000	100,000	185,000	1,515,000	500,000	2,015,000	-	2,015,000

Remark: ⁽¹⁾ Resigned from her directorship on December 1, 2020. During her tenure, she attended every meeting.

⁽²⁾ Was appointed as Director on December 15, 2020. During his tenure, no meeting was held.

Details of number of meeting attendance of directors in the Board of Directors and Committees were disclosed in the section "Corporate Governance" under the topic "Meeting of the Board of Directors and Committees".

2. Monetary Remuneration of 5 managements are as follows:

Type	Amount (Baht)		
	Company ⁽¹⁾	Subsidiaries	Total
Salary	6,739,246	-	6,739,246
Bonus	306,700	-	306,700
Provident Fund ⁽²⁾	597,295	-	597,295

Remark : ⁽¹⁾ The figures included remunerations of Mr. Suchat Satprasert and Mrs. Sukanya Vanichjakvong who resigned from management on October 31, 2020 and December 1, 2020 respectively.

⁽²⁾ The Company contributes to the provident fund at the rate of 3-10% of salary related to year of services.

5. Human Resource

Number of employees of the Company and subsidiaries classified by line of business for the past 3 years are as follows:

Line of business	Number of Employees (persons)		
	2018	2019	2020
1. Digital Network	22	23	12
2. Digital Content	499	302	139
3. Support Business	72	30	24
Total	593	355	175

Remark: The number of employees decreased, due to the changes in structure and business operation. In addition, the number of employees has been reduced to suit the current business operation.

The remuneration of employees of the Company and subsidiaries for the past 3 years which comprise of salary, bonus, provident fund and others such as special grant, O/T and commission are as follows:

Remuneration	Amount (Million Baht)		
	2018	2019	2020
Salary	173.36	104.69	50.48
Bonus	2.96	4.03	2.96
Provident Fund	8.42	4.52	3.16
Others (special grant, O/T and commission)	8.90	1.00	0.40

Human Resources Management and Development Policy

The Company always regards that our employees are the most valuable and crucial fundamental for the Company's sustainable success becoming a leading Telecommunication Technology and Digital Technology Company in the competitive industry. SAMART group practically initiated corporate HRM & HRD policy and build 4 strategic corporate cultures including of Think Ahead, Customer Focus, Team of Professional, and Commit to Excellence to cope with the business operation in the digital era. In addition, especially in the year 2020, the Company has essential company policies, working plans and measures preparing for the situation of the COVID-19 epidemic in order to implement human resource management and development policies and support all business processes to be continued with maximum efficiency and effectiveness to create success and growth of the Company sustainably.

1. Human Resources Management Policy

For responding to Corporate HR Policy, Human Resources Management Policy has mainly been concentrated on the following:

- **Policy for managing the epidemic situation of COVID-19**

To support all lines of business in SAMART group to operate efficiently and continuously during the COVID-19 epidemic, the Company has formulated various of guidelines, policies and programs for prevention, preparing and supporting businesses to continue business operations including of measures to reduce business risks and matters impacts of the COVID-19 epidemic, supporting working BCP plan (Business Continuous Plan), and technology tools and equipment applied in the process of business and human resource management and development such the use of functional applications and / or electronic devices instead and other specific solutions with the highest privileges supporting the current business continuous and the expansion of the business.

- **Manpower planning Policy**

To support all lines of business in SAMART group, the Company has applied a variety of HR indicators and tools in optimizing manpower planning also balancing among functional workloads to increase HRM & HRD policy more efficiencies. These would enhance organizational design and restructuring as well as enable HR manpower policy and costing most effective to company leading to success in both current and new company business meeting company's vision and mission sustainably.

- **Recruitment & Selection Policy**

Proactive recruitment approaches have been applied in acquiring capable people at all careers, levels and positions including of sourcing and attracting all levels of candidates by launching Campus Tour and Activities Programs in leading universities, coordinating with business recruitment agency and allied business network to build SAMART group's branding to all external candidates. In Selection Policy, the Company places importance on the selection process, focusing on the most appropriate knowledge, ability and attribute by which their virtues recruitment & selection combines cooperation among original affiliation, expertise in various careers and human resources department to ensure the process of recruitment & selection the most equitable and best efficiency preparing for company business regarding to account measures to prevent and reduce the risks and impacts of the COVID-19 epidemic. Furthermore, the company has relevantly applied new digital technology connection and social media to support this process being capable people at all levels and leading them to success their owned career at SAMART for company's sustainable success.

- **Performance Management and Development Policy**

SAMART ensures an equitable and appropriate performance management system through applying KPIs approach cascading organization objectives through division to individual goals and corporate competencies methodologies aligning to business strategic planning at all levels throughout SAMART. The Company has applied new global standard application to support KPIs and Performance Management to monitor the performance of executives and employees at all levels and apply to continuous human development leading to the achievement of the Company's mission sustainably.

- **Human Resources Management and Development Information Technology Policy**

The Company conducts information technology developed by Human Resources Information Systems to support both HRM & HRD functions by increasing speed of work, data accuracy, and decreasing operation cost by applying digital technology to HR procedures by portal services as regarding to account measures to prevent and reduce the risks and impacts of the COVID-19 epidemic. By the way, the Company has also applied for human resource development, such as knowledge management systems including of managing competency assessment systems and individual development plan (IDP) system. Furthermore, the Company would fully utilize HRIS data to support in HRM & HRD Policy decision making for sustainable organization achievement and preparing to leading digital company in the future.

- **Compensation & Benefit Policy**

The Company wisely formulates compensation, benefit and welfare scheme by job analyzing and evaluating all positions, responsibilities and their performances at all levels throughout the Company to determine corporate compensation, benefit and welfare policy being compatible to organizational position including of skill, accountability, knowledge, and competence related to business operation and economic situation with comparative analysis among related businesses as well as strictly complying to labor law and compliance. These might ensure that our employees would be in the appropriate and equitable compensation, benefit and welfare package being competitive in labor market or among leading companies in the industry.

- **Employee Relation & Engagement Policy**

The Company places strong emphasis on employee relationship among top executives and employees as well as two-way communication as a mean to communicate top management direction to all employees closely and directly percept employee's innovative, improvement and other open-mind ideas to enhance SAMART business operations and other processes known as "Lunch & Learn Project" and "CEO suggestion box".

Furthermore, the Company concentrates on the employee relation and engagement at all levels of employees throughout SAMART and also implants them into corporate value along with corporate culture by building synergy professional working-style (Team of Professionals). Hence, these initiate the best cooperation among individual level through corporate. In 2020, there were a various ER&EE programs activities to build synergy among employees, executives and organization, SAMART Management Meeting twice a year, Project "SAMART Strong Together" (Synergy program in SAMART Group), Other team building activities at all levels, and CSR programs such as D-Club, regarding to account measures to prevent and reduce the risks and impacts of the COVID-19 epidemic.

2. Human Resources Development Policy

The Company has a consolidated HRD policy to continuously develop the knowledge and ability of employees being appropriate to their owned position at all levels for leading them to success their owned career at the Company and also achieving business's needs and preparing staff for domestic and oversea digital business expansion. Therefore, the Company aspires to develop employees in all careers at all levels by harmonizing a wide range of development tools for increasing their owned skill, knowledge, capability through corporate culture and code of conduct according with SAMART strategy and operation not only for present day but the future business as well regarding to account measures to prevent and reduce the risks and impacts of the COVID-19 epidemic.

- **Career Development Policy**

The Company defines career development policy by which the Company further supports employees in all careers to be continuously developed in their qualifications, knowledge and abilities. Particularly, competency approach has been applied to categorize required business capabilities to Generic competency, Managerial Competency and Functional Competency for analyzing, planning, and leading to individual competency development with diversified development tools for all employee levels. Thus, our employees might be developed to create their high potential specified by both corporate and Line of business (LOB) levels to support sustainable growth and prepare for business expansion throughout the Company.

- **Employee Training & Development Policy**

The Company regards the employees as a key success factor and fundamental to success as "Learning & Growth Aspect" in order to achieve business strategies and goals, resulting in corporate sustainable growth and business competitive advantage. Hence, the Company has HRD policy to continuously develop all employees among qualifications, knowledge and ability in parallel with the human resources development system at all levels as summarized below;

In-house Training

To encourage and develop the employees to facilitate the organization's strategies and goals most effectively and efficiently. The Company therefore conducts training courses deemed necessary regarding to account measures to prevent and reduce the risks and impacts of the COVID-19 epidemic as follows:

For top and management executives

The managerial competency program, courses have been designed for management level in order to develop in managerial competency to strengthen leadership and management skills for executives as well as prepare promotion qualification in the future for pre-executive or talent employees. Moreover, this program would elaborately lead executives to support organization's business growth and prepare SAMART to become business leader in the industry existed. These courses provide innovated and practical knowledge to be applied to arrange managerial work such as Creating & Strategic Implementation Plan, Modern Supervisory.

For operational staffs

The functional competency program, courses have been designed for developing and enhancing functional knowledge and functional capability related to operational responsibilities and increasing skill of employees for each career and division concerned such as Risk Management course, Project Management courses, Compliance and Law course, Financial and Accounting Standard courses, Computer skill and Technology related course, Marketing and Sales Management course, Information Technology & ISO standard courses, Administrative Management and Training and Assessments for Building Electricians.

For all employees

The Generic Competency Program, courses have been designed to ensure that the employees could perform their work in accordance with the corporate culture at the most efficiency such as Orientation course for new employees, Effective communication, Courses for corporate culture.

Furthermore, to accommodate business expansion, develop employee in English communication skill and achieve their competence continuously, the Company thus developed English communication skills both Classroom Training and E-Learning being used to support a large group of learner both new and current employees. This has enabled employee at all levels developing for this skill more conveniently at anywhere and anytime regarding to account measures to prevent and reduce the risks and impacts of the COVID-19 epidemic.

External Training

In addition to In-house Training, the Company supports all executives and employees to acquire external standard knowledge and skill from training certified courses conducted or instructed by external reputable institutes both local and international in order to enhance their expertise, knowledge, ability and also updating and exchanging new aspect with other organizations to apply some appropriate approach to organization relevantly regarding to account measures to prevent and reduce the risks and impacts of the COVID-19 epidemic.

- **Knowledge Management**

For human resources developing in long term and adding business value, the Company thus considers information technology as an important tool for improving staff management efficiency, Project "SAMART knowledge sharing" has been implemented, this promotes knowledge management throughout organization and responds to business' mission continuously and sustainably.

- **Talent Management Policy and Succession Planning**

The Company designed special HRM & HRD programs and tools to prepare excellent performance and high potential employee (talent) for their succession planning including of Job rotation, Job Enlargement & Enrichment, Job assignment, Talent monitoring, and fast-track program preparation. By encouraging them through employee engagement programs as well, these would motivate talent to full utilize their

owned skill, knowledge, competence and potential to dedicate performing all missions to achieve the Company's goals most efficiently.

Furthermore, the Company always recognizes the importance of having a succession plan, especially at the top management level, to ensure continuity when there is a vacancy or to support expansion of business.

Summary of training to management and employees of the Company and its subsidiaries in 2020

Training	Frequency	Number of Participants
In-House Training		
Management	5	40
Employees	3	15
Total	8	55
External Training		
Management	7	3
Employees	3	4
Total	10	7
Grand Total	18	62

The Cost of training for 2020

The cost of training for In-House and External Training of the Company and subsidiaries was totaling Baht 94,182.73. Total training hours were 310 hours per year. The sample in-house and external training programs for 2020 are as follows:

In-House Training in 2020

1. Business Plan
2. SAMART Management Meeting
3. Orientation
4. SAMART Strong Together
5. Personal Data Protection Act 2019
6. 5G Solutions and Application
7. Form Your Squad to Win (e-Learning)
8. Guidelines for renewing Government Contracts from the impact of COVID-19

External Training in 2020

1. Project to increase efficiency in receiving Financial Statements
2. Update New Laws that could impact Net Profit Calculation
3. Social Security Knowledge
4. Financial Management Strategies to revive the Organization
5. Transfer Pricing Disclosure Form and Criteria
6. Build Understanding and Core Issues of TFRS for NPAs
7. Basic Techniques for Developing Accounting Information Systems
8. Tax and Accounting for SMEs

Corporate Governance

The Board of Directors realizes on the importance of the good Corporate Governance that is the fundamental factor to enhance business operational standard to create transparency, competitiveness and strengthen the confidence of all shareholders, investors and other related parties for sustainable growth of business. Thus, the Company sets the written Corporate Governance Policy and Business Ethics manual comply with the SET's Principles of Good Corporate Governance for listed companies and CSR Concept to business as the general practices guidelines for directors, management and employees under the principle of being a good corporate citizen, who is accountable to employees, customers, shareholders and support to society. In addition, the Company continuously reviews the Corporate Governance Policy and Business Ethics and discloses the latest version on the website at www.samartdigital.com. The Company Secretary Division take a responsibility as a compliance unit to supervise and oversee the operation of the Company, directors and executives to ensure that they are correctly complied with the regulations of the SET, the SEC, the Public Company Limited Act., and other related laws. The results from intention to carry on Good Corporate Governance for sustainable growth, the Company got the highest score "Excellent" or "5 Stars" in the 2020 Corporate Governance Report and was ranked in Top Quartile for 11 consecutive years.

In 2017, the SEC issued the Principles of Good Corporate Governance for Listed Companies or Corporate Governance Code (CG Code) as practice principles for the Board of Directors, the leader or governing person of the organization, to apply the CG Code to the Company's business in the interest of long-term sustainable value creation and fulfil all stakeholders' expectation. Therefore, the Corporate Governance Committee conducted self-assessment of the Company's Corporate Governance Practices compared to the CG Code to apply appropriate practices in the Company's business before proposing to the Board of Directors' Meeting for approval. The Corporate Governance Committee considered and reviewed the appropriateness of applying good corporate governance principles by means that are suitable for the Company's business to ensure that the Corporate Governance Policy conforms to the related rules, regulations and international corporate governance criteria as well as beneficial to creating value for sustainable business.

1. Corporate Governance Policy and Business Ethics

Corporate Governance Policy

The Board of Directors realizes on the importance of Good Corporate Governance that will create transparency, competitiveness and strengthen the confidence to shareholders, investors and all related parties. The written Corporate Governance Policy has been provided in both Thai and English since 2006 and posted on the Company's website at www.samartdigital.com for acknowledgement of employees and publics. The policy focuses on internal control and internal audit system, and the overseeing of the operation of the management to comply with policy effectively for long-term benefits of shareholders under the terms of the law and business ethics. The Corporate Governance Committee strictly oversees the employees to comply with the policy and also reviews and revises the policy annually to comply with the new regulations and the Principles of Good Corporate Governance for listed companies of the SEC. Moreover, the Company has complied with the assessment criteria for survey on listed company corporate governance of IOD and survey on quality in convening the shareholders' meeting of the Thai Investors Association. The Board of Directors' Meeting No. 1/2021 on February 23, 2021 approved the latest revision of the Corporate Governance Policy as follows:

1. Rights of Shareholders

The Company emphasizes and recognizes the importance of the rights of all shareholders equitably; minority shareholders, major shareholders, institutional investors or foreigners. The Company does not hinder or create barriers to allow shareholders to communicate with each other.

All rights that the Company's shareholders obtained in 2020 were as follows:

- **Rights to get share certificate, sell, purchase or transfer the Company's shares**

Thailand Securities Depository Co., Ltd. ("TSD") has been appointed as the Company's registrar to provide all services for all transactions related to registration of the Company's shares.

- **Rights to propose agenda and send question in advance of the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to the shareholders under the good corporate governance and comply with laws. It is the Company policy to allow the shareholders to propose agenda of the shareholders' meeting and submit the enquiries concerning the Company's operation prior to the meeting date. They must comply with criteria on proposing of meeting agenda for shareholders' meeting as specified by the Board of Directors.

In the 2020 Annual General Meeting of Shareholders, the Company allowed shareholders to propose agenda or submit the enquiries at least 3 months in advance prior to the end of the fiscal year from September 27, 2019. The period time for proposing agenda ended January 31, 2020. Any questions can send to the Company prior to the date of the 2020 General Meeting of Shareholders. The Company notified and disclosed contact channels and period for proposing agenda and enquiries via the SET on September 27, 2019 and also provided details of the procedures on the Company's website, under "Investor Relation" on the topic "Proposal question and additional agenda concerning the Company's operation in advance of the AGM".

- **Participation in the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to participate in the shareholders' meeting, be informed conditions and procedures of meeting as well as having proxy to vote and comment in the meeting on behalf of the shareholders. With realize on convenience to shareholders and to encourage them to attend the shareholders' meeting, the Company is prior to notify and specify date, time and place that comfort the shareholders to participate in the meeting.

In 2020, there is a situation of the Coronavirus 2019 (COVID-19) affecting all sectors of the country. The government has requested that the private sector consider the necessity of organizing activities that involve large gathering of people, which is the key risk to virus transmission. Therefore, the Company postponed the convening of the 2020 Annual General Meeting of Shareholders until the situation is resolved or appropriate. The Company set measures for meeting attendance according to the announcement of the Ministry of Public Health to reduce the risk of COVID-19 infection by convening the meeting at the Company's meeting room. The Company also encourage shareholders to appoint a proxy to the Company's independent directors to attend and vote in the meeting instead of attending the meeting in person and emphasize the channels for submitting questions related to the agenda in advance.

There were two shareholders' meeting in 2020, the 2020 Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders No. 1/2020 held on July 14, 2020 and September 1, 2020 respectively, at Meeting Room, 16th Floor, Software Park Building, 99/20 Moo 4, Chaengwattana Road, Klong luar, Pak-Kred, Nonthaburi 11120. The meeting place is convenient for transportation and able to accommodate the shareholders who attend the meeting. The Company prior notified date, time and place that comfort the shareholders to participate in advance of the meeting. In addition, the Company scored "Very Good" (4TIA) from the survey on quality in convening the 2020 AGM by Thai Investors Association. The rights of shareholders to participate in the meeting are as follows:

Before the Meeting Date

In convening of the 2020 Annual General Meeting of Shareholders, and the Extraordinary General Meeting of Shareholders No. 1/2020, the shareholders would be informed the date and agenda of the shareholders' meeting via the SET's communication system 63 days prior to the meeting date. At the same time, the Company also disclosed the notice of shareholders meeting, including Annual Report in both Thai and English, 32 and 15 days prior to the meeting date of the 2020 AGM and the EGM on the Company's website on the section "Investor Relations" under the topic "Shareholder Information" for the shareholders to have sufficient time for consideration. Same documents were directly delivered to the shareholders by TSD, the Company's registrar, 14-15 days prior to the meeting date of which better than what required by laws. The notice of shareholders meeting contain fact, rationales, an opinion of the Board of Directors for each agenda, conditions and procedures of meeting as well as other related document with sufficient information for shareholders' consideration. Moreover, the notice of shareholders meeting was published on the newspaper 3 consecutive days and 13-15 days prior to the meeting date of which better than what required by laws.

To facilitate the institutional investors to participate in the shareholders' meeting, the Company tries to contact them in advance to assist them in proxy preparation and registration.

On the Meeting Date

Due to the situation of the Coronavirus 2019 (COVID-19), the Company is aware and deeply concerned for the health and well-being of shareholders and attendees including those who are involved in organizing the Meeting. Therefore, the Company has provided appropriate social distancing in various areas of meeting venue according to the disease prevention measures prescribed by the Government, and limited number of available seats in the meeting room for approximately 30 seats. The Company requested cooperation from shareholders to strictly follow the Company's measures and guidelines for attending the meeting in order to prevent and minimize the risk of COVID-19 infection.

Meeting procedures has been set to conform to laws and considering on shareholders' convenience. The Company is aware of the equitable of shareholders' right and their comfort to participate in the shareholders' meeting. Appropriated technology and equipment are sufficient for registration to review on required documents more than 1 hour prior to commencement of the meeting by arrangement of Barcode system in vote counting for faster voting result. There were 6 directors attended in both the 2020 Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders No. 1/2020. Moreover, Chairman of all committees, the Company's management and external auditors were also present in the meeting in order that the shareholders could ask questions during the meeting. The Chairman of the Board of Directors was Chairman of the meeting introduced all Board members and management, total shareholders attending in the meeting both in person and by proxy and total shares that entitled to vote to the shareholders for acknowledgement. In the 2020 Annual General Meeting of Shareholders, there were 32 shareholders attending the meeting classified to 10 shareholders in person and 22 shareholders by proxy while there were 40 shareholders attending the meeting classified to 11 shareholders in person and 29 shareholders by proxy in the Extraordinary General Meeting of Shareholders No. 1/2020. The Company held the meeting in accordance with the measures notified to the shareholders in advance. In addition, the Company asked for volunteer from shareholders or proxy to be the counting vote inspector. The Chairman declared vote casting, counting procedures and other related matters for shareholder's acknowledgement before commencement of the meeting including the results of an invitation to propose agenda of the 2020 AGM and sending question prior to the 2020 AGM. In addition, the directors who were the Company's shareholders requested for abstention their vote in the agendas they had interest therein. Then, the Chairman proceeded the meeting to be in line with

the agenda without any additional topic from the invitation letter. Voting cards were provided for significant agenda. Voting result in term of approval, disapproval or abstain for each agenda were transparently presented to the meeting. In the Meeting, the shareholders were encouraged to express their opinions and raise questions either in the agenda or other questions related to the Company's business. All questions and replies included significant opinions and suggestions from the shareholders were recorded in the minutes of Meeting. After the meeting, the shareholders were requested to return the voting cards to keep as evidence.

After the Shareholders' Meeting

Resolution of the meeting was publicized via the SET portal with all voting details in approval, disapproval and abstention of each agenda on the meeting date. The Full Minutes of the Shareholders' Meeting, of which disclosed the attendance and absence of directors and management, summary of significant questions and answers during the meeting in both Thai and English, has been sent to the SET and related parties by 14 days after the meeting date. It was also posted on the Company's website for consideration of shareholders.

- **Appointment / Dismissal of Directors of the Company and Approve their Remuneration**

According to the Company's Articles of Association, at the Annual General Meeting of Shareholders, one-third (1/3) of the Directors has to be retired by rotation. Election for replacement is required. The retired directors are eligible to be re-elected for another term. The election of the Board of Directors shall be in accordance with the rules and procedures as follows:

- Each shareholder shall have one vote on each share.
- In voting, a shareholder shall vote in accordance with the number of votes each shareholder for one or several directors. The said shareholder may not allot any number of his/her votes to any person.
- The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the Chairman of the meeting shall have a casting vote.

Apart from the appointment of Directors, the shareholders also have rights to remove any director from the office before the expiration of his/her term of office by having votes of not less than three quarters (3/4) of the number of shareholders attending the meeting and having the rights to vote. The aggregate number of shares shall be not less than one half (1/2) of the shares held by all the shareholders attending the meeting and having the rights to vote.

In every General Meeting of Shareholders, the shareholders have the rights to consider and approve the remuneration for all directors and members of Committees. Adequate information of all candidates were delivered to shareholders for consideration.

- **Appointment of Auditors and approval of their remuneration**

In every Annual General Meeting of Shareholders, one of the agenda is the appointment of Company's auditors and consideration of their remuneration. The Company will propose name of the auditors with sufficient details and remuneration for consideration of the shareholders.

- **Regularly and timely obtained adequate information, business performance and management policy**

The Company concerns on Shareholders' rights and not only disclosed Company's information via the SET's communication system but also posted all significant and updated information on the Company's website at www.samartdigital.com.

- **Profit Sharing**

The Company has a policy to pay dividend to shareholders of no less than 50% of its net profit after deduction of all reserves as stated in the Company's Articles of Association and related laws. However, the dividend payment is subject to the Company's future investment plans and business expansion, including other necessity and suitability.

In consideration of dividend payment for profit from disposal of investment or fixed assets of the Company or subsidiaries, it is at the discretion of Management and the Board of Directors to consider whether or not to pay dividend or amount to be paid by taking into account the Company's future investment plans and business expansion including other necessity and suitability.

The dividend payment of subsidiaries should base on policy of the Company.

As reported net loss for 2019, the 2020 Annual General Meeting of Shareholders resolved to approve the omission of dividend payment for 2019.

Details of dividend payment policy of the Company and subsidiaries including dividend payment in the past 3 years were shown in the section "Dividend Payment Policy".

Apart from such shareholders' rights, the Company does not prevent or obstruct any opportunities to allow the shareholders to communicate with each other.

2. Equitable Treatment of Shareholders

The Company realizes to protect and due care for the interests of all major and minor shareholders as fairly basis. In addition, the Company sets policy for equitably treatment to all shareholders for attending and vote in the shareholders' meetings, sharing in profits, regularly and timely obtained adequate information, business performance and management policy. In the shareholders' meeting, each shareholder shall have one vote on each ordinary share. Proxy form and requiring documents are delivered together with the invitation letter for shareholders who would like to appoint a proxy. Proxy form, which contains detail of voting as approve, disapprove or abstain, as well as details of 3 independent directors also are attached for shareholders consideration as alternative proxy and also required document, evidence and proxy method, has been prepared in Thai and English for convenience of the shareholders.

In the 2020 Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders No. 1/2020, there were 17 and 20 shareholders, respectively assigned the Company's independent directors to be their proxy to attend and vote in the meeting. In addition, voting cards were provided for each agenda, especially, the agenda of appointment of directors of which been appointed by individual. In every shareholders meeting, the meetings will conduct to be in line with the agenda without any additional topic from the invitation letter in order to prevent the restraining rights of the shareholders who could not participate in the meeting by themselves. In addition, the Company set criteria about Inside Information Monitoring of which details shown in the section "Inside Information Control".

3. Attention to Stakeholders

The Company is aware that the support from each stakeholder should increase the competitiveness and ability to generate more benefit for long-term success and also realizes the importance of all stakeholders i.e. shareholders, employees of the Company and its subsidiaries, customers, competitors, trade partners, lenders, societies and environment. Therefore, the Company provides more channels for the stakeholders to contact directly to the Company in order to provide either comments or recommendations of which will be benefit to the Company. Thus, general rules and practices have been set for directors, management and employees in the Company's Business Ethics to cover rights and equitable benefits to all stakeholders and posted on the Company's website at www.samartdigital.com.

The latest revision of the Business Ethics was approved from the Board of Directors' Meeting No. 1/2021 on February 23, 2021. Details regarding Attention to Stakeholders were shown in the section "Business Ethics".

4. Disclosure and Transparency

The Company has strong determination to reveal accurate complete, consistent and updated information, both financial and general information that related to Company's business. The complete, consistent and updated information will truly reflect the Company's financial performance and future business direction. The Company has a policy to disclose information of any significant and future business directions, so that shareholders and stakeholders can access information comfortably and speedily as follows:

- To submit the financial report and Management Discussion and Analysis (MD&A) to the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission Thailand ("SEC") within the specified timeframe. The financial report did not have any transactions where the auditor opinioned with qualified, the financial statement has also never been revised under the order of the SET and the SEC. In order to make the investors are more well informed and understand the changes occurred to the financial position and operating results of the Company in each quarter and post it on the Company's website at www.samartdigital.com and the SET's communication system.
- Criteria on provision of remuneration to directors and executives have been clearly disclosed. More details were shown in "Management Structure" under the topic "Remuneration of Directors and Management".
- Details on connected transactions have been clearly disclosed to prevent a conflict of interest. More details were shown in "Connected Transactions".
- Shareholding information of directors and executives has been disclosed in the Annual Report and the Annual Disclosure information. In addition, the Company has a policy requiring directors and executives to report the change in their securities holding within 3 business days from the date the securities have been purchased, sold, transferred or accepted transfer. The Company Secretary unit shall coordinate on submission of such report to the SET and the SEC. Moreover, directors and executives should report their securities holding in every board's meeting.

Securities holding information of the directors and the executives in 2020 were as follows:

Director / Executive	Ordinary Share (shares)				
	1/1/2020 or appointment date	Acquisition during the year	Disposal during the year	31/12/2020 or resignation date	Increase (Decrease)
1. Mr. Piyapan Champasut	-	-	-	-	-
Spouse and minor children	-	-	-	-	-
2. Dr. Chotivid Chayavadhanangkur	9,000,000	-	-	9,000,000	-
Spouse and minor children	-	-	-	-	-
3. Mr. Kunthit Arunyananda	800,000	-	-	800,000	-
Spouse and minor children	-	-	-	-	-
4. Mr. Charoenrath Vilailuck	-	-	-	-	-
Spouse and minor children	-	-	-	-	-
5. Mr. Watchai Vilailuck	23,343,000	-	-	23,343,000	-
Spouse and minor children	-	-	-	-	-
6. Mrs. Sukanya Vanichjakvong ⁽¹⁾	13,400,000	-	-	13,400,000	-
Spouse and minor children	1,500,000	-	-	1,500,000	-
7. Mr. Wongkrit Jiamsripong ⁽²⁾	-	-	-	-	-
Spouse and minor children	-	-	-	-	-
8. Mr. Suchat Satprasert ⁽³⁾	-	-	-	-	-
Spouse and minor children	-	-	-	-	-
9. Mrs. Sumonthip Srimek	-	-	-	-	-
Spouse and minor children	-	-	-	-	-
10. Mr. Hiran Phanbanlaem	20,000	-	-	20,000	-
Spouse and minor children	-	-	-	-	-

Remark: ⁽¹⁾ Resigned from her directorship on December 1, 2020.

⁽²⁾ Was appointed as Director on December 15, 2020 in replacement of Mrs. Sukanya Vanichjakvong, who resigned on December 1, 2020.

⁽³⁾ Resigned from executive on October 31, 2020.

Furthermore, the Company also has a policy to report the transaction may has conflict of interest of directors and executives as follows:

- 1) Director and executive shall submit their first report on transaction with interest within 30 days from the date of appointment as director or executive pursuant to the specified report form.
- 2) Director and executive shall report a change of transaction with interest within 30 days from the date of such change pursuant to the specified report form.
- 3) Report on transaction may has conflict of interest shall be kept at the Company Secretary and the Company secretary shall arrange to submit a copy of such report to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date of receipt such report.

The Company discloses to shareholders, investors and any related parties via the SET's Communication system, the Company's website at www.samartdigital.com, press release, the Company's Annual Report, Form 56-1 and the Opportunity Day.

The Board of Directors has supervised to ensure that any person involved in the preparation and disclosure of any information of the Company has relevant knowledge, appropriate skills and experience needed for their responsibilities, and sufficient resources as well as ensure that the Company's disclosures are transparency and strictly complied by laws, the Company's and any related regulations. The Board of Directors has major concerned on transparency and disclosure in the following area:

- **Information Disclosure Policy**

The Company appreciates on management and business operations in accordance with the principles of good corporate governance. In order to ensure that the information disclosure is accurate, complete transparency and equal, complied with laws and the relevant regulations. Therefore, the Company has established information disclosure policy to be a guideline for directors and employees as follows:

1. Information disclosure in both financial and non-financial should be accurate, complete, sufficient, reliable and on time to ensure that shareholders and stakeholders of the Company receive the information equally.
2. Information disclosure of the Company must be prepared carefully, clearly, accurately and transparently.
3. Be careful to disclose important information that affects the price or value of the Company's securities and complying with the regulations and announcement of the SET.
4. Clearly appoint a responsible person to disclose the Company's information to public.

The persons who have the right to disclose important information not yet disclosed to the public are as follows:

1. Executive Chairman
2. Chief Executive Officer (CEO) or President
3. Manager of Investor Relation of the Company
4. Authorized person from Executive Chairman or Chief Executive Officer or President

Those who do not relevant or assigned duties cannot provide information or interview to the media or public about the Company's business.

- **Provide multi channels for disclosure of information apart from the SET's communication system**

- **Annual Report and Form 56-1**

The Board of Directors has to ensure that Annual Report and Form 56-1 contains adequate information with accuracy, clarity and could create understanding to the shareholders and related parties on the Company's operation and its performance for the previous year as well as the management structure, nature of business, financial status, performance of the Board of Directors and all Committees.

- **Company's website**

The Board of Directors is aware of the efficiency of website disclosure to the shareholders and related persons as well as equitably and easily of getting information. The Board of Directors therefore ensures the Company not only provides all significant information of the Company in the Company's Annual Report but also on the Company's website at www.samartdigital.com in both languages, Thai and English. The disclosed information comprised of Corporate Governance Policy, Business Ethics, General News, Financial Statement as well as Annual Report, Form 56-1, etc.

- **Investors Relation**

The Company has also set up an Investors Relation section to provide Company's information and activities for investors, shareholders, analysts and general public via Company's website, Roadshow, analysts meetings, conference calls, etc. The Company's Investor Relations can be contacted at phone number 0-2502-6583 or via www.samartdigital.com or e-mail address at InvestorRelations@samartdigital.com. Ethics of the investor relations are as follows:

1. Conduct duties with integrity.
2. Disclose necessary information completely and fairly to all relevant groups equally.
3. Allow all relevant groups to access and enquire the information.
4. Perform duties by mainly adhering to benefits of the shareholders and the stakeholders.
5. Preserve confidential information of the Company and must not use inside information for personal gain.
6. Perform duties at his/her best and professionally.
7. Keep on studying to develop efficiency of the work.
8. Observe the principle on not accepting the appointment during the period close to financial statement announcement and the practical guidelines on securities trading specified by the Company.

In addition to the above, the announcement on the Company's financial performance has been arranged for shareholders, investors, analysts and public on a quarterly basis with participation of the executives.

Number of meetings with investors and analysts in 2020 were summarized below:

- | | | |
|-----------------------------------------|---|-------|
| - Analyst Meeting and Road Show | 4 | Times |
| - Announcement of Company's Performance | 4 | Times |

• **Disclosure of Information of the Board of Directors and Committees**

- Structure, Roles and Responsibilities of the Board as well as performance of the Board and each Committee.
- Directors' Remunerations: Policy of Directors' Remuneration has been clearly and transparently set to be comparable to the general practice in same industry and consistent with the Company's strategies and long-term objective as be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any Committees will be paid appropriately more in accordance with the extra work. The Nominating and Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders.

The above information and remuneration of each board member have been disclosed on the Company's Annual Report and Form 56-1 in "Management Structure" under the topic "Remuneration of Directors and Management".

• **Accountability to the Financial Statement**

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries and any financial information that appears in the Annual Report of which consistent with the Company's strategies and long-term objective. The financial statements are prepared in accordance with Thai Financial Reporting Standard. Appropriate accounting policies are used and practiced regularly. Careful consideration and best estimates are made with sufficient disclosure of information in the notes to the financial statements. This is to ensure transparency and benefits to the shareholders and investors.

The financial statements have been audited and commented independently by the authorized auditors of the SEC to increase confidence and reliability of the report. Additionally, the Company has no record to amend financial statement from the SET and the SEC.

The Board of Directors also set out and maintained for the efficiency of the Company's internal control system to ensure that the financial information had been correctly and accurately booked and sufficient to maintain the Company's assets and be aware of weak points in order to prevent whether from any dishonesty or significant error. The Board of Directors had appointed the Audit Committee of which comprised independent directors to be responsible for the quality of the financial statements and the internal control system and disclosed such opinion in the Annual Report under the Report of the Audit Committee. Moreover, Report of the Board of Directors' responsibility on the Company's Financial Statements was also attached in the Company's Annual Report.

5. Roles and Responsibilities of the Board of Directors

As the Board of Directors is the key success of Corporate Governance practice for the highest benefit of the Company, thus, the Company sets policies relating to roles and responsibilities of the Board i.e. composition, qualification of directors in order that the Board performs duty effectively in the following details:

5.1 Composition of the Board of Directors

The Board of Directors comprise of directors who have various knowledge, experience, transparent working background, nobility and integrity and have occupational diversification. In addition, they have the skills that are beneficial to the Company's business operation, such as accounting & finance, management, strategic planning, laws and corporate governance and other without any gender discrimination. The Board will also have leadership and vision to carry on the Company's business and achieve its objectives. The Company has 6 directors who complied with the qualification that been described under "Management Structure". In addition, all of the Directors have contributed their best to the Company from their participation in the meeting. Details of directors' qualification and number of attendance in the meeting were shown in "Meeting of the Board of Directors and Committees"

5.2 The Independent of the Board of Directors

- **Separation of the Chairman and the Executive Chairman**

For the best benefit of shareholders and balance of power within the Company, the Chairman of the Board of Directors is not the same person as the Executive Chairman. The Company's Chairman of the Board of Directors is an independent director who has the qualifications of independent director in accordance with the SET's notification and has no business relation with any management of the Company. Roles and Responsibilities of the Chairman and the Executive Chairman are as follows:

Roles and Responsibilities of the Chairman of the Board of Directors

1. Oversee, monitor, and ensure that the Board of Directors efficiently carries out its duties to achieve the Company's objectives.
2. Ensure that all directors contribute to the Company's ethical culture and good corporate governance.
3. Set the board meeting agenda by discussing with the Executive Chairman which important matters should be included.
4. Allocate sufficient time for management to propose topic, and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company.
5. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.

Roles and Responsibilities of the Executive Chairman

1. Manage and control general business operation of the Company to comply with its objectives, policy and the Articles of Association.
2. Consider investment plans before proposing to the Executive Board and the Board of Directors for further approval.
3. Consider the criteria and procedures for nomination and recruiting person to be top management together with the Nomination and Compensation Committee.
4. Act on behalf or in the name of the Company as delegation of authorities defined in the Company's policy and practice.
5. Carry out any assignment from the resolutions of the Board of Directors and/or the Company's shareholders meetings.

The delegation of authorities, duties and responsibilities of the Executive Chairman shall not be delegated or further assigned that authorize the Executive Chairman or its attorney to approve any transactions that the Executive Chairman or connected persons or any persons who may have conflict of interest have done with the Company or its subsidiaries unless such transactions are complied with the Company's policy or principle approved by the Board of Directors. Such connected transactions shall be proposed to the meeting of the Board of Directors and/or shareholders for approval to comply with the notification of the Stock Exchange of Thailand, the Securities and Exchange Commission or related law.

- **Balance between members**

More than half of the members of the Board of Directors are not a part of executive team. Within this half, one third of the directors and shall at least 3 members are independent members who have no relations, business or personal, with the Company's executives. Free from executives' influences, they oversee the Company's direction with neutrality and pay careful attention to the rights of shareholder and stakeholder. To strike a balance of power within the Company, the positions of Chairman of the Board of Directors and the Executive Chairman must not be the same person. The Chairman of the Board of Directors should be an independent member.

The Board of Directors of the Company as of December 31, 2020 comprised of 6 members with various qualifications, skills, experience and expertise. Composition of the members is as follows:

- 3 Independent Directors (equal to 50% of the Board of Directors)
- 1 Executive Directors (representatives from major shareholders)
- 2 Non-Executive Directors (representatives from major shareholders)

The 3 Independent Directors have working experience relating to the Company's business.

The shareholders could have confidence that the directors as representatives of the shareholders could perform their duty without any influence or control by management of the Company by the above structure.

- **Roles and Responsibilities of the Board of Directors and the Executive Chairman**

The Company has clearly set the separate roles and responsibilities of the Board of Directors and the Executive Chairman. The Board of Directors will focus and ensure that the Company's business will achieve its target and in the direction that create value and best benefit to the shareholders as well as all stakeholders. Any conflict of interest with the Company and its subsidiaries will be

prohibited. The Board will also comply with the Company's Ethics with responsibility, due care, and integrity to ensure all Company's businesses are run under the Company's objectives, the Articles of Association, resolutions of the Board of Directors' and shareholders' meetings as well as laws and regulations of the SET, the SEC and other related laws. At the same time, the Executive Chairman who is the management's leader will focus on general management of the Company.

5.3 Being Director in other Listed Companies

- **Policy for directors to serve as directors in other listed companies**

For efficiency of being the director, the Board of Directors of the Company has set the policy for all directors to be the director in any listed companies not exceeding 5 companies. However, there is not any of the existing 6 directors of the Company is being the director in listed companies over than 5 companies and also could participate and contribute to the Company with efficiency of which better than not exceed 5 companies according to guideline of Corporate Governance.

- **Policy for top executives to serve as directors in other companies**

The top executives of the Company will also be obtained approval from the Executive Committee prior to be a director in any companies of which are not have either similar business or being the Company's competitors.

5.4 Transparency of Nomination of Directors and Management

The Board of Directors ensures the Company to provide transparency process of nomination of directors and management of the Company of which the details are disclosed under "Nomination of Directors and Management"

5.5 Board of Directors' Activities in the previous year

5.5.1 Set Policy and Business Direction

The Board of Directors has clearly established the Company's Vision & Mission are which details are provided under "Policy and Overview on business Operation" in the topic of "Corporate Vision, Mission, Goals and Strategies"

Monitoring on Business Ethics

The Company conveyed business ethics practices via various channels and the Company also specified that all directors, executives and employees have responsibility to acknowledge and comply with the Company's policies and regulations. The supervisors or the superior officers at all level have to monitor the compliance with the business ethics as well as to give recommendation and advise in case there is a problem on making decision or performing the works concerning the business ethics which have not been specified elsewhere. However, such recommendation must be based on the legal rules and it must not against the policy or business ethics of the Company, must not have negative impact to the Company's image including must not cause negative effect to the Company's stakeholders. The Company shall revise and improve its business ethics policy continually to make it always appropriate and up-to-date.

In the event that it is found that there is a violation of the business ethics, the supervisor shall undertake the necessary measures to solve or make good of such action or may issue a warning notice, as the case may be. The wrongdoer shall be subject to disciplinary penalty and may also be faced with legal penalty, if such action is against the law.

Moreover, to comply with the principle of the sufficient internal control assessment and accordance with good corporate governance of the Company. The Company conducted self-assessment of the Company's business ethic for executive to evaluate the proceeds of the business ethic and reported to the Audit Committee to consider in the following areas:

1. Conflict of interest
2. Accountability to shareholders
3. Employee policies
4. Employee ethics
5. Customer policies
6. Trade partner policies
7. Creditors policies
8. Counterpart/Competitor policies
9. Anti-Corruption policy
10. Money Laundering policy
11. Tax policy
12. Sustainable Development policy
13. Responsibility to societies
14. Responsibility to communities
15. Responsibility to environment
16. Non-violation of human rights policy
17. Copyright and intellectual property policy

From the above self-assessment covering 17 areas, the Company's executive completely proceeds to the defined business ethic.

Moreover, the Company also has one more channel to receive the misconduct information or complaint or opinion on violation of law or ethics including on the behavior which may lead to the corruption or inequality treatment, the details on procedures and methods on informing such information, as well as the protection of the informant can be found in "Business Ethics" in the Subject of Procedures and methods on "Notifying the information on misconduct and the protection of the informant".

5.5.2 Leadership and Vision

The Board of Directors reviews, revises and approve the Company's vision, mission, Corporate Governance Policy, Business Ethics annually and co-considers in strategies, goal, direction, business plan, budget, internal control and internal audit systems, and risk management. The Audit Committee will follow up progress of such matters regularly reports to the Board of Directors. The Board of Directors also governs the management to follow such business plan and budget with efficiency and profitability for the highest economic value to the Company and the best stability to the shareholders. The Board of Directors has not only ensure the Company and its management to oversee the value of all stakeholders, neither derive personal benefit nor create any competition with the Company and its subsidiaries. The Board of Directors also conduct the business with great awareness in ethical, moral and compliance to the Company's Articles of Associations, laws and regulations of the SET and the SEC. The Board of Directors has provided effective internal control system, internal auditing and risk management measures for the Company, and assigned the Audit Committee to monitor and regularly report to the Board of Directors.

The Company's vision, mission, business direction, Corporate Governance Policy, Risk Management Policy and Business Ethics have been posted on the Company's website at www.samartdigital.com and disclosed in the Annual Report under the governance of the Corporate Governance Committee to have all employees to strictly conform and practice.

In addition, the Company has communicated vision, mission, objective and business goals throughout the Company in order to drive the business in the same direction. The Company has organized management meeting for manager level up twice a year and communicated the matters to all employees in the organization through various media such as e-mail, computer screen saver, message on public relations board and company's elevator and other online media in the Company.

5.5.3 Appointment of Committees

For governing the management to comply with the approved policies and having better efficiency, the Board of Directors appointed the following 6 committees to help the Board for consideration in significant matters:

- Audit Committee
- Executive Committee
- Corporate Governance Committee
- Nominating and Compensation Committee
- Risk Management Committee
- Sustainable Development Committee

Roles and responsibilities of each committee were disclosed in "Committees". In addition, the Charters of all Committees have been set and disclosed on the Company's website at www.samartdigital.com.

5.5.4 Meeting of the Board of Directors and Committees

1) The Board of Directors

The Board of Directors' Meeting schedule has been set at least 5 times a year with certain agenda. The annual meeting schedule will be sent to each director by Company Secretary for preparation, arrangement and participation. However, additional unscheduled board meetings may be called upon appropriate notice at any time to address specific needs of the Company. The operating results will be regularly reviewed. The notice of the Board of Directors' meeting with the meeting materials will be delivered by Company Secretary to all directors at least 5 working days prior to the meeting date for consideration. While the Company's Articles of Association stipulate that the notice should be sent to directors no less than 7 days before the meeting date except in urgent cases. In addition, if directors would like to propose the agenda, they will inform prior to the meeting date or propose as other matters in the meeting.

At a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. In the event the chairman is not present or is unable to discharge his duties, the vice-chairman, if any, shall serve as a chairman. If there is no vice-chairman or such vice-chairman is unable to discharge his duties, the directors present shall elect one of their members as a chairman of the said meeting. The Company set a minimum quorum at the time of voting to be at least two-thirds of all directors attending the meeting. All resolutions of the Board of Directors' meeting shall be passed by the majority vote of the directors presented at the meeting. Each director shall have one vote, however, the director who has interest in any matter cannot exercise the right of such voting. In case of equality votes, the chairman shall have a casting vote.

The average length of the meeting is approximately 2 hours. In 2020, there were 9 meetings as follows:

Directors	Position	Date of appointment	Term of position (year/month)	Number of attendance / total number of meeting
1. Mr. Piyapan Champasut	Chairman of the Board of Directors / Independent Director / Audit Committee Member	March 1, 2016	4/10	9/9
2. Dr. Chotivid Chayavadhanangkur	Independent Director / Chairman of the Audit Committee / Chairman of the Corporate Governance Committee / Nominating and Compensation Committee Member	September 30, 2003	17/3	9/9
3. Mr. Kunthit Arunyananda	Independent Director / Audit Committee member / Chairman of the Nominating and Compensation Committee / Corporate Governance Committee Member	September 30, 2003	17/3	9/9
4. Mr. Charoenrath Vilailuck ⁽¹⁾	Director / Risk Management Committee Member	September 30, 2003	17/3	9/9
5. Mr. Watchai Vilailuck ⁽¹⁾	Authorized Director / Executive Chairman / Chief Executive Officer / Chairman of the Risk Management Committee	September 30, 2003	17/3	9/9
6. Mrs. Sukanya Vanichjakvong ^{(1), (2)}	Authorized Director / Chairman of the Sustainable Development Committee / Executive Director / Risk Management Committee Member / Corporate Governance Committee Member / Nominating and Compensation Committee Member	November 12, 2015	5/1	8/8
7. Mr. Wongkrit Jiamsripong ^{(1), (3)}	Authorized Director / Chairman of the Sustainable Development Committee / Executive Director / Risk Management Committee Member / Corporate Governance Committee Member / Nominating and Compensation Committee Member	December 15, 2020	0/0.5	0/0

Remarks: ⁽¹⁾ Representative directors from Samart Corporation Plc., a major shareholder, with 82.70% stake holding.

⁽²⁾ Resigned from Director on December 1, 2020. During her tenure, she attended every meeting.

⁽³⁾ Was appointed as Director on December 15, 2020. During his tenure, no meeting was held.

In 2020, the Board of Directors considered the following matters:

- Certified the Minutes of the previous Board of Directors' Meeting
- Acknowledged the change in Securities holding of directors and executives from last meeting
- Acknowledged the annual performance assessment
- Acknowledged the performances of Committees
- Acknowledged the result of proposing agenda from shareholders and sending question prior to the shareholders' meeting date
- Acknowledged the CGR of Listed Companies
- Acknowledged the survey on quality in convening the AGM
- Approved the Company's financial statement and the quarterly financial statements
- Approved annual and quarterly MD&A

- Approved the evaluation of the adequacy of internal control system
- Approved statutory reserve and dividend payment
- Approved the appointment of the Board of Directors and the members in each Committees to replace of those who retire by rotation and vacant position
- Approved the remuneration of the Board of Directors and Committees
- Approved the appointment of the Company's auditor and fixing audit fee
- Approved the date, time, place and agendas of the AGM
- Approved the Directors and Officers Liabilities and Corporate Reimbursement Insurance
- Approved the postponement of the 2020 AGM
- Approved the signing of debt restructuring agreement with financial institution.
- Consider the connected transaction in relation to receiving financial assistance.
- Approved the date, time, venue and agenda of the EGM No. 1/2020
- Approved annual bonus for directors and committees
- Approved the annual business plan
- Reviewed the implementation of the CG Code and the Company's Corporate Governance Policy, Business Ethics, Charter of Board Directors and Committees
- Approved criteria for self-assessment of the Board of Directors, Committees, Executive Chairman and Company Secretary
- Approved the meeting schedule of the Board of Directors, Committees and Shareholders
- Approved salary increment rate and bonus policy

The minutes for all meetings are recorded in written, kept and be ready for verification by the directors or any related parties.

2) Committees

In 2020, numbers of each meeting and time attendance of each member were summarized below:

Directors	Number of Attendance / Total Number of Meeting					
	Audit Committee	Executive Committee	Corporate Governance Committee	Nominating and Compensation Committee	Risk Management Committee	Sustainable Development Committee
1. Mr. Piyapan Champasut	5/5					
2. Dr. Chotivid Chayavadhanangkur	5/5		2/2	4/4		
3. Mr. Kunthit Arunyananda	5/5		2/2	4/4		
4. Mr. Charoenrath Vilailuck					3/3	
5. Mr. Watchai Vilailuck		12/12			3/3	
6. Mrs. Sukanya Vanichjakvong ⁽¹⁾		11/11	2/2	3/3	3/3	2/2
7. Mr. Wongkrit Jiamsripong ⁽²⁾		0/0	0/0	0/0	0/0	0/0
8. Mr. Suchat Satprasert ⁽³⁾		10/10				1/1
9. Mrs. Sumonthip Srimek		12/12				2/2
10. Mr. Hiran Phanbanlaem		12/12				2/2
11. Miss Boonrut Mongkolratanakorn						2/2

Remarks: ⁽¹⁾ Resigned from Director on December 1, 2020. During her tenure, she attended every meeting.

⁽²⁾ Was appointed as Director on December 15, 2020. During his tenure, no meeting was held.

⁽³⁾ Resigned from Executive on October 31, 2020. During his tenure, he attended every meeting.

3) Meeting among members of non-executive directors

In 2020, the Company has arranged the meeting among only members of the Non-Executive Directors of the Company prior or after to the Board of Directors' Meeting every time without any participation of the management team, in order to have discussion on management issues of the Company freely.

All Committees carried out their duties assigned by the Board of Directors, regularly report the performance to the Board of Directors, and provide annual performances report to shareholders in the Annual Report.

5.6 Conflicts of Interest

To prevent conflicts of interest, the Company has drawn out guidelines for directors and employees to perform as details in "Business Ethics".

5.7 Internal Control, Internal Audit and Risk Management

Please see details in "Internal Control and Risk Management" and "Anti-Corruption".

5.8 The Assessment of the Board of Directors, Committees, Executive Chairman, Company Secretary and Head of Internal Audit**5.8.1 Board Self-Assessment and Director Self-Assessment**

The Corporate Governance Committee is responsible for self-assessment of the Board of Directors and individual director to annually review and evaluate directors' performance to comply with Corporate Governance of the Company. Comments and recommendations from the assessments are further considered in the Board of Directors' Meeting for improvement.

Board Self-Assessment

The Corporate Governance Committee has initiated the Self-Assessment form for board members to review and evaluate their performance for 2020 as a whole. The assessment form, approved by the Board of Directors' Meeting No. 8/2020 on November 10, 2020, was submitted to all directors for assessment. The questionnaire covered the following areas:

1. Structure and qualifications
2. Roles, duties and responsibilities
3. Meeting
4. Performance
5. Relationship with management
6. Director's self-development and management training

The 2020 Board Self-Assessment, evaluated by 6 directors in the above 6 areas, has an excellent evaluation by obtaining average score of 94.85%.

Director Self-Assessment

The Corporate Governance Committee has initiated the Self-Assessment form for director to evaluate their performance individually. The result of assessment was used to develop the performance of director. The assessment form, approved by the Board of Directors' No. 8/2020 on November 10, 2020, was submitted to all directors for assessment. The questionnaire covered the following areas:

1. Structure and qualifications
2. Meeting
3. Roles, duties and responsibilities
4. Self-development

The 2020 Director Self-Assessment, evaluated by 6 directors in the above 4 areas, has an excellent evaluation by obtaining average score of 94.68%.

5.8.2 Committee Self-Assessment

The Corporate Governance Committee has initiated the Self-Assessment form of Committees annually. The assessment result is considered to continuously improve the performance of the committee and to comply with roles and responsibilities as assigned by the Board of Directors. The assessment form, approved by the Board of Directors' Meeting No. 8/2020 on November 10, 2020, was submitted to all Committees members for assessment. The criteria for self-assessments of Executive committee, Corporate Governance Committee, Nominating and Compensation Committee, Risk Management Committee and Sustainable Development Committee covered the following areas:

1. Structure and qualifications
2. Meeting
3. Roles, duties and responsibilities
4. Development and training

The Audit Committee Self-Assessment is implemented for the Audit Committee to evaluate its own performance in the past year with regards to the compliance with prudent practices and effectiveness. The questionnaire covered the following areas:

1. Structure and qualifications
2. Meeting
3. Roles, duties and responsibilities
4. Development and training
5. Activities of the Audit Committee
6. Relationship between head of internal audit, external auditors and executives

The results of each Committee Self-Assessment were shown below:

	Result	Average Score (%)
1. Executive Committee	Excellent	91.45
2. Risk Management Committee	Excellent	93.75
3. Nominating and Compensation Committee	Excellent	95.83
4. Corporate Governance Committee	Excellent	93.86
5. Audit Committee	Excellent	98.25
6. Sustainable Development Committee	Very Good	82.81

5.8.3 Executive Chairman Assessment

The Corporate Governance Committee has initiated Executive Chairman Assessment annually. The assessment form was approved by the Board of Directors' Meeting No. 8/2020 on November 10, 2020, and was submitted to all directors for assessment. Assessment result would be considered for remuneration adjustment. The questionnaire covered the following areas:

1. Leadership
2. Strategy formulation
3. Financial planning and performance
4. Board relations
5. Risk management and internal control
6. Human resources management
7. Succession Plan
8. Product and service knowledge
9. Good corporate governance and code of business conduct

The 2020 Executive Chairman Assessment, evaluated by the Company's 5 directors in the above 9 areas, has an excellent evaluation by obtaining average score of 94.34%.

5.8.4 Company Secretary Assessment

The Corporate Governance Committee conducts the Company Secretary assessment annually. Results of the assessment will use to develop working performance of Company Secretary to support the Board of Directors in compliance with the roles and regulations of the SET and the SEC. In 2020, the Board of Directors considered the criteria of Company Secretary Assessment in its meeting No. 8/2020 on November 10, 2020. The form of Assessment was submitted to each director for assessment in the following areas:

1. Knowledge
2. Compliance
3. Communication and Coordination
4. Documentation
5. Meeting
6. Corporate Governance

The 2020 Company Secretary Assessment, evaluated by 6 directors in the above 6 areas, has an excellent evaluation by obtaining average score of 97.62%.

5.8.5 Head of Internal Audit Assessment

The Audit Committee is assigned by the Board of Directors to assess performance of Head of Internal Audit annually. Results of the assessment will use to develop working performance of Head of Internal Audit and Internal Audit Office in both audit work and independent consulting on governance, risk management and other control. The form has been approved by the Audit Committee in its meeting No. 5/2020 on November 10, 2020, and was submitted to each member for assessment in the following areas:

1. Purpose, Authority and Responsibility
2. Independence and Objectivity
3. Qualification and Professional
4. Continuous Improvement
5. Internal Audit Office Management
6. Knowledge and Competency

The 2020 Head of Internal Audit Assessment, evaluated by 3 Audit Committee members in the above 6 areas, has an excellent evaluation by obtaining average score of 96.67%.

5.9 Development of Directors and Management

Development of Directors

The Company provides orientation for all new directors to acknowledge sufficient information before his or her post. In addition, director's manual, document and useful information beneficial to perform the duties of directors are prepared for new directors to get ready to conduct his/her duty. The Company Secretary shall be a coordinator for the orientation with the following matters:

- Matters that should be known: Nature of business, business structure, directors' structure, scope of power and duty, related laws as well as policies and practical guidelines for supervising the Company's business.
- General knowledge of the business: Business operation guidelines to enhance knowledge and understanding on business and various operations of the Company.
- Arrange to have a meeting with the Chairman and the Executive Chairman/CEO to enquire in-depth information about business operation of the Company.

In addition to support and increase knowledgeable of directors, the Company also encourages all directors to strengthen their skills and knowledge for performing their duties including knowledge and understanding of relevant law and standards, and other applicable obligations, risk factors, and the Company's business environment. The board should receive accurate, timely and clear information, including timely and regular updates. As of December 31, 2020, 2 directors had joined DCP program, 3 directors had joined DAP program and 1 directors had joined both DCP and DAP program. IOD training course of each director was shown in "Directors, Management, Controlling Person, Company Secretary and Head of Internal Audit". Each year, the Company submits training courses arranged by various institutes to directors for their own consideration on attendance.

In 2020, the following 4 directors attended the training courses as shown below:

No.	Director	Training course
1.	Mr. Piyapan Champasut Chairman of the Board / Independent Director / Audit Committee Member	- Health Ambassador Class 3, Chulabhorn Royal Academy
2.	Mr. Charoenrath Vilailuck Director / Risk Management Committee Member	- Certificate of NACC/IACA International Anti - Corruption Academy (NACC11), Office of the National Anti-corruption Commission, Thailand
3.	Mr. Watchai Vilailuck Authorized Director / Chief Executive Officer / Executive Chairman / Chairman of the Risk Management Committee	- WING in the Mind of the Disruptors class 4 - Digital Edge Fusion (DEF#5), Sripatum University - The Story (The Ultimate Leadership Tool) (Class 4), Sripatum University
4.	Mr. Wongkrit Jiamsripong Authorized Director / Executive Director / Risk Management Committee Member / Corporate Governance Committee Member / Nominating and Compensation Committee Member / Chairman of the Sustainable Development Committee	- TLCA CFO CPD No. 5, Topic : How to create value with the right environment, social and governance strategies - e-Learning CFO Refresher Course by The Stock Exchange of Thailand

Development of Management

The managerial competency program, courses have been designed for management level in order to develop in managerial competency to strengthen leadership and management skills for executives as well as prepare promotion qualification in the future for pre-executive or talent employees. Moreover, this program would elaborately lead executives to support organization's business growth and prepare the Company to become business leader in the industry existed. These courses provide innovated and practical knowledge to be applied to arrange managerial work such as Personal Data Protection Act 2019, Update Tax and Accounting, Guidelines for renewing Government Contracts from the impact of COVID-19, Financial Management Strategies to revive the Organization, and Build Understanding and Core Issues of TFRS for NPAEs.

Business Ethics

As the Company conducts the business with great awareness in ethical issues, the Board of Directors has provided the written Thai-English Business Ethics for directors, management and employees of the Company and subsidiaries since 2005. It is set as the practical working guidelines with honesty, to be in standard, quality and integrity which including an attention of all stakeholders, related transaction, compliance with the laws, assets prevention and conflict of interest. The Company's directors, management and employees must perform and comply with strictly. It is also posted on the Company's website for employees and public acknowledgement. The Company reviews Business Ethics annually. In addition to monitor the proceeding with the general practices as stipulated in the Business Ethics, the Company also provided the business ethics assessment. The senior management level were requested to perform self-assessment to evaluate on proceed with the business ethics. The result of the evaluation concluded that the Company and management completely complied with the Business Ethics and Code of Conduct. The latest issue of the Company's Business Ethics has been approved by the Board of Directors' Meeting No.1/2021 on February 23, 2021 covered the following topics:

- **Conflict of Interest**

To prevent conflict of interest, the Company has drawn out guidelines for directors and employees in the Company's Business Ethics to follow:

1. Avoid all actions that may cause conflicts of interest with the Company.
2. In case that directors or employees commit any action related to the Company, the particular director and employee will be treated like an outsider, and will play no part in decision-making process.
3. Refuse to use Company's information obtained in their posts for an opportunity to derive personal benefits by creating rivalry with the Company or involving in related businesses.
4. Refuse to use Company's information for securities purchase for personal benefits or to leak Company's information to outsiders for their benefits. Any trading of the Company's securities within 1 month prior to disclosure of either the Company's financial performance or any other information that may affect securities' price is prohibited.
5. During and after their posts, refuse to reveal Company's classified information e.g. electronic information, financial situation, work's plans, business information, Company's plan or others.

On any conflict of interest transaction, before entering into the transaction, the Company specified that the Board of Directors, Managements, Employees and relevant parties must disclose the transactions with interest to the Audit Committee to consider the appropriateness of such transactions. The Audit Committee will carefully review prior to submit with opinion on such conflict or connection to the Board of Directors for further review and to ensure that the transaction has to be complied with the SET's regulations. Information and value of the transaction, party involved and necessity has been disclosed in the Company's Annual Report, Form 56-1 and the auditor's notes to the financial statements. Any consideration of the connected transaction, the directors who may have conflict of

interest will neither participate nor vote in such meeting both in the Board of Directors' Meeting and the Shareholders' Meeting. Details of the transactions that might have conflict of interest in 2020 were shown in the topic "Connected Transactions".

- **Responsibilities to shareholder**

The Company is aware of its role to protect and due care for the interests of all major and minor shareholders. Therefore, the Company grants rights to all shareholders to propose an agenda and send a question in advance, attend, vote and have comments in the shareholders' meeting, to share in profits, regularly and timely obtained adequate information, business performance and management policy. Details of shareholders' rights were shown in the topic "1. Rights of Shareholders".

- **Employee policies**

The Company highly regards all of the employees as invaluable resources and indispensable factor that propel the Company to meet all objectives and future successes. Henceforth, the Company is responsible to provide just opportunity, reasonable remuneration, promotion, appointment, transfer and development of potential by:

1. Treat every employee with respect to his/her right, honor and privacy.
2. Maintain working atmosphere that is conducive to promote better safety for their lives and properties.
3. Promoting, transferring, awarding and punishing, of employees are conducted with sincerity and be based on each employee's knowledge, potential, and appropriateness.
4. Pay importance on developing skills and potential of employees by constantly organizing various activities, for instance: seminars, training, and handing out scholarships for employees.
5. Avoid all unfair actions that may cause instability of employee's position.
6. Propose reasonable remuneration packages according to market situations, business competitions, job descriptions, work qualities including assessment of company's performance on short term and long term based on company's capability to pay for that remuneration packages.
7. Provide the appropriate compensation such as medical fee, life insurance, annual checkup, reserve allowance fund, accommodation, subvention in case death of employees or employees' family, bus, fitness, and discount for the Company's products.
8. Provide opportunities for employees to express opinions and file complaints related to their jobs. Those suggestions and complaints will be seriously taken into consideration for formulating solutions. This important policy is meant to draw benefits to all parties and spawn camaraderie in the office.

- **Policies on the safety of life and health of employees**

1. The Company is committed to developing and creating safety and health of employees in accordance with the requirements of the law.
2. The Company will perform all necessary measures to ensure the safety of life and health of employees.
3. The Company seeks to control and prevent losses caused by fire, accidents and illness from working and maintain a safe working environment for employees as well as promoting and raising awareness of health care workers.
4. The Company will support adequate and appropriate resources in accordance with the requirements of the law and commit to develop human resources with knowledge and awareness of safety and health of employees.
5. The Company is aware that a safety and health of employees is very important, it was the duties and responsibilities of executive, supervisors at all levels and employee to comply with the rules and the requirements of the law.

Apart from the policy, the Company also took care and provided the concretely practices to all employees in term of employment opportunity, reasonable remuneration, promotion, and other suitable welfare that is higher than that regulated by laws as follows:

1. Medical treatment, annual health checkup and life insurance

There is always be the nurse(s) stationed in the infirmary everyday at the Company's office building and the doctor shall visit and treat sick employees twice a week. The Company also has the medical treatment welfare for the employees (in case of out-patient) who are treated at the government and private hospitals. The employees shall be entitled to the annual medical treatment fee pursuant to their level. In 2020, total amount of medical treatment fee reimbursed by the employees of the Company and its subsidiaries totalling Baht 219,965.05.

It also provides an annual health checkup of which classified the plan for each employee depending on age, working year, working risk and position level. Moreover, the Company also has group health insurance for the Company's employees which are made with Allianz Ayudhya Assurance Plc. (Allianz AYUDHYA) as well as group life insurance which cover all kinds of death. Besides group life insurance, the Company also provides accident and disability insurance which are made with Allianz Ayudhya Assurance Plc. (Allianz AYUDHYA). It covers all kinds of accident, all over the world and with 24 hours. In case the employee get an accident and caused death or dismemberment, he/she will get compensation from those case as stipulated in the policy.

2. Fund

The Company set provident fund to secure the employee working life under the name of "the Registered Smart Group Provident Fund". The Company also has the social security fund and provision of loan in case of the accident or sickness to the employees. Provident fund to the employees that provided by the Company is at the rate of 3-10% of salary related to year of services. Moreover, the Company provides compensation fund.

3. Loan

The Company provides benefits for housing loans, various purpose loan for member of provident fund, loan for medical treatment in case of accidents or illness etc.

4. Employee development

Development programs, both internal through e-learning and external training courses, are continually provided for all levels of employees. In addition, the Company has provided educational support by awarding scholarship to employees with aims to enhance their knowledge and skills. Please see more details about the employees on the section "Management Structure" under the topic "Human Resources Management and Development Policy".

5. Other benefits

1. To appoint the safety officers and the relevant persons in all levels to take responsibility, supervise and monitor the strictly compliance with safety, occupational health and working environment policy.
2. To fortify the employees at all levels with knowledge, consciousness and joint responsibility, for instance, to arrange for the training and cultivate consciousness of safety, occupational health and working environment for the employees, as well as to arrange for the training on health by arranging the Healthy Week and the Safety Week and etc.
3. To conduct the annual evacuation drill in case of fire as well as to designate the assembly points of all offices.

4. To use the fingerprint scanning system so only the eligible persons can enter and exit the office building for safety of life and properties of the employees and the Company.
5. To arrange for the fitness center and to encourage for the sport competition, both inside and outside the Company to promote health of the employees.
6. To provide travelling expenses and allowance in case of working at upcountry or aboard, operating risk allowance in the 3 southernmost provinces. Welfare for employee who admits in the hospital.
7. Special grants when employees or member family of the employee is death
8. Uniforms
9. Mobile phone to executives and employees, special price of products that sell to employees.
10. Scholarships for employees based on the Company's regulation
11. The Company trained and informed the prudent operating guidelines standards with regard to good manner and ethics of the employees via the orientation for new employees, Employee Manual and HR website at www.samarthre.com. Such ethics have been written in the Company's regulations for employee's adherence and disclosed on the Company's website at www.samartdigital.com.

Record on the 2018-2020 accident, absence and illness at work of the Company and its subsidiaries

Line of business year	Lost Time at work								
	Accident			Absence			Illness		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
1. Digital Network	-none-	-none-	-none-	-none-	-none-	-none-	-none-	-none-	-none-
2. Digital Content	-none-	-none-	-none-	-none-	-none-	-none-	-none-	-none-	-none-
3. Support Business	-none-	-none-	-none-	-none-	-none-	-none-	-none-	-none-	-none-

- **Customer Policies**

The Company has policy to build up satisfaction and confidence on continued basis to the Company's valued customers and disclose such practices in the Company's Business Ethics. The Company provides modern and quality products and services for customers' satisfaction as well as providing product and equipment from factory where has been certified as international standard. The Company provides service centers to offer repair services with technicians to oversee the repair works, upgrade software and other services. In addition, the Company provides training course to our employees who work at service centers continuously in order to give more understanding of products and services and expertise to answer questions and solve problem of customers in a timely manner and Drop Points to service customers. Moreover, the call center responsible for receiving customers' complaints provides for our customers to the highest satisfaction in the Company's products and services.

- **Trade Partners Policies**

The Company has policy in equitably and fairly treatment its trade partners by taking into consideration of the Company's interest and on mutual benefits basis and disclose such practices in the Company's Business Ethics. The Company has clearly defined the policies to evaluate and select trade partners, develop and maintain good relationship between all partners with trust and confidence, keep in touch with customer to share each other opinion, refuse to accept any personal benefit offered by partners, and refuse to fabricate or falsify information that will cause misunderstandings to partners. The Company also avoids purchase products and/or services from partner who violates human rights or infringe intellectual property as well as follows up information whether the partner infringes human right or intellectual property or not. If found such behavior, the Company will avoid purchase products and/or services from the partner who has such illegal behavior.

Moreover, the Company has strictly complied with the trade partners treatment policy by selecting the qualified business partners to enter into the Approved Vendor List and prices have been compared before the purchase order has been made. The business partners have been evaluated by using the auditable standard criteria pursuant to the international standards of ISO 9001 and CMMI as the policy of Samart Group. The Company also has the policy not to corrupt, extort, embezzle or not tolerate such action. The business partner must not propose or take bribery or any illegal reward from the Company and the business partner must not give the reward or propose personal benefit in whatsoever form to the employee as a result of business undertaking. Such policy has been inspected by the management under the document and the supporting and it also has been audited by the independence auditor both from the inside and outside the organization.

- **Creditor Policies**

The Company conforms to its Principle of Business Operation in order to the respect and admission of the Creditors and strictly comply with contracts, terms and the covenanted condition as agreed with creditors strictly, transparently and equally. In case the Company could not comply with the covenanted condition or has financial risk or difficulties, the Company will foregone notify to creditor for solving problem. Provide sound financial mitigation plans that consider stakeholder rights including creditor rights including monitor management's handling of financial risk or difficulties and regularly report to the Executive Committee. Provide any actions to improve the Company's financial position carefully and reasonably.

- **Counterpart/Competitor Policies**

The Company has policy to conduct all business affairs under rules and fair competitions to encourage trading without fraudulently and inappropriately seeking confidential information of its competitors, or damage competitors' reputations by abusive accusation. The Company will not intervene or has a secret transaction that give negative impact to competitors and give benefit to the Company. The Company also refuses to violate intellectual property rights of business' counterparts /competitors. The policy has been disclosed in the Company's Business Ethics. In addition, the Company sets the policy that all employees shall acknowledge and sign in the agreement of non-disclosure confidential information, non-violation of concealment of computer related and non-infringement of intellectual property.

- **Anti-Corruption Policies**

The Company operates business by adhering to good corporate governance principle. Anti-corruption policy has been specified as fraudulent act might occur from operation and transaction with the stakeholders, that directors, executives and employees of the Company, subsidiaries and affiliated companies shall strictly comply with. The Company disclosed the policy in the Company's Business Ethics manual and posted on website at www.samartdigital.com for all employees to adhere. Details of Anti-Corruption policy, Guidelines to perform of anti-corruption, penalty and the result of the implementation of such policies are shown in the section "Anti-Corruption".

- **Money Laundering Policy**

The Company recognizes the importance and compliances to the related rules and laws relating to money laundering. The Company will adhere to the law and regulation regarding the provisions of the Anti-Money Laundering Act B.E. 2542 and its amendment.

- **Tax Policies**

The Company's tax practices shall be fully and currently pursuant to the laws as follows:

1. Manage tax planning to comply with laws.
2. Remit tax within the timeframe as prescribed by laws.
3. Provide risk assessment that may impact on tax exposure.

- **Sustainable Development Policy**

The Company recognizes the importance of sustainable development that will lead to the business' sustainable growth and must develop in parallel with the recognition of social and environmental responsibility as well as corporate governance. Thus, the sustainable development policy is set of which its details are as follows:

1. To conduct business based on good governance principle as well as social and environmental responsibility including others relating to sustainable development by primarily taking into consideration benefits of all stakeholders.
2. To build up corporate culture that can cultivate the employees' operational consciousness, volunteer spirit and devotion of personal time and effort for benefits of the whole community.
3. To promote and educate the employees at all levels for social and environmental awareness as guidelines for social and environmental conservation and sustainable development throughout the organization.
4. To encourage the creation of social and environmental projects or activities including others relating to sustainable development.

Moreover, the Company provides Corporate Social Responsibility Report or Sustainable Development Report as a part of the Annual Report in preliminary. If the Company has more readiness, then such CSR report will consider to be separated from the Annual Report.

General practical guideline for responsibility to societies, communities and environment are as follows:

- **Responsibility to societies and communities**

The Company recognizes that it can survive and grow in a society that is vigorous and prosperous. Therefore, to bring about societal progress, the Company participated in societal improvements with financial support to all activities that aim to maintain beneficial cultures, customs and rituals. Moreover, the Company will involve in religious activities regularly. The Company also participated in many activities for development of society, education, vocation, athletic ability as well as sanction for outreach people and victims. In addition, the Company has strengthened the closed relationship with the surrounding and nearby communities by building up good relationship with the private and public organizations as well as the community leaders in many levels, so that the cooperation from all parties can be smoothly coordinated for sustainable and concremented development of the communities.

In 2020, Samart Group has continued our efforts to promote "People of Quality, Society of Morality" and implemented a variety of activities for public benefits. Details of the projects and activities were shown in "Corporate Social Responsibility"

- **Responsibility to environment**

The Company conducts business with recognition of environmental conservation and standard management of safety. It is also the Company's policy to become a responsible corporate citizen to comply with all relevant laws and regulations and be responsible for utilizing natural resources in prudent manners. For motivation of the employees to continually conform to the Company's policy, announcement via the Company's PR boards, e-mail, internal radio, mobile media, newsletter and road show are provided. In addition, the Company educates employees on environmental awareness as details shown in the section "Corporate Social Responsibility" under "Environmental Conservation".

- **Non-violation of human right policies and practices**

The Company sets non-violation of human right policies and practices in the Company's Business Ethics and emphasize on human right principles as a common practices. All employees are strictly prohibited to act or to support any act relating to human rights violations. The Company has policies that employee's personal information, i.e. medical treatment record, working experience, is confidential and shall not be sent or disseminated to unauthorized parties. Disclosure or transfer of personal information is only upon the owner's consent. Furthermore, the Company treats all employees equitable without any discrimination against race, nationality, language, religion, gender, age and education. The Company has provided opportunity for the employee to show their potential by set appropriate remuneration for their individual capability. The employees has been provided opportunity for more education in university level and both short-term/long-term training courses. Deliberation on work performance shall be made fairly and appropriate as well as avoid comments or any other matters that may lead to conflict.

In addition, the Company communicates such policies to employees through HR website at www.samarthre.com. In case any employee deemed to be treated unfair in any matter, the Company allows employees to submit suggestion, complaint about the abuses and other related matters. The Company will resolve such problems for benefits to all parties and create good working relationships in working together.

- **Operating policy and practice on non-infringement of intellectual property or copyright**

The Company has an operating policy on non-infringement of intellectual property or copyright. The method employed by the Company regarding this matter is that all employees are required to sign their names in memorandum of understanding to not commit any computer crime and to not infringe any intellectual property. The Company has specified the policy on usage of information technology system of Samart Group and software program of the employee shall be inspected to prevent any usage of piracy software and software which is unrelated to work.

- **Suggestions and complaints**

The Board of Directors respects the importance of all stakeholders in participation of the Company's success and discloses related important information to stakeholders sufficiently and transparently. The Company provides channels for all stakeholders to send suggestions and complaints that is beneficial to the Company. Those channels consist of direct mail or E-mail as informed at the Company's website (www.samartdigital.com) under "Contact Us" with the following details:

Mailing Address: Internal Audit Department
 Samart Corporation Public Company Limited
 99/2 Moo 4, Software Park, 34th Fl., Chaengwattana Rd.,
 Klong Gluar, Pak-kred, Nontaburi 11120.
 or E-mail address: InternalAudit@samartdigital.com

The Internal Audit Department will collect the suggestion and complain, then, inspect and analyze the information according to the procedures and methods on "Notifying the information on misconduct and the protection of the informant"

- **Procedures and methods on "Notifying the information on misconduct and the protection of the informant"**

The Company adheres to good corporate governance principles and encourages its stakeholders to examine and oversee any action which is against the corporate governance principles, ethics, rules and regulations of the Company, laws, corruption or any action which might cause damages to the Company including rights violation. If such action is found, the stakeholders can notify the clue on misconduct behavior to the Company

by sending information and/or document and/or concerned evidence (as the Company's form to notify the information on misconduct) to Internal Audit Department. If the name and surname of the informant is specified, it will be more beneficial to the Company for convenience on enquiry and/or contact for more information.

The process of information inspection and analysis

The Internal Audit Department is responsible for preliminary investigation of offenses, both from documentary witness and witness. If misconduct is happened, they will propose the matter to the Executive Chairman for consideration and setting up an investigation committee.

The investigation committee consists of supervisor or representative from Internal Audit Department, Legal Department, Human Resources Department, and the original affiliation, responsible for investigating the facts, including collecting all evidences in order to know details of the damage and impact to the Company.

The investigation committee will propose the results of the investigation to the Executive Chairman to consider and proceed and then the Internal Audit Department will propose the matter to the Audit Committee for acknowledgement, respectively.

The Company shall protect the informant or whistle-blower by not disclosing the name of the informant or whistle-blower to any person.

The Company has publicized Vision, Mission, Corporate Governance Policy and Business Ethics on the Company's website at www.samartdigital.com. Corporate Governance Policy and Business Ethics have been communicated to management and employees via e-mail in the form of weekly corporate governance tips and poster on public relations board of the Company. Moreover, the Company also assigns the Corporate.

2. Committees

Composition

The Company's management structure comprised of 6 Committees; Audit Committee, Executive Committee, Corporate Governance Committee, Nominating and Compensation Committee, Risk Management Committee and Sustainable Development Committee. Details of directors, qualification, term of positions and roles and responsibilities are as follows:

1) Audit Committee as of December 31, 2020:

- | | | |
|----|--------------------------------|---------------------------------|
| 1. | Dr. Chotivid Chayavadhanangkur | Chairman (Independent Director) |
| 2. | Mr. Piyapan Champasut | Member (Independent Director) |
| 3. | Mr. Kunthit Arunyananda | Member (Independent Director) |
| | Mr. Wichai Rongkawilit | Secretary |

Qualifications of the Audit Committee

1. The Audit Committee members shall be appointed by the Board of Directors' and/or Shareholders' Meetings.
2. All members of the Audit Committee should be Independent Directors with the qualifications as specified in the announcement of the Securities and Exchange Commission Capital Market Supervisory Board and the Stock Exchange of Thailand (the SET).
3. Not being a director assigned by the Board of Directors to take part in the business decision of the Company, parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person of the Company.
4. Not being a director of parent company, subsidiary, and same-level subsidiary that is a listed company.

5. Having sufficient knowledge, experience, and time to perform duties as the Audit Committee members.
6. At least 1 member of the Audit Committee shall have sufficient knowledge and experience in accounting and finance to review the reliability of financial statements. The Company should specify name of the Audit Committee member who has that qualification in Form 56-1 and Form 56-2, and define his/her qualification in the certification of the Audit Committee profile sent to the SET.

Terms of positions

Term of the Audit Committee member is 3 years. All members shall be in post no longer than 3 consecutive terms except getting an unanimous votes from the Nominating and Compensation Committee and the Committee ensures that the extra term will not cause or impact to the independent of such director, and shall be approved from the Board of Directors's and/or the shareholders' meetings.

Roles and Responsibilities of the Audit Committee

1. Review the Company's financial report to ensure its accuracy with adequate, reliable and timely disclosure.
2. Review the Company's internal control, and internal audit systems to ensure that they are suitable and efficient, and consider the independence of internal audit unit, as well as to propose the appointment, transfer and dismissal of the head of internal audit or any other unit in charge of internal audit.
3. Consider and approve the manpower and necessary resources for working process of the internal audit unit, approve the annual audit plan including significant changes in the audit plan.
4. Review the Company's compliance with the Securities and Exchange Act, the regulations of the SET and the laws relating to the Company's business.
5. Propose for consideration and approval of the Board of Directors' and shareholders' meeting on the selection, appointment, termination of the external auditors including propose their remuneration for further consideration.
6. Arrange the Audit Committee's meeting with auditors without management of the Company at least once a year.
7. Review the connected transactions or the transactions that may lead to conflicts of interests to comply with the Securities and Exchange Act, and the regulations of the SET and the SEC, including the related laws which are effectively with the Company and/or the Company's business to ensure that the transactions are reasonable with the highest benefit of the Company.
8. Prepare report of the Audit Committee to disclose in the annual report with at least information defined in the regulations of the SET.
9. Review the scope of authorities, roles and responsibilities of the Audit Committee in accordance with the situation.
10. Audit and investigate concerned persons in order to gain the clearly information within the scope of authority.
11. Engage the specialist for competent advice and assistance auditing as considered by the Audit Committee with Company's expenses.
12. Perform any other activities as assigned by the Board of Directors.

2) Executive Committee as of December 31, 2020:

- | | |
|--------------------------------------------|------------------------------------|
| 1. Mr. Watchai Vilailuck | Chairman / Chief Executive Officer |
| 2. Mr. Wongkrit Jiamsripong ⁽¹⁾ | Member |
| 3. Mrs. Sumonthip Srimek | Member |
| 4. Mr. Hiran Phanbanlaem | Member |
| Miss Boonrut Mongkolratanakorn | Secretary |

Remark: ⁽¹⁾ Was appointed as Director on December 15, 2020 in replacement of Mrs. Sukanya Vanichjakvong, who resigned on December 1, 2020.

Terms of positions

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and management for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Executive Committee

1. Set and review Company's vision, mission, strategies and business plan as well as the Company's management structure and delegation of authorities for further approval from the Board of Directors.
2. Supervise the subsidiary and associated companies to be in accordance with the Company's policy including review and monitor the operating performance of the Company and subsidiaries to achieve the goal.
3. Audit, monitor and implement the Company's policies and management practices to conform to the assignment from the Board of Directors efficiently.
4. Consider and approve annual budget and investment of the Company for further approval from the Board of Directors.
5. Determine policy, structure, criteria for remuneration of employees and management together with the Executive Chairman and propose to the Nominating and Compensation Committee for consideration prior to further approval from the Board of Directors.
6. Consider and appoint qualified persons as key executive and report to the Board of Directors for acknowledgment.
7. Consider entering into any transactions binding the Company as delegation of authorities defined in the Company's policy and practice.
8. Report the significant performance of the Executive Committee to the Board of Directors on a regular basis.
9. Review the roles and responsibilities of the Executive Committee in accordance with the situation.
10. Perform any other activities as assigned by the Board of Directors.

Roles and Responsibilities of the Executive Chairman were shown in the topic "5.2 The Independent of the Board of Directors"

The delegation of authorities, duties and responsibilities to the Executive Committee shall not be delegated or further assigned that authorize the Executive Committee or its attorney to approve any transactions that the Executive Committee or connected persons or any persons who may have conflict of interest have done with the Company or its subsidiaries unless such transactions are complied with the Company's policy or principle that is approved by the Board of Directors. Such connected transactions shall be proposed to the Board of Directors' and/or Shareholders' Meetings for approval to comply with the notification of the Stock Exchange of Thailand, the Securities and Exchange Commission (SEC) or related law.

3) Corporate Governance Committee as of December 31, 2020:

- | | |
|--------------------------------------------|---------------------------------|
| 1. Dr. Chotivid Chayavadhanangkur | Chairman (Independent Director) |
| 2. Mr. Kunthit Arunyananda | Member (Independent Director) |
| 3. Mr. Wongkrit Jiamsripong ⁽¹⁾ | Member |
| Miss Boonrut Mongkolratanakorn | Secretary |

Remark: ⁽¹⁾ Was appointed as Director on December 15, 2020 in replacement of Mrs. Sukanya Vanichjakvong, who resigned on December 1, 2020.

Terms of positions

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. The Chairman of the Committee has to be nominated from the Company's Independent Director. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Corporate Governance Committee

1. Responsible for governing and monitoring business operation and performance of committees, management and employees of the Company to comply with the principles of good corporate governance, Company's policies and related laws.
2. Establish corporate governance policy including social responsibility and anti-corruption.
3. Establish and review the Company's significant procedures and practices to comply with the good corporate governance policy.
4. Regularly review the Company's policies, principles and practices.
5. Provide suggestions relevant to business ethics and best practices to the Company's directors, management and employees.
6. Ensure that the good corporate governance policy are performed in practice continuously and appropriately.
7. Review the roles and responsibilities of the Corporate Governance Committee in accordance with the situation.
8. Report to the Board of Directors regarding the Company's good corporate governance with comments and recommendations for appropriate improvements.
9. Perform any other activities as assigned by the Board of Directors.

4) Nominating and Compensation Committee as of December 31, 2020:

- | | |
|--------------------------------------------|---------------------------------|
| 1. Mr. Kunthit Arunyananda | Chairman (Independent Director) |
| 2. Dr. Chotivid Chayavadhanangkur | Member (Independent Director) |
| 3. Mr. Wongkrit Jiamsripong ⁽¹⁾ | Member |
| Miss Boonrut Mongkolratanakorn | Secretary |

Remark: ⁽¹⁾ Was appointed as Director on December 15, 2020 in replacement of Mrs. Sukanya Vanichjakvong, who resigned on December 1, 2020.

Terms of positions

One-third of the Nominating and Compensation Committee, who have been longest in office, shall retire by rotation every year. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Board of Directors. In case of vacancy, the Nominating and Compensation Committee will consider an appropriate person from the members of the Board of Directors and/or any qualified candidates for further appointment from the Board of Directors.

Roles and Responsibilities of the Nominating and Compensation Committee

1. Recruit, select, and nominate appropriate candidates for independent directors, Chairman of the Board of Directors and directors, proposed for consideration and approval of Board of Directors' and/or the shareholders' meetings when those positions are vacant due to termination of terms or other reasons.
2. Recruit, select, and nominate appropriate candidates for position members of each committee, Executive Chairman and Company Secretary proposed for consideration of Board of Directors when such position is vacant as well as propose criteria for selecting candidates of top management and key executives for the succession plan.

3. Determine and review qualification, criteria and procedures for nomination of directors, committees, Executive Chairman, key executives and Company Secretary to propose for approval from the Board of Directors' meeting.
4. Determine policy, structure and criteria for remuneration, whether in cash, securities or otherwise, of directors, committees, Executive Chairman, key executives, management and employees in accordance with the Company's strategy, goal and operating results as well as market conditions to propose for further approval from the Board of Directors.
5. Review the roles and responsibilities of the Nominating and Compensation Committee in accordance with the situation.
6. Perform any other activities as assigned by the Board of Directors.

5) Risk Management Committee as of December 31, 2020:

- | | | |
|----|-----------------------------------------|-----------|
| 1. | Mr. Watchai Vilailuck | Chairman |
| 2. | Mr. Charoenrath Vilailuck | Member |
| 3. | Mr. Wongkrit Jiamsripong ⁽¹⁾ | Member |
| | Mr. Wichai Rongkawilit | Secretary |

Remark: ⁽¹⁾ Was appointed as Director on December 15, 2020 in replacement of Mrs. Sukanya Vanichjakvong, who resigned on December 1, 2020.

Terms of positions

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors for further consideration and appointment from the Board of Directors in the first board meeting after Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Risk Management Committee

1. Set clear business directions, identify, analyze and investigate significant risk factors as well as determine strategy for managing those risks to the Company's acceptable risk level.
2. Set the risk management policy and propose for approval from the Board of Directors to use as guideline for each division according to its responsibility with the following 4 aspects:
 - 1) Financial Risk
 - 2) Operational Risk
 - 3) Strategic Risk
 - 4) Compliance Risk
3. Supervise to ensure effective communication of such measures thoroughly the Company and employees continuously comply with those measures.
4. Review the roles and responsibilities of the Risk Management Committee in accordance with the situation.
5. Provide efficiently assessment and review of possible damage that may occur to ensure that risk exploration covers all processes of business operations.
6. Support and develop risk management to cover throughout the organization and ensure that it is complied with the international standard.
7. Provide professional opinions from external consultants as necessary with company's expense.
8. Perform any other activities as assigned by the Board of Directors.

In addition, the Company has set the Risk management working team of which members consisted of the Company's directors and management to take responsibilities as follows:

1. Classify the significant risk and provide the effectively and efficiently method to control all company's risks to the appropriate level.
2. Monitor and follow up all practices to comply with the risk management policy and general guideline as approved by the Board of Directors.
3. Regularly report to the Board of Directors regarding the Company's risk management, general practices, action plan, status of risk and any changes including corrective and preventive measures to comply with the specified policy and strategy.

6) Sustainable Development Committee as of December 31, 2020:

- | | |
|--------------------------------------------|----------------------|
| 1. Mr. Wongkrit Jiamsripong ⁽¹⁾ | Chairman |
| 2. Mrs. Sumonthip Srimek | Member |
| 3. Mr. Hiran Phanbanlaem | Member |
| 4. Miss Boonrut Mongkolratanakorn | Member and Secretary |

Remark: ⁽¹⁾ Was appointed as Director on December 15, 2020 in replacement of Mrs. Sukanya Vanichjakvong, who resigned on December 1, 2020.

Terms of positions

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and management and/or any qualified candidates for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Sustainable Development Committee

1. Set policy, strategy and action plan for sustainable development to comply with the Company's business operation in term of economy, society and environment for further approval from the Board of Directors.
2. Encourage and support the Company's activities to achieve the SD policy such as labor and employee management, Employee welfare, employee development, training and promotion, and development of communities and society around the Company's area.
3. Monitor, review, follow up the operational progress and evaluate the effectiveness of SD policy implementation.
4. Review the roles and responsibilities of the Sustainable Development Committee in accordance with the situation.
5. Perform any other activities as assigned by the Board of Directors.

All Committees carry out their duties and convene the meeting with written minutes regularly. The significant issues of the previous year including number of meeting of each sub-committee were shown in "Meeting of the Board of Directors and Committees".

3. Nomination of Directors and Management

Nomination of Directors

The Nominating and Compensation Committee has been appointed by the Board of Directors in order to select, and nominate appropriate candidates for positions of Chairman of the Boards, members of the Boards and other committees, Executive Chairman and Company Secretary as well as consider the appropriate remuneration for such directors and management with the following criteria and procedures:

1. The Nominating and Compensation Committee will select and nominate the appropriate candidate with regard to qualifications, experience, knowledge, ability that will be beneficial to the Company and consider the diversification in the board's structure, including gender, age, ethnicity and nationality. The Nominating and Compensation Committee will also consider the necessary skills that are still lacking to achieve the Company's business strategy and using the database of IOD. The appropriate candidates, who have qualifications as specified by the relevant laws, will propose to the Board of Directors' or the Shareholders' Meeting for approval in accordance with the Company's Articles and Association.
2. For election of independent directors, the Nominating and Compensation Committee will nominate any person who is fully complied with the qualifications of Independent Directors under the Company's policy and requirements of the SEC and the SET to propose to the Board of Directors' and/or the Shareholders' Meeting for approval in case of rotation or others.
3. Determining whether to recommend a director for re-election, the Nomination and Compensation Committee will consider relevant factors such as past performance, directors' dedication, history of attendance and participation in meeting, number of listed companies that each director holds tenure in of not exceeding five listed companies, and other contributions to the activities undertaken by the Board of Directors. In the case of independent directors, their respective independent qualifications shall also be considered.
4. The appointment of the Board members shall comply with the Company's Articles of Association and all relevant laws. Selection of the directors shall be transparent and clear through initially consider of the Nomination and Corporate Governance Committee with the following criteria and procedures in the shareholders' meeting:
 - (1) Each shareholder shall have one vote on each share.
 - (2) In voting, a shareholder shall vote in accordance with the number of votes each shareholder has under (1) for one or several directors. The said shareholder may not allot any number of his votes to any person.
 - (3) The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the Chairman of the meeting shall have a casting vote.

The Company proposed shareholders to elect the directors on an individual basis to allow shareholders to elect the desirable directors.

In case a directorship becomes vacant by any reason other than the expiration of the term, the Board of Directors shall elect a person possessing the qualifications and being under no prohibitions under the relevant laws as a replacing director at the Board of Directors' Meeting, unless the remaining term of such director is less than two months. The replacing director shall hold office only for the remaining term of the replaced director. The resolution of the Board of Directors' Meeting must be passed by votes of not less than three-fourths of the remaining directors.

5. For nomination of committee, the Nominating and Compensation Committee will consider appropriate knowledge and ability, composition of the entire committees, criteria of directorship and independence of director prior to propose to the Board of Directors for approval.

Nomination of Management

The Company has criteria and procedures for nomination of the Executive Chairman who is the top management of the Company with the process start from recruiting internal and external persons who have leadership skills, ability to manage the organization and good understanding of company's products and services. The Nominating and Compensation Committee will select and nominate appropriate candidates to be top management and propose to the Board of Directors for approval. For recruiting of key executive, the Board of Directors assigns the Executive Committee to consider qualified persons to appoint as key executive and report to the Board of Directors for acknowledgment.

Executive Succession Plan

The Company is aware of the importance of executive successors for top management and key executive positions. In case any position is vacant, apart from the appointment of the Nominating and Compensation Committee to select and nominate appropriate candidates for directors and top management, the Company also provides executive succession plan for top management and key executive positions. The executive succession included the specifying key positions in the Company's business and determining criteria for selecting of the successors by considering knowledge, ability, experience, potential of each position and management vision in order to select the qualified executives as specified in the criteria. In addition, the Company also set up a development plan to prepare them to be able to support their positions in the future. This is to build confidence among investors, shareholders and employees that the Company's operations will be carried out in a timely manner. The Company reviews the succession plan for top management and key executive on an annual basis.

In addition, the Company should encourage the Executive Chairman to invite key executive to attend the Board of Directors' meetings and/or the Executive Committee's meetings to present details on the agenda items related to matters that they are directly responsible for, and to allow the board to gain familiarity with key management and assist succession planning.

4. Supervision on Operation of the Subsidiary and the Associated Company

Before establishment of any new company, the Executive Chairman shall propose such matter to the Board of Directors' Meeting for consideration and approval before the registration of the new company. The Board of Directors shall consider appointing the executives who hold the positions of directors and management of such subsidiary and the associated company and defining the scope of authority and responsibility of the directors and the management who shall be the Company's representatives in such company. In case the appointment of additional new director or director in replacement of the vacant position from any reason other than retirement, the Board of Directors assigns the Executive Committee to consider and appoint the director in replacement and report to the Board of Directors for acknowledgment. The management of the subsidiary and the associated company shall report business performance of the company they are responsible to the Executive Committee every month. Any investments or substantial operations as per specified in the delegation of authorities must be performed pursuant to the policies specified and they must be presented to the Executive Committee's Meeting as well. The management of the subsidiary and the associated company must present the annual business plan to the Executive Committee's and the Board of Directors' Meeting for consideration and approval every year. If performance of any company has not achieved the targeted plan, the management must clarify to the Executive Committee's Meeting. In case business operation encountered many problems, the management is required to clarify to the Executive Committee's Meeting as the watch list so that precaution and corrective measures can be closely monitored and resolved.

The subsidiary and the associated company must have an internal control system or measure that the Company's Internal Audit Department can audit and report to the Audit Committee and the Executive Committee. If internal control system of any company is becoming defective that may likely cause risks and damage to the Company, the Executive Committee shall order such company to improve and rectify defects in such internal control system immediately.

In case of any transaction required to comply with the regulations of the Company or the relevant laws and needed to get an approval from the Shareholders' Meeting of such subsidiary, such transaction shall be proposed to the Executive Committee's Meeting for consideration and approval on voting guideline during the Shareholders' Meeting of such subsidiary.

For establishment of a new company or investing in significant portion in other businesses between 20% and 50% of shares with voting rights, and the amount of investment or may have to more invest significantly, the Board of Directors should ensure that shareholder agreements or other agreements are in place to enable the Company's performance monitoring and participation in management, including for approval of significant transactions and decisions. This is to ensure that the Company has sufficient, accurate, and timely information for the preparation of its financial statements that conform to the relevant standards.

In the event where the subsidiary performs any transaction about acquisition or disposal of assets, the Company shall treat the same way as criteria on acquisition and disposal of assets of its own which must be pursuant to criteria on undertaking the significant transaction on asset acquisition or disposal as per specified by the Capital Market Supervisory Board. In case the subsidiary has performed any transaction with its related persons, the Company shall not involve in such matter, except the subsidiary has performed any transaction with the related person of the Company, then the Company shall comply with the criteria on related transaction announced by the Capital Market Supervisory Board.

5. Inside Information Control

The Company will inspect to ensure no inside information of which is material, undisclosed and confidential leak to public or be used from unauthorized for personal benefit. IT system has been implemented for a secure access for all users inside and outside the firewall in conjunction with the Company's own user authentication and security system. In addition, the Company sets as policy that all employees shall acknowledge and sign in the agreement of non-disclosure confidential information, non-violation of concealment of computer related and non-infringement of intellectual property. New employees shall sign this agreement together with employment contract. It was also set forth in the Company's Business Ethics to refuse the directors, management and employees of the Company to use Company's inside information for personal benefits. Any trading of the Company's securities within one month prior to disclosure of either Company's financial performance or any other information that may affect securities' price is prohibited. To ensure that the policy is acknowledge and complied, the Company will notify the year plan schedule of such periods in advance to all directors and executives. Every quarter, the Company has also delivered such notice to directors and executives to acknowledge. In 2020, there is no case of insider trading from the Company's directors and executives. The press releases for the corporate governance are published on a weekly basis to all employees via email, tips and poster in the Company's promotion board. The Directors and management had been informed on their duties and punishment to disclose report to the SEC on each person holding securities and derivatives as well as the holding and changes to the holding of their spouse, cohabiting couple and minor children within 3 days from the transaction date according to section 59 of the Securities and Exchange Act B.E. 2535. The report shall include the holding of securities and derivatives by a juristic person whose shares exceeding thirty percent of the total voting rights held by the aforementioned persons, including the spouse or cohabiting couple, and minor children of such persons. Any change in securities and derivatives holdings, such directors and managements have to report the Company Secretary for coordination and preparing report submit to the SEC. In addition, the Company has set as a policy to report on securities and derivatives holdings of directors and management in every meeting of the Board of Directors. In case that any director or management violate the regulations, the warning notice will be made to that director or management to avoid re-misconduct.

In case of conflict of interest, it is the Company's Policy to have the directors, management, employees and related parties to disclose such interests to the Audit Committee for consideration to be complied with the SET's regulations and any governing laws and regulations prior to further submit for consideration of either the Board of Directors' or the Shareholders' Meetings. The directors who have conflict of interest will not participate in any agenda that they have conflict of interest. Moreover, any conflict of interest transactions has been considered to disclose in "Connected Transaction".

General practices for conflict of interest protection have been set not only in the Company's Business Ethics but also in "5. Roles and Responsibilities of the Board of Directors" under the topic "Conflict of Interest". Such practices have been delivered to all directors, management and employees. The Corporate Governance Committee will monitor and ensure that Company's regulations, Corporate Governance Policy and Business Ethics have been strictly and continually complied.

Moreover, the Corporate Governance Committee has been established to ensure that good corporate governance is being conducted continuity at all levels in accordance to legal requirement and the Company's Articles of Association.

6. The implementation of Corporate Governance Code for Listed Companies 2017

The Board of Directors has reviewed the implementation of the Corporate Governance Code (CG Code) of the SEC annually, at least 1 time per year, by means that are suitable for the Company's business. Moreover, the Company has complied with the assessment criteria for survey on listed company corporate governance of IOD and survey on quality in convening the shareholders' meeting of the Thai Investors Association. The Corporate Governance Committee's meeting considered and reviewed the implementation of the CG Code and was of the opinion that the Company has already applied the most of the CG Code practices and has proposed these issues to the Board of Directors' meeting for consideration. The Board of Directors' meeting No.8/2020 and No.1/2021, which held on November 10, 2020 and February 23, 2021, considered and reviewed the implementation of the CG Code, and approved to amend the Corporate Governance Policy, business ethics and charters of the Board of Directors and committees in order to cover CG Code practices. However, the practices that are not suitable for the Company's business operations, the Board of Directors has assigned the Corporate Governance Committee to consider and propose appropriate replacement measures.

7. The Compliance with the Principles of Good Corporate Governance in Other Areas

The Company conducts the business in comply with the Principles of Good Corporate Governance of the SEC. and best practices in the international standard as well as ASEAN CG Scorecard criteria. Moreover, the Company has complied with the assessment criteria for survey on listed company corporate governance of IOD and survey on quality in convening the shareholders' meeting of the Thai Investors Association. For some areas that the Company has not yet followed such regulations, the Company applies principles or other practices to suitable for the Company's business as the following areas:

Equity Treatment of Shareholders

1. The Company has not yet allowed the minority shareholders to nominate candidates for directorship. However, the Board of Directors has appointed the Nomination Committee and Compensation Committee to recruit and nominate the qualified candidate to be director by taking into consideration from IOD's Director Pool. The Nomination Committee and Compensation Committee also considers qualification as the relevant laws and regulations, experience, knowledge and ability that is advantage and needed to the Company of the candidate to propose to the Board of Directors' and/or the Shareholder's Meeting for further approval.
2. The Company has not yet determined to perform the election of directors by cumulative voting. However, the Company entitled the shareholders to vote for the election of directors individually. Each shareholder shall have one vote for each share as stipulated by the Company's Articles of Associations so that the shareholders shall truly elect their desired director.
3. The Company has not yet established the policy regarding directors and top executives to declare their trading transaction of the Company's shares at least 1 day prior to the trading date to the Board of Directors or the assigned person. However, the Company has a policy that director and top executives shall report the change of their ownership of the Company's securities and derivatives in every board meeting.

Roles and Responsibilities of the Board of Directors

1. The Company has no policy for executive directors to serve as directors of not exceeding 2 listed companies in the other business group. However, the Company has set the policy for all directors not to hold director position of not exceeding 5 companies. In addition, top executives of the Company will also be obtained approval from the Executive Committee prior to hold director position in any companies of which are not have either similar business or being the Company's competitors. The Nomination Committee and Compensation Committee are responsible to consider and nominate the candidate by taking into consideration of knowledge, capability and adequate time to perform his duty.
2. There is no independent woman director in the Board of Directors. However, the Company has no policy to gender discrimination at all.
3. As of December 31, 2020, the portion of independent directors in the Board of Directors are equivalent to 50% of total number of directors less than the Principles of Good Corporate Governance as stipulated at more than 50% of total number of directors
4. The Company has not yet participated in Thailand's Private Sector Collective Action Coalition against Corruption (CAC). However, the Company has joined the Partnership against Corruption for Thailand (PACT) to attend the training course and gather recommendation on anti-corruption procedures. The Company regularly monitors and informs seminars from the network.

Internal Control and Risk Management

Internal Control

The Company puts emphasis on adequacy, appropriateness and coverage of its internal control system for all activities of its business operations in order to increase efficiency and effectiveness. Such internal control system has been continually developed by applying the principles and guidelines of The Committee of Sponsoring Organization of the Treadway Commission (COSO) and the Enterprise Risk Management (ERM) to ensure that all of its operation procedures can have proper internal control and risk management systems which comprised of 8 components as follows:

1. Control Environment

The Company intends to operate businesses by clearly adhering to Good Corporate Governance Principles, integrity and ethics. Responsibility as well as approval authority have been clearly segregated and they have been revised to make them constantly conform to the changes of the businesses. Key performance indicators (KPIs) have been used to follow up and compare the works performed with the targets set.

2. Objective Setting

The Company established strategic objectives and targets in the annual operation plan so that the works performed can be achieved as per the set targets. It also has a policy to encourage all divisions/units within the Company to prepare the operation manual and improve it to make it always up-to-date. The Internal Audit Unit shall strictly audit the compliance with the Company's regulations.

3. Event Identification

The Company specified risks which may likely to impact the achievement of the Company's objectives and targets, both risks from external factors and internal factors and sorted out priority of risks from high to low. In addition, methods and plans for management of such risks have been specified and reported to the meeting of the Risk Management Committee.

4. Risk Assessment

The Risk Management Committee will supervise and prescribe risk management measures as well as assess risks which may impact business operations and targets of the Company. Such risks have been followed up, measured and reported to the executives for their acknowledgement every quarter in order to find preventive measures on time.

5. Risk Response

The Company has proper internal control measures which are appropriated with the risks of the changing business. Risks in each operating procedures have been adjusted. The Company's internal control measures included the segregation of responsibilities and approval authority for purpose of check and balance. The Internal Audit Unit shall review the adequacy and appropriateness of the internal control system.

6. Control Activities

The Company specified that internal control should be applied to all levels and operation manual must be prepared so that lines of business, divisions and departments can strictly follow. The Company also has a written information technology security policy, for instance, access to computer center must be controlled and data including work systems in the computers must be backed up so that they can be available for usage in case of emergency.

7. Information and Communication

The Company's information technology system can link data throughout the organization and it will be developed continually to assure that the system is proper and enough for data transmission and receiving. Data Center has been established as the Group of Company's operation center and its application has been controlled by the international standards. The Group of Company also has accredited certification to ISO 27001 (Information Security Management System) standards.

8. Monitoring

The Internal Audit Unit has responsibilities to audit the operations pursuant to the specified internal control system and directly report such results to the Audit Committee, who shall hold the meeting every quarter. In case material defects have been found, the Company's management team will be immediately notified for consideration on corrective and preventive measures in the future.

The Company arranged the management meeting every month to monitor performance and compare them with the specified targets as well as jointly find the corrective measures in case the target has not been achieved as per specified

Opinions of the Board of Directors regarding the Company's Internal Control System

Based on the above assessment, the Board of Directors' Meeting No. 1/2021 on February 23, 2021, in which all 3 Audit Committee members attended, has evaluated the Company's internal control system by using the Securities and Exchange Commission evaluation questionnaire and concluded that the Company had a sufficient internal control system. The Company provided sufficient manpower to ensure that the operation would proceed efficiently. Internal control system could be strengthened in monitoring not only the operation of the Company but also the operation of the subsidiaries in safe guarding of assets from wrong usage or used by unauthorized persons. Business transaction with related persons and the persons who had conflict of interest with the Company were prohibited. The Board of Directors also concluded that internal control system for other topics was done sufficiently.

Furthermore, the Company's auditors, Ms. Sarinda Hirunprasurtwutti, an auditor license no. 4799, audited the financial statements of the Company and subsidiaries for the year ended December 31, 2020 without any comment on the Company's internal control system as significant error.

Internal Audit

The Internal Audit Office performs its duties independently and objectively and reports functionally and directly to the Audit Committee. The Internal Audit Charter and Manual are regularly updated as its primary source of reference. This ensures that the Internal Audit Office conforms to the International Standard for the Professional Practices of Internal Auditing (Standard) and delivers a high standard of service with due professional care to support the Company's good corporate governance policy and practice, adding value to both the Company's stakeholders and the Company's sustainable development.

The Internal Audit Office evaluates and improves the effectiveness of internal control, risk management and governance processes according to annual audit plan. The Internal Audit Office creates an annual audit plan, approved by the Audit Committee, after consideration of overall objectives, strategies, mission, and the Risk Based Audit Approach, including key control points and management opinions. The Internal Audit Office also consults and advises on the preparation of internal control measures and risk management, etc. to ensure that Company performance follows its strategies and achieves its goal and objectives. Furthermore, the Internal Audit Office regularly performs monitoring activities to ensure the planned system can be performed continually and it has been revised and updated regularly. The Company also supports the sufficiency of manpower to fit for work load.

In assessing the effectiveness of Risk Management, the Internal Audit Office reviews event identification and risk factors which affect the Company's objectives, and then reviews the Risk Management approach. This ensures the accuracy of both event identification and risk assessment, and ensures that a systematic Risk Management approach exists. It also ensures that risk is managed at the appetite level, is reported timely to all relevant personnel, and is reviewed continuously.

In assessing external and internal fraud risks management, the internal audit Office performs fraud risk assessment and events identification and then evaluates the possibility of external and internal fraud. The Internal Audit Office also considered the most effective measures to prevent and control risk to ensure that the Company achieves its objectives.

The Head of Internal Audit acts as the secretary to the Audit Committee to enhance the effective achievement of its responsibilities and ensure accountability as assigned by the Board of Directors and also provide recommendations and suggestions in various aspects which are beneficial to the organization. Moreover, the Audit Committee also emphasized quality and development of internal audit task and also encouraged the internal audit personnel to develop themselves on continued and regular basis.

Head of Internal Audit and Compliance Unit

Head of Internal Audit

The Audit Committee proposed the Board of Directors to appoint Mr. Wichai Rongkawilit who had adequate education, working experience and training courses as the Company's Head of Internal Audit on August 13, 2019. Additionally, the Audit Committee is responsible for consideration the independence of the Internal Audit unit as well as the appointment, transfer and dismissal of the head of internal audit or any other unit in charge of an internal audit.

In 2020, the Audit Committee assessed performance of the head of internal audit and was of the opinion that the head of Internal Audit has suitable qualifications and can effectively perform his duties with the following details:

1. To supervise the audit works to make them conform to the plans approved by the Audit Committee.
2. To report important issues concerning internal control systems of the Company which have been found upon audit process.
3. To give suggestion to the Company's executives and employees on efficient performance.
4. To control the audit work to ascertain that the Company's performance meet legal requirements, regulations of the SEC and the SET or regulations of the relevant government agencies.
5. To coordinate, supervise and control on various aspects, such as risk management, code of conducts and etc.

Details about education, experience and training of the head of internal audit are shown in the section "The Board of Directors, Management, Controlling Person, Company Secretary and Head of Internal Audit". Result of Head of Internal Auditor Assessment is shown in the section "Corporate Governance" under the topic of "Head of Internal Audit Assessment".

Furthermore, Head of Internal Audit is able to give useful information, recommendation to any department in the Company regarding general practice in accordance with the laws and regulations as well.

Head of Compliance Unit

The Company does not have a separate Compliance Unit, however, the Company's Compliance Unit is the responsibility of Company Secretary to ensure that the Company correctly complied with rules and regulations of the SEC, the SET, the Public Company Limited Act and other relevant laws. Responsibilities of Company Secretary as Head of Compliance Unit are as follows:

- Perform duty with responsibility, caution and honesty as stipulated by laws and other relevant regulations.
- Supervise and oversee the operation activities of the Board of Directors and propose recommendations to the Board concerning the Company's regulations and the regulations of the related department.

Risk Management

The Company established risk management policy which included the analysis of possible risks which may have materials impacts, preparation of risk mitigation plan as well as improvement of internal control systems in order to be able to effectively control and manage risks and report the results to the Board of Directors. These methods can ensure that the Company will have proper risk management and the risks can be effectively and efficiently managed as posted on the Company's website at [www. samartdigital.com](http://www.samartdigital.com).

Criteria for risk assessment in each level has been clearly defined, both at corporate level and operation level, so that risks in all operation procedures can be thoroughly identified. Risks will be considered in 2 aspects, i.e. likelihood and impacts. Risks will be ranked as high, medium and low.

The Company has appointed the Risk Management Committee by electing appropriate persons from the members of the Board of Directors, simultaneously, to consider and appoint the chairman of Risk Management Committee from the committee members to assess and review risks of various departments as well as propose the policies related to risk management. During 2020, the Risk Management Committee conducted 3 meetings.

In addition, the Company has set the Risk management working team of which members consisted of the Company's director and management to take responsibilities as follows:

1. Classify the significant risk and provide the effectively and efficiently method to control all company's risks to the appropriate level.
2. Monitor and follow up all practices to comply with the risk management policy and general guideline as approved by the Board of Directors.
3. Regularly report to the Board of Directors regarding the Company's risk management, general practices, action plan, status of risk and any changes including corrective and preventive measures to comply with the specified policy and strategy.

Anti-Corruption

The Company operates business by placing importance on anti-corruption and adherence to integrity, ethics, transparent and auditable management as well as accountability to all stakeholders. The Company prescribed suitable code of conduct guidelines for the Board of Directors, the executives and the employees with regards to business ethics and employee ethics. Compliance with the policy has been reviewed continually.

Duties and Responsibilities

- The Board of Directors is responsible for specifying the anti-corruption policy.
- The Audit Committee is responsible to audit the accounting and financial report, internal control and internal audit including risk management system to ensure that they are compliance with the international standards, concisely and effectively.
- The management team is responsible for promotion and support the anti-corruption policy and convey such policy to all employees and relevant parties.

In addition, the Company has set the written Anti-Corruption policy and its General Operating guidelines and has been disclosed to the organization and posted it on the Company's website at www.smartdigital.com. Details was shown in "Anti-Corruption".

Anti-Corruption Policy

The Company conducts all business affairs under principles of good corporate governance. Anti-Corruption Policy is set to prevent all corruptions that may arise from operating activities and contacts with stakeholders. Directors, executives and employees of the Company, its subsidiaries and associated companies must strictly adherence. Details of the policy are as follows:

1. Political neutrality and political assistance

The Company is a politically neutral business entity that supports lawful operations and democratic form of government with the King as Head of State. Directors, executives, and employees enjoy their political rights and freedom under the law. However, they must not deprive Company of neutrality and compromise it though their involvement in politics or use its resources to do so.

2. Donation for charity and support fund

The Company supports community and social development to upgrade the quality of life, enhance the economy, and strengthen communities and society through business processes or donation for charity used for public charity only. Moreover, the support fund for Company's business must have a clear proof of documents in compliance with the Company's regulations.

3. Receiving and giving present, property or other benefits policies

Receiving or giving any benefits as tradition and morality to express gratitude or maintaining business relation as usual should be done with appropriateness. The Company will not encourage or expect the receiving person to ignore his/her duty and/or return favor from giving inappropriate present, property or other benefits with the following practices:

1. Receiving and giving property or other benefits that could improperly influence decision making;
 - The employee of company shall not receive or give money, property, merchandise or any benefits involving anyone whose intention is to persuade the employee to commit or omit anything contrary to duty.

- Receiving present or property shall be compliance with morals, and shall not be illegal as well as such gift or property shall not be illegal.
 - Paying for business expenses such as meals and other forms of hospitality that are directly connected to performance of business commitments is acceptable, but such expenses must be reasonable.
 - Giving present, property or other benefits to government officer in Thailand and other countries must be sure that it shall not against the law and local tradition.
2. Receiving or giving present and memento:
- Before receiving or giving present or memento, should make sure that such an action does not violate the law and the Company's regulations. Gifts exchanged in the normal course of business should be inexpensive and appropriate to the occasion.
 - Avoid receiving or giving present or memento that could unfairly influence a decision in the performance of one's duties. If it is necessary to receive a gift of unusually high value from someone doing business with the Company, report the matter to the superior.
 - Keep records of expenses as evidence of the value of present or memento given, so that can be examined later.
 - If the employee has been assigned or permitted by the superior to assist an outside agency, the employee may receive money, item, or present according to the guidelines or standards that agency has set.
3. Transactions with the government sector:
- Conduct properly and honestly when in contact with government officials or agencies.
 - Always remember that the laws, rules, and customs of each place may have diverse conditions, procedures, or methods of proceeding.
 - Comply with the laws of each country or locality in matters pertaining to hiring government employees as consultants or employees of the Company. Such hiring must be transparent and appropriate.

General Operating Guidelines

1. The process of risk assessment and risk management.

The Company has an internal audit unit to audit operations that may trend to have risks of all departments of each company, including risks from corruption to ensure that all departments have appropriated internal control system in place, both on preventive control and detective control. If it is found that any department does not have adequate internal control system or there is a corruption case, such matter shall be reported to the Audit Committee and the high level executives. Preventive guidelines must have also been reported in order to improve the internal control system.

2. Protection

To ensure that the remuneration provided to the employees is adequate, focused on creation of consciousness and it must not be the source for corruption. The Human Resource Department shall compile the survey results report on wage adjustment in each year from the well-known institutes, both domestically and internationally as well as exchange information with the Human Resource Department of other companies in the telecommunication and computer businesses. The information gained shall be used for consideration on provision of remuneration to the employees.

3. Training and Communication

To encourage operations pursuant to anti-corruption policies by providing training to employees to promote honesty, integrity and best practices on good conduct and ethics for employees including code of business ethics of the Company during the orientation of the new employees. All employees can access to such information via HR Website (www.samarthre.com).

4. Reporting Channels

In order to oversee the implementation of anti-corruption policy, the Company encourages its employees and all stakeholders to report the violation of Company's policies and unfair practices by providing the channels for stakeholders to inform any actions which are against the corporate governance principle, ethics, rules and regulations of the Company, laws or any action which may cause damage to the Company to the Internal Audit Department by direct mail or E-mail as informed at the Company's website (www.samardigital.com). The Internal Audit Department will inspect and analyze the information according to the procedures and methods on "Notifying the information on misconduct and the protection of the informant". The Company shall protect the informant or whistle-blower by not disclosing the name of the informant or whistle-blower to any person.

5. Governing and monitoring of the policy

The internal audit unit shall summarize the audit result only the corruption issues of each department during the previous year and report to the Audit Committee annually with recommendations to solve the problems.

6. Penalty

Any action that direct or indirect violates this policy shall be subject to disciplinary action according to the Company's regulations and face with legal penalty, if such action is against the law.

Result of the implementation of such policies in the past year caused the following matters:

- No case of misconduct on corruption or breach of the ethics. It found only fault that not complied with the Company's regulation and it was amended and clarified the correct procedures to the employees.
- No director and executives resigned due to the issues of corporate governance.
- No case of the Company's negative reputation as a result of failure in the monitoring function of the Board of Directors.

Connected Transactions

Connected transactions which might have conflict of interest for the year ended December 31, 2018 - 2020 are as follows:

1. Sale of products and services

Related Parties	Transaction Type	Value of Transaction (Million Baht)		
		2018	2019	2020
1. Samart Corporation Plc. A Major shareholder of Samart Digital Plc. with 82.70% stake owner <u>Related Directors</u> 1. Mr. Charoenrath Vilailuck 2. Mr. Watchai Vilailuck	Samart Digital Plc. and its subsidiaries sold products and provided services to Samart Corporation Plc. and its subsidiaries as follows; - Samart Corporation Plc. - Samart Engineering Co., Ltd. - One to One Contacts Plc. - Vision and Security System Co., Ltd. - Samart U-Trans Co., Ltd. - Teda Co., Ltd. - Transec Power Services Co., Ltd. - Samart Aviation Solutions Plc. - Samart Telcoms Plc. - Samart Communication Service Co., Ltd. - Samart Comtech Co., Ltd. - Posnet Co., Ltd. - Portal net Co., Ltd. - One to One Professional Co., Ltd. Account receivable as of December 31	0.002 0.014 0.910 0.007 0.007 0.006 - - 49.847 0.069 0.287 - - - - - 8.841	0.069 - 0.214 0.002 0.074 - - 0.205 1.923 0.023 4.133 - 10.934 - 6.674	0.054 0.005 0.618 - - 12.472 0.024 - 0.036 2.636 1.787 0.008 0.043 0.010 6.520
	Thai Base Station Co., Ltd. provided space and tower rental to a subsidiary of Samart Corporation Plc. as follows; - Samart Communication Service Co., Ltd. Account payable as of December 31	40.698 3.378	37.887 3.403	23.972 -
	Samart Digital Plc. and its subsidiaries sold equipment to Samart Corporation Plc. and its subsidiaries as follows; - Samart Corporation Plc. - Samart Engineering Co., Ltd. - One to One Contacts Plc. - Vision and Security System Co., Ltd. - Samart U-Trans Co., Ltd. - Teda Co., Ltd. - Samart Telcoms Plc. - Samart Communication Service Co., Ltd. - Posnet Co., Ltd. - Smarterware Co., Ltd. - Inno Hub Co., Ltd. - Samart Comtech Co., Ltd. Account receivable as of December 31	- 0.023 - - - 0.051 - - 0.011 - - - - -	0.100 - 0.004 - 0.006 0.017 - - 0.002 - - - -	0.375 0.008 - 0.002 - - 0.004 0.374 0.002 0.001 0.208 0.374 -

Related Parties	Transaction Type	Value of Transaction (Million Baht)		
		2018	2019	2020
	Samart Digital Plc. and its subsidiaries bought products and received services from subsidiaries of Samart Corporation Plc. as follows;			
	- Vision and Security System Co., Ltd.	-	-	0.025
	- Samart Engineering Co., Ltd.	36.471	0.925	0.005
	- Samart Infonet Co., Ltd.	3.364	1.800	1.685
	- Inno Hub Co., Ltd.	-	0.055	-
	- Samart Communication Service Co., Ltd.	0.600	-	-
	- One to One Professional Co., Ltd.	-	-	0.006
	Account payable as of December 31	1.167	1.103	0.182
	Samart Digital Plc. and its subsidiaries paid Information Technology fee and related services to Samart Corporation Plc.	11.410	6.538	6.538
	Account payable as of December 31	-	-	-
	Samart Digital Plc. and its subsidiaries paid contact center management fee to a subsidiary of Samart Corporation Plc. as follows;			
	- One to One Contacts Plc.	12.745	2.171	0.321
	Account payable as of December 31	7.593	1.352	-
	Samart Digital Plc. bought equipments for project from subsidiaries of Samart Corporation Plc. as follows;			
	- Samart Comtech Co., Ltd.	308.128	32.797	11.722
	- Samart Communication Service Co., Ltd.	67.012	11.486	2.901
	- Samart Engineering Co., Ltd.	-	3.600	-
	Account payable as of December 31	526.785	487.326	326.170
	Samart Digital Media Co., Ltd. bought intangible asset for running business from a subsidiary of Samart Corporation Plc. as follows;			
	- Inno Hub Co., Ltd.	-	1.350	-
	Account payable as of December 31	-	-	-
	Siam Sport Television Co., Ltd. paid interest on car according to the hire purchase contract to Samart Comtech Co., Ltd. (A subsidiary of Samart Corporation Plc.)	17.958	15.538	11.227
	Account payable as of December 31	-	-	-
	Samart Digital Plc. and its subsidiaries paid space rental, utility service fees and related expenses to Samart Corporation Plc.	27.500	7.969	3.299
	Account payable as of December 31	14.723	8.939	5.723



Related Parties	Transaction Type	Value of Transaction (Million Baht)		
		2018	2019	2020
2. Vilailuck International Holding Co., Ltd. A major shareholder of Samart Corporation Plc. with 18.42% stake owner and SAMART is the major shareholder of Samart Digital Plc. <u>Related Directors</u> 1. Mr. Charoenrath Vilailuck 2. Mr. Watchai Vilailuck	Samart Digital Plc. sold products and provided services to Vilailuck International Holding Co., Ltd. Samart Digital Plc. and its subsidiaries paid space rental, utility service fees and related expenses to Vilailuck International Holding Co., Ltd. and its subsidiaries As follows; - Vilailuck International Holding Co., Ltd. - Vilailuck Development Co., Ltd. Account payable as of December 31	- 4.670 0.055 0.253	- 4.612 0.055 0.254	0.030 2.732 0.055 0.476
3. CSV Asset Co., Ltd. whose major shareholder of 99.97% stake owner is Vilailuck International Holding Co., Ltd. and VIH is a major shareholder of SAMART and SAMART is a major shareholder of Samart Digital Plc. <u>Related Directors</u> 1. Mr. Charoenrath Vilailuck 2. Mr. Watchai Vilailuck	Samart Digital Plc. paid space rental, services, utility service fees and related expenses to CSV Asset Co., Ltd. Account payable as of December 31	3.043 0.027	2.535 0.017	2.433 -
4. Thai Ticket Pro Co., Ltd. A director is connected person. <u>Related Director</u> 1. Mr. Watchai Vilailuck	Samart Digital Plc. and its subsidiaries bought air ticket from Thai Ticket Pro Co., Ltd. Account payable as of December 31	0.201 0.005	0.011 -	- -
5. Win Performance Co., Ltd. Mr. Watchai Vilailuck, a director of Samart Digital Plc., is a major shareholder with 25.00% stake owner of Win Performance Co., Ltd.	Samart Digital Plc. and its subsidiaries provided services to Win Performance Co., Ltd. Account receivable as of December 31	9.563 0.428	10.627 0.428	12.453 0.428

2. Loans from persons who may have conflict of interest

Related Parties	Transaction Type	Value of Transaction (Million Baht)		
		2018	2019	2020
Samart Corporation Plc.	Samart Digital Plc. borrowed money from Samart Corporation Plc. with interest and fees as agreed.			
A Major shareholder of Samart Digital Plc. with 82.70% stake owner	<u>Loan</u>			
<u>Related Directors</u>	Balance beginning the year	-	-	-
1. Mr. Charoenrath Vilailuck	Repayment during the year	-	-	-
2. Mr. Watchai Vilailuck	Additional during the year	-	-	322.305
	Balance at end of the year	-	-	322.305
	<u>Interest</u>			
	Balance beginning the year	-	-	-
	Interest for the year	-	-	4.808
	Interest paid during the year	-	-	-
	Balance at end of the year	-	-	4.808
	<u>Guarantee fee and others</u>	-	-	0.044

Summary of criteria for considering the connected transactions that may have conflict of interest

Necessity and Rationale of transactions

From consideration and review of the connected transactions as the above table, the Audit Committee expressed an opinion that the transactions are reasonable, beneficial and necessary for the Company's business operations with general trading conditions. The financial assistance transactions are fair and beneficial to the Company, and comply with the group's policy. The Company has operated in accordance with the Securities and Exchange Act and regulations, announcements or notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand as well as the Disclosure of Information concerning the Connected Transactions.

Measures and Steps of Approval for Connected Transactions

The Audit Committee will review the connected transactions to prevent conflict of interest and propose to the Board of Directors and Shareholders' meetings for approval respectively depended on conditions and values of transactions. Meanwhile, the directors, management and the stakeholders who have conflict of interest will not participate in approving such transactions. The approval on the connected transaction will be in accordance with the Securities and Exchange Act and the regulations, announcements or notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand as well as comply with the Disclosure of Information concerning the Connected Transactions and the Company's Articles of Association. Principles on entering into the normal business transactions with general trading conditions and without general trading conditions are as follows:

- Normal business transactions with general trading conditions**

Normal business transactions with general trading conditions that may occur in the future are required to have an approval in principle from the Board of Directors. The management can approve such transaction if it has trading conditions in the same manner that any person should do with general contracting parties in the same situation on the basis of bargaining power without any influence in their status as a director, executive or related person.

Additionally, the Company shall summarize such transactions and report at the meeting of the Audit Committee and the meeting of the Board of Directors on quarterly basis.

- **Normal business transactions without general trading conditions**

Normal business transactions without general trading conditions are required to have an opinion from the Audit Committee before proposing to the Board of Directors and/or the shareholders' meeting for further consideration. In addition, it must be complied with the Securities and Exchange Act as well as regulations, notifications, orders and requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand including the regulations on Disclosure of Information concerning the Connected Transactions and the Company's Articles of Association.

In the case where the Audit Committee does not have expertise in considering any connected transaction, the Company will appoint independent experts or the Company's auditor to express opinion on the transaction. The opinion will be proposed for consideration of the Audit Committee and/or the Board of Directors and/or shareholders, as the case may be, to ensure that the transaction is necessary and reasonable by taking into account the interests of the Company. Moreover, the Company shall disclose the connected transactions in the annual information disclosure form and the notes to the Company's audited/reviewed financial statement.

Policy and Trend in Future Connected Transactions

The Company may have any connected transaction as appropriate based on normal business conditions and can be referred the same transaction made with outside parties with the necessity and the maximized benefit to the Company. However, the Company will strictly comply with the Securities and Exchange Act and the regulations, announcements or notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand as well as the Disclosure of Information concerning the Connected Transactions and the Company's Articles of Association. In case of any future conflict of interest transaction, opinion from the Audit Committee on its necessity and appropriateness will be required and disclosed in the notes to the Company's audited/reviewed financial statement.

Management Discussion and Analysis

Financial Statements

Summary of financial positions and operating results of Samart Digital Public Company Limited and its subsidiaries are as follows:

(Unit: Million Baht)

Item	As of December 31		
	2018	2019	2020
Cash and cash equivalents	374	215	124
Account receivables - net	1,530	992	502
Inventories	0.2	105	102
Equipment - net	2,558	2,624	2,335
Total assets	5,926	5,328	4,392
Overdrafts, loans from financial institutions and lease liabilities	3,946	3,664	2,979
Long-term loans from related company	-	-	322
Trade and other payable	905	602	533
Total liabilities	4,909	4,479	3,897
Paid up capital	1,132	1,132	1,132
Retained earnings (Deficit)	(2,690)	(2,924)	(3,265)
Non-controlling interests of the subsidiaries	92	100	88
Shareholders' equity	1,017	849	495
Revenue from sales, services and contract work	743	999	637
Total revenues	770	1,120	659
Cost of sales, services and contract work	726	812	585
Selling and Administrative expenses include other expenses	1,193	333	189
Finance Cost	222	222	173
Net profit (loss)	(1,596)	(233)	(354)
Earnings (loss) per share (Baht)	(0.19)	(0.02)	(0.03)
Cash flow from (used in) operating activities	487	827	446
Cash flow from (used in) investing activities	(1,003)	(687)	(153)
Cash flow from (used in) financing activities	647	(298)	(384)
Net increase (decrease) in cash and cash equivalents	131	(159)	(91)
Par value per share (Baht)	0.10	0.10	0.10
Ordinary shares outstanding (Million shares)	11,324.42	11,324.42	11,324.42
Weighted average number of ordinary shares (Million shares)	8,613.84	11,324.42	11,324.42
Book value per share (Baht)	0.09	0.07	0.04
Dividend per share (Baht)	-	-	-

Financial ratios of Samart Digital Public Company Limited and its subsidiaries are as follows:

Financial Ratio		As of December 31		
		2018	2019	2020
LIQUIDITY RATIO				
Current ratio	(Times)	0.63	0.51	0.56
Quick ratio ⁽¹⁾	(Times)	0.47	0.34	0.35
Cash turnover	(Times)	0.10	0.21	0.15
Account receivable turnover	(Times)	0.33	0.81	0.88
Average collection period	(Days)	1,084	444	409
Inventory turnover	(Times)	11.36	15.50	5.68
Average sale (inventory) period	(Days)	32	24	64
Account payable turnover	(Times)	13.45	16.72	5.65
Average payment period	(Days)	27	22	64
Cash cycle	(Days)	1,089	446	409
PROFITABILITY RATIO				
Gross profit margin ⁽²⁾	(%)	2.62	18.74	8.02
Operating profit margin ⁽³⁾	(%)	(154.52)	(2.30)	(8.05)
Other profit margin	(%)	3.14	2.35	3.40
Operating cash flow to profitability	(%)	(42.45)	(3,595.55)	(870.32)
Net profit margin	(%)	(207.33)	(21.28)	(52.04)
Return on equity	(%)	(230.70)	(28.47)	(59.32)
EFFICIENCY RATIO				
Return on assets	(%)	(25.94)	(4.24)	(7.06)
Return on fixed assets	(%)	(72.56)	(1.92)	(7.63)
Total asset turnover	(Times)	0.13	0.20	0.14
FINANCIAL POLICY RATIO				
Debt to equity ratio	(Times)	4.83	5.27	7.87
Interest coverage ratio	(Times)	4.36	4.71	4.34
Commitment coverage	(Times)	0.35	0.78	0.51
Dividend payout ratio	(%)	-	-	-

Remarks: ⁽¹⁾ Quick ratio was calculated by including restricted cash deposits.

⁽²⁾ Gross profit was calculated by including sales support revenue.

⁽³⁾ Operating profit was defined as earnings before tax and non-controlling interests of the subsidiaries.

Operation Overview

In 2020, the Company and subsidiaries reported total revenues of Baht 637 million, a decrease of Baht 362 million or 36.2% compared with 2019. Considering operating loss of 2020, the Company reported Baht 115 million, increased by Baht 90 million or 360.0% compared with 2019.

In accordance with operating loss, net loss of 2020 was Baht 343 million, an increase by Baht 105 million from the previous year, mainly resulted from decreasing in sales and service revenue of both Digital Network Segment and Digital Content Segment compared with 2019.

Results of Operation of the Company and Subsidiaries

Sales and service income including gross profit

(Unit: Million Baht)

	Digital Network		Digital Content		Total	
	2020	2019	2020	2019	2020	2019
Sales and service income	439	517	198	482	637	999
Cost of sales and services	(425)	(480)	(160)	(332)	(585)	(812)
Gross profit	14	37	38	150	52	187
Other income					22	122
Selling and Administrative expenses and other expenses					(189)	(334)
Finance income					1	2
Finance cost					(173)	(222)
Reversal of impairment loss on financial assets					63	-
Corporate income tax					(130)	12
Non-controlling interests of the subsidiaries					11	(5)
Net loss					(343)	(238)

Digital Network

Revenue of Digital Network Business, including selling and service income, was Baht 439 million, decreased by Baht 78 million or 15.1% compared with 2019. This was mainly decreased from installment of network communication equipment. Gross profit was Baht 14 million, a decrease of Baht 23 million or 62.1%.

Digital Content

Revenue of Digital Content Business was Baht 198 million, a decrease of Baht 284 million or 58.9% compared with 2019. Gross profit was Baht 38 million, a decrease of Baht 112 million or 74.7%. This was mainly from a decrease in revenue of mobile content. Furthermore, the execution of the Emergency Decree to control the Covid-19 pandemic had an effect on postpones Thai Premier league broadcasting, resulted in revenue of football broadcasting decreased from the previous year.

Other Income

Other income was Baht 22 million, representing 3.4% of total revenues in 2020, a decrease of Baht 100 million or 82.0% compared with the previous year. In 2019, revenue from reversal provision AR of Baht 105 million was presented at other income. By conducting financial reporting standards TFRS 9, revenue from reversal provision AR of Baht 82 million present at reversal of impairment loss on financial assets in the income statement for the year ended December 31, 2020.

Selling and Administration Expenses including Other Expenses

Selling and administration expenses including other expenses were Baht 189 million, a decrease of Baht 145 million or 43.4% compared with 2019. Regarding to restructuring organization in 2020, the Company manage to reduce employee expense by Baht 33 million. Comparing to 2019, depreciation of 2020 also decreased by Baht 24 million. It was due to fully depreciated certain equipment. Moreover, during 2019 the company reported a loss on change in value of investment held-for-sale of Baht 71 million. As a result, selling and administration expenses and other expenses decreased from the previous year.



Finance Cost

Finance cost was Baht 173 million, a decrease from 2019 of Baht 49 million, mainly resulted from decreasing in interest expense from bank loan and declining in interest rate.

Income Tax

Income tax expenses were totally Baht 130 million, an increase from 2019 of Baht 141 million. It was due to write-off deferred tax assets in 2020.

Financial Position**Assets**

As of December 31, 2020, total assets were Baht 4,392 million, a decrease of Baht 936 million or 17.6% compared with the end of 2019. Total current assets were Baht 1,115 million and total non-current assets were Baht 3,277 million, representing of 25.4% and 74.6% of total assets respectively.

Trade Receivables

As of December 31, 2020, trade receivables -net were Baht 502 million, a significant decrease of Baht 491 million or 49.4% compared with the end of 2019. This was primarily due to collection of trade accounts receivable.

Inventories

As of December 31, 2020, net inventories were Baht 102 million, significantly decreased by Baht 3 million compared with the end of 2019. This was mainly contributed by the decrease in finished goods.

Other Current Assets

As of December 31, 2020, other current assets were Baht 388 million, a decrease of Baht 229 million or 37.2% compared with the end of 2019, the outstanding balances were mainly advance for purchase of equipment for new projects and input tax refundable.

Non-Current Assets

As of December 31, 2020, non-current assets were Baht 3,277 million, representing 74.6% of total assets. Comparing December 31, 2019, non-current asset at the end of 2020 decreased by Baht 116 million or 3.4%. The decrease was mainly contributed by fully depreciated equipment during the year.

Liquidity

As of December 31, 2020, cash and cash equivalents were Baht 124 million, a decrease of Baht 91 million or 42.4% compared with the end of 2019. Sources and uses of fund are as follows:

- Net cash flows from operating activities of Baht 446 million was mainly attributed to collection of trade receivables.
- Net cash flows use in investing activities of Baht 153 million was mainly attributed to cash paid for acquisition of equipment in Digital Trunked Radio System project (DTRS).
- Net cash flows use in financing activities of Baht 384 million was mainly attributed to repayment of loans from financial institutions and financial lease agreements.

Compared with 2019, the Company's liquidity ratio increased from 0.51 times to 0.56 times and quick ratio increased from 0.34 times to 0.35 times while cash turnover decreased from 0.21 times to 0.15 times.

Sources of Funds

As of December 31, 2020, total shareholders' equity was Baht 495 million, a decrease of Baht 354 million or 41.7% compared with the end of 2019.

Total liabilities as of December 31, 2020 were Baht 3,897 million, decreased Baht 582 million or 13.0% compared with the end of 2019. Total liabilities consist of current liabilities of Baht 1,996 million, and non-current liabilities of Baht 1,901 million, representing 45.4% and 43.3% of total assets respectively. Major components are as follows:

- Bank overdrafts, loans from financial institutions and lease liabilities were totally Baht 2,979 million, representing 76.4% of total liabilities or 67.8% of total assets, a considerable decrease of Baht 685 million or 18.7% compared with the end of 2019.
- Long-term loans from related company were Baht 322 million, representing 8.3% of total liabilities or 7.3% of total assets.
- Trade payables and other payables were Baht 533 million, representing 13.7% of total liabilities or 12.1% of total assets, decreased by Baht 69 million or 11.5% compared with the end of 2019, mainly caused by a decrease in other payables.
- Short-term loans were Baht 22 million, representing 0.6% of total liabilities or 0.5% of total assets, equivalent to the end of 2019.

Regarding above liabilities and shareholders' equity, the Company's debt to equity ratio increased from 5.27 times to 7.87 times in 2020.

Report of the Board of Directors' Responsibilities for the Financial Reports

The Company's Board of Directors is responsible for the financial statements of Samart Digital Public Company Limited and the consolidated financial statements of the Company and its subsidiaries as well as the information that appears in the Annual Report. The financial statements are prepared in accordance with Thai Financial Reporting Standards. Appropriate accounting policies have used and practiced regularly. Careful consideration and best estimates have made with sufficient disclosure of information in the notes to the financial statements. This is to ensure transparency and benefits to the shareholders and investors.

The financial statements of Samart Digital Public Company Limited and its consolidated financial statements were audited by EY Office Limited, the Company's auditor. During the audit, the Board of Directors supported the auditor with various information and documents so that the auditor could audit and express its opinions according to the accounting standards. The opinions of the auditor appear in the Report of Independent Auditor in this Annual Report.

In this regard, the Board of Directors had appointed the Audit Committee of which comprised 3 independent directors with qualification according to the SET and the SEC regulations and notification for being the Audit Committee's members to examine the accounting policies and the quality of the financial reports as well as the internal control and internal audit systems. The opinions of the Audit Committee on these matters appear in the Report of the Audit Committee in this Annual Report.

The Board of Directors has provided for and maintained appropriate and effective internal control system to obtain reasonable assurance that the accounting information is accurate, complete and sufficient to maintain the Company's assets and to prevent fraud or significant unusual transactions.

The Board of Directors was of the opinion that the overall internal control system of the Company was at a satisfactory level. The financial statements of Samart Digital Public Company Limited and its consolidated financial statement as of December 31, 2020 was creditable presentation in accordance with Thai Financial Reporting Standards and compliance with related laws and regulations.



(Mr. Watchai Vilailuck)

Director

Samart Digital Public Company Limited



(Mr. Wongkrit Jiamsripong)

Director

Samart Digital Public Company Limited

Independent Auditor's Report

To the Shareholders of Samart Digital Public Company Limited

Opinion

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Samart Digital Public Company Limited and its subsidiaries and of Samart Digital Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

I draw attention to Note 1.2 to the financial statements regarding the ability of the Group to continue as a going concern. The Group has had operating losses for a number of consecutive years and as at 31 December 2020 the Group's total current liabilities exceeded total current assets by Baht 881 million (The Company only: Baht 1,164 million) and it had deficit of Baht 3,309 million. In addition, there is an uncertainty of the changing current circumstances that may affect the trade accounts receivable and deferred tax assets. The Company has a new business under the expertise and experience of the Company which are awaiting the approval and the major shareholder has still provided the support to the Group. Management therefore believes that the Group will be able to continue as a going concern.

Additionally, Note 1.3 to the financial statements, currently a second wave of the COVID-19 pandemic has slowed down to the economic recovery and adversely impacting most businesses and industries including the Group's business activities in terms of delay in commence of new projects and decrease or suspended of the provision of service, and this is significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future, including compliance with debt covenants. The Group's management has continuously monitored ongoing developments and is evaluating the impact on the financial statements. The impact is subject to changes in circumstances in the future.

In addition, Note 42 to the financial statements, regarding the improvement of the situation and the compliance with the regulations of the Stock Exchange of Thailand in the event that the Company's securities will be marked with "C" (Caution) sign.

The above circumstances indicate that there are significant uncertainties which may raise substantial doubt about the Group's ability to continue as a going concern. This will depend on the approval of new business and the success of plans to improve future operations, including the impact of the COVID-19 Pandemic. My opinion is not qualified in respect of these matters.

Emphasis of matters

I draw attention to the following notes to the financial statements:

- a) Note 38.6 to the financial statements regarding a dispute relating to breach of contract with respect to 3G mobile network service trial project with an organisation. A subsidiary filed a claim claiming compensation from such organisation with the Civil Court since October 2018, and in 2020 such organisation filed a suit against the Company and the subsidiary with the Central Administrative Court demanding payments of fees and interest there on. However, in October 2020, the Company and the subsidiary filed a petition against the jurisdiction with the Central Administrative Court. The Company, the subsidiary and their legal advisor are preparing the documents to file the amended claim with the Central Administrative Court. According to the opinion of the Group's legal advisor, the Group's management still believes that the adverse impact arising from this dispute will not be significant. Therefore as at 31 December 2020, the Group has not set up additional provision in their accounts. At present, the outcome of this dispute has not been finalised and depends on future legal proceedings.
- b) Note 7 to the financial statements, significant business transactions with the related parties, relevant to sales and provision of services, purchase of equipment and loans. Such transactions have been conducted on the terms and basis mutually agreed by Samart Digital Public Company Limited and those related parties.

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Allowance for expected credit losses of trade accounts receivable

As at 31 December 2020, the Group had significant balances of trade accounts receivable (accounting for 11% and 19% of total assets in the consolidated and separate financial statements, respectively). Determining the net realisable value of trade accounts receivable, as disclosed in Note 5.16, 6.2 and 9 to the financial statements, requires significant judgement of management, particularly with regard to the estimated losses that may be incurred from uncollectible debts when debtors are unable to pay, and the timing of such recognition. This impacts the amounts of allowance for expected credit losses of trade accounts receivable to be set aside. I therefore gave significant attention to allowance for expected credit losses of trade accounts receivable.

I assessed and gained an understanding of the internal controls of the Group relevant to the determination of allowance for expected credit losses of trade accounts receivable by making enquiry of the responsible executives, gaining an understanding of the basis applied in determining the allowance for expected credit losses and reviewing the consistency of the application. I also reviewed the debtor aging analysis report, tested the correctness of aging therein and, for long outstanding debts, considered the credit terms given and assessed collectability by taking into account historical debt collection experience. Moreover, I analysed financial information of debtor to assess the financial status of major and long outstanding trade accounts receivable, considered subsequent collections after the period-end date, tested the calculation of the allowance for expected credit losses according to the policy set by the management, and enquired about the rationale for the recording of specific allowances. I also considered the reasonableness and adequacy of the allowance for expected credit losses of trade accounts receivable.

Deferred tax

The Group has disclosed its accounting policy and details relating to deferred tax in Notes 5.15, 6.6 and 34 to the financial statements. A deferred tax asset is recognised when it is highly probable that the Group's taxable profit will be sufficient to allow utilisation of the deferred tax assets in the future. Determining whether there will be sufficient future taxable profit to utilise temporary differences or taxable losses requires significant management judgement with respect to preparation of business plans and projections of future taxable profit based on approved business plans. There is a risk with respect to the amount of deferred tax assets. I therefore gave significant attention to deferred tax.

I assessed and gained an understanding of the key related controls over the preparation and approval of the estimates of future taxable profit for the purposes of deferred tax asset recognition by making enquiry of responsible executives, and gaining an understanding of the Group's designed controls. I assessed the estimates of future taxable profit by checking the required information and key economic assumptions used in the projections against information from both internal and external sources, with particular consideration given to information and assumptions that directly affect revenue growth and gross profit margin. Furthermore, I performed comparative analysis based on industry information from external sources, and compared past profit projections with actual taxable profits to assess the exercise of management judgement in estimating taxable profits. I also tested the calculation of future taxable profit based on the above information and assumptions, and considered the effects of changes to key assumptions on the projected future taxable profits, especially in respect of long-term revenue growth. In addition, I reviewed the disclosure of information regarding temporary differences and unused tax losses for which deferred tax assets were not recognised by the Company.

Compliance with loan covenants

As disclosed in Note 24 to the financial statements, as at 31 December 2020 the Company has long term loan amounting to Baht 2,842 million. Under the loan agreements, the Company has to comply with certain conditions including maintaining financial ratios as stipulated in the agreements. As the long term loan has significant balances in the financial statements (accounting for 73% and 69% of total liabilities in the consolidated and separate financial statements, respectively), there is a risk that the Company could not comply with the certain conditions or maintain financial ratios in accordance with the loan covenants. This could result in the loan becoming payable on demand and reclassification from non-current liabilities to current liabilities and also the going concern of the Company.

I have checked the condition and loan covenants as stipulated in the agreements and tested the correctness of the calculation of financial ratios whether they were complied with the loan covenants. I have inquired with the management regarding the process for tracking the condition and loan covenants as well as the process of the waiver in case of breaching the loan covenants. In addition, I have reviewed the appropriateness of the classification of loans and assessed the adequacy of information disclosed in notes to the financial statements with respect to the compliance with the loan covenants, as well as the appropriateness of the going concern basis used in preparing the financial statements of the Company.

Revenue recognition

The Group has disclosed its policies on revenue recognition from sales and service income in Note 5.1 to the financial statements. Sales and service income represent significant amounts in the financial statements and directly affect profit or loss of the Group. In addition, the Group has entered into agreements with customers and there are a variety of conditions, pertaining to matters. I therefore gave significant attention to revenue recognition of the Group.

I examined the Group's revenue recognition by assessing and testing the Group's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. On a sampling basis, I selected sales and service agreements, examined supporting documents for sales transactions occurring during the year and near the end of the accounting period, and reviewed credit notes that the Group issued after the period-end. I also performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Information

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

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

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

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

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

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

In preparing the financial statements, management is responsible for assessing the 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 Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

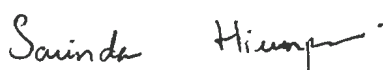
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting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

I am responsible for the audit resulting in this independent auditor's report.



Sarinda Hirunprasurtwutti

Certified Public Accountant (Thailand) No. 4799

EY Office Limited

Bangkok: 23 February 2021

Financial Statements

Samart Digital Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Assets					
Current assets					
Cash and cash equivalents	8	123,562,471	214,647,827	40,644,018	95,295,751
Temporary investments	12.1	-	1,401,066	-	1,401,066
Investment held-for-sale	13	-	4,955,566	-	-
Trade and other receivables	7, 9	501,575,427	992,195,404	484,576,862	939,526,974
Short-term loans	7, 10	-	-	120,961,484	109,939,934
Inventories	11	101,763,424	104,517,639	101,621,109	104,146,769
Other current financial assets	12	246,000	-	246,000	-
Other current assets	14	387,664,774	617,125,602	332,756,405	420,885,950
Total current assets		1,114,812,096	1,934,843,104	1,080,805,878	1,671,196,444
Non-current assets					
Restricted bank deposits	8, 15	102,852,253	103,594,260	102,852,253	103,594,260
Other non-current financial assets	12	21,806,267	-	18,885,127	-
Available-for-sale investments	12.2	-	15,300,000	-	15,300,000
Investments in subsidiaries	16	-	-	692,336,994	734,626,263
Equipment	17	2,334,859,009	2,623,615,665	2,300,687,552	2,340,702,616
Right-of-use assets	25	189,511,476	-	5,054,816	-
Goodwill	18	59,323,000	59,323,000	-	-
Intangible assets	19	94,732,454	101,713,323	-	-
Deferred tax assets	34	352,197,692	479,716,914	328,859,418	446,398,921
Other non-current assets		122,065,415	10,334,355	-	6,466,028
Total non-current assets		3,277,347,566	3,393,597,517	3,448,676,160	3,647,088,088
Total assets		4,392,159,662	5,328,440,621	4,529,482,038	5,318,284,532

The accompanying notes are an integral part of the financial statements.

Samart Digital Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	20	6,000,000	2,290,040,000	-	2,255,040,000
Trade and other payables	7, 21	533,262,141	602,299,844	402,551,926	440,191,233
Short-term loans	7, 22	22,140,000	22,140,000	493,000,000	493,000,000
Current portion of long-term loans from financial institutions	24	1,329,761,807	635,735,844	1,329,761,807	635,735,844
Current portion of liabilities under hire purchase and finance lease agreements	7, 25	-	74,448,487	-	-
Current portion of lease liabilities	7, 25	81,035,829	-	375,506	-
Income tax payable		324,702	494,030	-	-
Unearned revenue		19,386,252	158,276,835	17,407,712	156,403,667
Other current liabilities		3,629,599	6,192,908	1,685,215	2,623,666
Total current liabilities		1,995,540,330	3,789,627,948	2,244,782,166	3,982,994,410
Non-current liabilities					
Long-term loans from related company	23	322,305,000	-	322,305,000	-
Long-term loans from financial institutions, net of current portion	24	1,511,765,341	540,540,000	1,511,765,341	540,540,000
Liabilities under hire purchase and finance lease agreements, net of current portion	7, 25	-	122,812,317	-	-
Lease liabilities, net of current portion	7, 25	50,348,761	-	5,006,844	-
Provision for long-term employee benefits	26	16,856,486	26,140,912	6,101,472	12,552,795
Liabilities for investment in subsidiaries under equity method	16	-	-	32,643,831	32,878,975
Total non-current liabilities		1,901,275,588	689,493,229	1,877,822,488	585,971,770
Total liabilities		3,896,815,918	4,479,121,177	4,122,604,654	4,568,966,180

The accompanying notes are an integral part of the financial statements.

Samart Digital Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital	27				
Registered					
15,400,875,000 ordinary shares of Baht 0.1 each		1,540,087,500	1,540,087,500	1,540,087,500	1,540,087,500
Issued and fully paid-up					
11,324,423,218 ordinary shares of Baht 0.1 each		1,132,442,322	1,132,442,322	1,132,442,322	1,132,442,322
Share premium		2,615,286,678	2,615,286,678	2,615,286,678	2,615,286,678
Deficit on changes in percentage of shareholding in subsidiary		(206,369)	(206,369)	(206,369)	(206,369)
Retained earnings					
Appropriated - statutory reserve	28	44,400,000	44,400,000	44,400,000	44,400,000
Unappropriated (deficit)		(3,309,165,247)	(2,968,644,279)	(3,309,165,247)	(2,968,644,279)
Other components of shareholders' equity		(75,880,000)	(73,960,000)	(75,880,000)	(73,960,000)
Equity attributable to owners of the Company		406,877,384	749,318,352	406,877,384	749,318,352
Non-controlling interests of the subsidiaries		88,466,360	100,001,092	-	-
Total shareholders' equity		495,343,744	849,319,444	406,877,384	749,318,352
Total liabilities and shareholders' equity		4,392,159,662	5,328,440,621	4,529,482,038	5,318,284,532

The accompanying notes are an integral part of the financial statements.

Samart Digital Public Company Limited and its subsidiaries
Income statement
For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Revenues					
Sales		410,770,443	399,663,193	410,112,108	417,464,430
Service income	29	225,862,659	478,596,213	3,473,689	1,573,205
Revenue from contract work		-	120,627,692	-	79,365,223
Other income	30	22,401,387	121,508,413	17,709,814	127,675,669
Total revenues		659,034,489	1,120,395,511	431,295,611	626,078,527
Expenses	31				
Cost of sales		377,879,739	352,612,443	377,521,327	371,133,635
Cost of services		207,707,515	349,885,354	22,715,457	14,288,189
Cost of contract work		-	109,218,898	-	66,954,568
Selling and distribution expenses		47,779,284	56,850,198	33,991,387	35,866,821
Administrative expenses		139,123,986	204,892,543	84,957,217	113,516,482
Other expenses	32	1,487,978	71,530,208	1,250,714	417,600
Total expenses		773,978,502	1,144,989,644	520,436,102	602,177,295
Operating profit (loss)		(114,944,013)	(24,594,133)	(89,140,491)	23,901,232
Share of loss from investments in subsidiaries	16	-	-	(48,836,880)	(72,650,325)
Finance income		867,504	1,606,172	13,165,977	14,166,129
Finance cost	33	(173,239,060)	(221,951,055)	(163,828,191)	(208,831,534)
Reversal of impairment loss on financial assets	9	62,844,485	-	63,128,439	-
Loss before income tax income (expenses)		(224,471,084)	(244,939,016)	(225,511,146)	(243,414,498)
Income tax income (expenses)	34	(129,993,133)	11,476,542	(117,428,978)	5,024,001
Loss for the year		(354,464,217)	(233,462,474)	(342,940,124)	(238,390,497)
Earnings (loss) attributable to:					
Equity holders of the Company		(342,940,124)	(238,390,497)	(342,940,124)	(238,390,497)
Non-controlling interests of the subsidiaries		(11,524,093)	4,928,023		
		(354,464,217)	(233,462,474)		
Basic loss per share	35				
Loss attributable to equity holders of the Company		(0.03)	(0.02)	(0.03)	(0.02)
Weighted average number of ordinary shares (shares)		11,324,423,218	11,324,423,218	11,324,423,218	11,324,423,218

The accompanying notes are an integral part of the financial statements.

Samart Digital Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Loss for the year		(354,464,217)	(233,462,474)	(342,940,124)	(238,390,497)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Profit on changes in value of available-for-sale investments		-	2,683,008	-	2,683,008
Reclassification of loss on change in value of disposed available-for-sale investments to profit or loss		-	71,112,607	-	71,112,607
Income tax effect	34	-	(14,759,123)	-	(14,759,123)
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of tax		-	59,036,492	-	59,036,492
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain	26	3,010,647	7,621,974	3,023,945	- 4,996,699
Income tax effect	34	(602,130)	(1,528,435)	(604,789)	(1,003,380)
		2,408,517	6,093,539	2,419,156	3,993,319
Loss on changes in value of equity investments designated at fair value through other comprehensive income		(2,400,000)	-	(2,400,000)	-
Income tax effect	34	480,000	-	480,000	-
		(1,920,000)	-	(1,920,000)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		488,517	6,093,539	499,156	3,993,319
Other comprehensive income for the year		488,517	65,130,031	499,156	63,029,811
Total comprehensive loss for the year		(353,975,700)	(168,332,443)	(342,440,968)	(175,360,686)
Total comprehensive income attributable to:					
Equity holders of the Company		(342,440,968)	(175,360,686)	(342,440,968)	(175,360,686)
Non-controlling interests of the subsidiaries		(11,534,732)	7,028,243		
		(353,975,700)	(168,332,443)		

The accompanying notes are an integral part of the financial statements.

Samart Digital Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
	(Deficit) Surplus on changes in percentage of shareholding in subsidiary	Share premium	Retained earnings	Other components of shareholders' equity				Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated (deficit)	Fair value reserve	Total other components of shareholders' equity			
Issued and paid-up share capital										
1,132,442,322	569,584	2,615,286,678	44,400,000	(2,734,247,101)	(132,996,492)	-	(132,996,492)	925,454,991	91,896,896	1,017,351,887
-	-	-	-	(238,390,497)	-	-	-	(238,390,497)	4,928,023	(233,462,474)
-	-	-	-	3,993,319	59,036,492	-	59,036,492	63,029,811	2,100,220	65,130,031
-	-	-	-	(234,397,178)	59,036,492	-	59,036,492	(175,360,686)	7,028,243	(168,332,443)
-	(775,953)	-	-	-	-	-	-	(775,953)	1,075,953	300,000
1,132,442,322	(206,369)	2,615,286,678	44,400,000	(2,968,644,279)	(73,960,000)	-	(73,960,000)	749,318,352	100,001,092	849,319,444
1,132,442,322	(206,369)	2,615,286,678	44,400,000	(2,968,644,279)	(73,960,000)	-	(73,960,000)	749,318,352	100,001,092	849,319,444
-	-	-	-	-	73,960,000	(73,960,000)	-	-	-	-
1,132,442,322	(206,369)	2,615,286,678	44,400,000	(2,968,644,279)	-	(73,960,000)	(73,960,000)	749,318,352	100,001,092	849,319,444
-	-	-	-	(342,940,124)	-	-	-	(342,940,124)	(11,524,093)	(354,464,217)
-	-	-	-	2,419,156	-	-	(1,920,000)	499,156	(10,639)	488,517
-	-	-	-	(340,520,968)	-	-	(1,920,000)	(342,440,968)	(11,534,732)	(353,975,700)
1,132,442,322	(206,369)	2,615,286,678	44,400,000	(3,309,165,247)	-	-	(75,880,000)	406,877,384	88,466,360	495,343,744

The accompanying notes are an integral part of the financial statements.



(Unit: Baht)

The accompanying notes are an integral part of the financial statements.

Samart Digital Public Company Limited and its subsidiaries
Statement of cash flows
For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Cash flows from operating activities					
Loss before tax		(224,471,084)	(244,939,016)	(225,511,146)	(243,414,498)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:					
Unrealised loss on exchange		5,951,046	1,171,171	5,951,046	1,171,171
Loss on change in value of temporary investments in trading securities	12.1	-	417,600	-	417,600
Reversal of loss on change in value of disposed available-for-sale investment to profit or loss		-	71,112,607	-	-
Gain on change in value of other current financial assets	12.1	(60,000)	-	(60,000)	-
Loss on change in fair value of forward exchange contracts		-	308,086	-	308,086
Write-off trade accounts receivable		38,570	-	38,570	-
Allowance for expected credit losses					
- trade accounts receivable	9	(61,066,372)	(104,614,532)	(61,350,326)	(103,500,295)
Allowance for diminution in value of other receivables (reversal)	9	(1,478,785)	7,118,332	(1,478,785)	90,043
Allowance for diminution in value of deposit		-	(330,826)	-	(330,826)
Reversal in reduction cost of inventory to net realisable value	11	(19,284,960)	(262,840,523)	(19,052,356)	(261,613,422)
Write-off withholding tax deducted at sources	14.1	187,507	464,338	-	266
Allowance for diminution in value of other non-current financial assets		(299,329)	-	(299,329)	-
Share of loss from investments in subsidiaries	16.2	-	-	48,836,880	72,650,325
Gain on disposal of other current financial assets	12.1	(252,414)	-	(252,414)	-
Gain on disposal of equipment	30	(3,487,331)	(347,075)	(1,207,091)	(297,672)
Gain on disposal of intangible assets		(5,502,911)	-	-	-
Allowance for impairment of equipment (reversal)		49,678	(117,347)	(76)	(117,347)
Transfer equipment to expenses		-	1,603,018	-	1,603,018
Depreciation of equipment	17	131,464,734	177,517,596	93,630,505	106,811,980
Depreciation of right-of-use assets	25.1	29,860,714	-	606,578	-
Amortisation of equipment	32	533,048	25	533,048	9
Amortisation of intangible assets	19	14,823,004	9,796,410	-	-
Amortisation of deferred interests under lease agreements	25.1	11,884,207	7,922,608	286,968	-

The accompanying notes are an integral part of the financial statements.

Samart Digital Public Company Limited and its subsidiaries
Statement of cash flows (continued)
For the year ended 31 December 2020

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
Note		2020	2019	2020	2019
Cash flows from operating activities (continued)					
Increase (decrease) in provision for					
long-term employee benefits	26	(2,940,445)	9,862,450	(165,363)	3,305,152
Interest income	30	(867,504)	(1,606,172)	(13,165,977)	(14,166,129)
Interest expenses	33	160,277,532	204,069,084	162,752,061	207,028,131
Profit (loss) from operating activities before changes					
in operating assets and liabilities		35,358,905	(123,432,166)	(9,907,207)	(230,054,408)
Operating assets (increase) decrease					
Trade and other receivables		553,126,563	635,525,407	523,471,459	605,269,891
Inventories		23,007,164	257,784,317	22,546,005	256,692,654
Other current assets		88,710,965	94,297,149	79,353,892	54,829,097
Other non-current financial assets		1,727,417	-	780,230	-
Other non-current assets		-	5,533,561	-	3,688,259
Operating liabilities increase (decrease)					
Trade and other payables		25,217,543	(19,961,110)	47,395,402	59,992,142
Other current liabilities		(141,453,892)	152,711,031	(139,934,406)	156,507,487
Other non-current liabilities		-	(42,578)	-	-
Cash flows from operating activities		585,694,665	1,002,415,611	523,705,375	906,925,122
Proceeds from disposal of other non-current					
financial assets	12.1	1,467,480	-	1,467,480	-
Proceeds from disposal of investment held-for-sale	13	4,955,566	-	-	-
Cash paid for interest expenses		(155,515,421)	(204,243,167)	(154,647,133)	(202,089,062)
Cash paid for income tax		(10,958,347)	(26,040,016)	(455,048)	(4,836,215)
Cash received from withholding tax refundable	14.1	20,240,175	54,411,336	1,343,457	2,845,473
Net cash flows from operating activities		445,884,118	826,543,764	371,414,131	702,845,318
Cash flows from investing activities					
Cash paid to provide short-term loans to related parties	7	-	-	(12,000,000)	(31,500,000)
Cash received from repayment of short-term					
loans to related parties	7	-	-	500,000	-
Cash received for interest income	30	867,504	1,606,172	1,187,921	1,978,779
Decrease in restricted bank deposits	8	742,007	570,279	742,007	570,279
Cash paid for acquisition of equipment		(152,207,497)	(654,170,013)	(149,708,834)	(681,591,082)
Cash paid for acquisition of intangible assets		(13,637,542)	(35,651,858)	-	-
Proceeds from disposal of equipment		3,669,521	530,700	1,262,750	429,451
Proceeds from disposal of intangible assets		7,500,000	-	-	-
Net cash flows used in investing activities		(153,066,007)	(687,114,720)	(158,016,156)	(710,112,573)

The accompanying notes are an integral part of the financial statements.

Samart Digital Public Company Limited and its subsidiaries
Statement of cash flows (continued)
For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Cash flows from financing activities					
Decrease in bank overdrafts	20	-	(131,860)	-	-
Proceeds from short-term loans from banks	20	9,000,000	74,000,000	-	-
Cash paid to settle short-term loans from banks	20	(78,980,000)	(239,220,000)	(40,980,000)	(150,220,000)
Repayment of long-term loans from financial institutions	24	(548,808,696)	(69,149,289)	(548,808,696)	(69,149,289)
Proceeds from long-term loans from related parties	23	322,305,000	-	322,305,000	-
Repayment of liabilities under lease agreements		(87,419,771)	(64,196,042)	(566,012)	-
Change in shareholding percentage in subsidiaries		-	(775,953)	-	-
Increase in non-controlling interest of the subsidiaries from purchased additional ordinary share of subsidiary		-	1,075,953	-	-
Net cash flows use in financing activities		(383,903,467)	(298,397,191)	(268,049,708)	(219,369,289)
Net decrease in cash and cash equivalents		(91,085,356)	(158,968,147)	(54,651,733)	(226,636,544)
Cash and cash equivalents at beginning of year		214,647,827	373,615,974	95,295,751	321,932,295
Cash and cash equivalents at end of year		123,562,471	214,647,827	40,644,018	95,295,751
Supplemental disclosures of cash flows information					
Non-cash items for investing activities					
Transfer equipment to intangible assets		1,300,000	25,414,100	-	-
Transfer equipment to inventories		967,989	99,226,001	967,989	99,226,001
Transfer equipment to other current assets		1,437,500	-	-	-
Transfer equipment to right-of-use assets	25.1	209,712,840	-	-	-
Convert available-for-sale to investment held-for-sale	13	-	4,955,566	-	-
Non-cash items for financing activities					
Convert short-term loan to long-term loan	20	2,214,060,000	193,920,000	2,214,060,000	193,920,000

The accompanying notes are an integral part of the financial statements.

1. General information

1.1 Corporate information

Samart Digital Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company of the Group is Samart Corporation Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the distribution of telecommunications equipment and providing integrated business in digital network and solution. Its registered address is 99/2, Moo 4, Software Park Building, 34th Floor, Chaengwattana Road, Klong Gluar, Pak-kred, Nonthaburi.

1.2 Fundamental accounting assumptions

The Group has had operating losses for a number of consecutive years and as at 31 December 2020 the Group’s total current liabilities exceeded total current assets amounted to Baht 881 million (The Company only: Baht 1,164 million) and it had deficit amounted to Baht 3,309 million. The Company has a new business under the expertise and experience of the Company which are awaiting the approval and the major shareholder has still provided the support to the Group. Management therefore believes that the Group will be able to continue as a going concern and will finally receive approval of the new business. Therefore, the financial statements have been prepared under the going concern basis, in which assets and liabilities are recorded on a basis whereby the Group will be able to realise its assets and meet its obligations in the ordinary course of business.

1.3 Coronavirus disease 2019 Pandemic

A second wave of the COVID-19 pandemic has slowed down to the economic recovery and adversely impacting most businesses and industries including the Group’s business activities in terms of delay in commence of new projects and decrease or suspended of the provision of service, and this is significantly impacting the Group’s financial position, operating results, and cash flows at present, and is expected to do so in the future, including compliance with debt covenants. 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

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Samart Digital Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Subsidiaries directly held by the Company

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 Percent	2019 Percent
Samart Digital Media Co., Ltd.	Provision content services via audiotext and call center	Thailand	100	100
I-Mobile Plus Co., Ltd.	Temporarily ceased its business	Thailand	100	100
Zecureasia Co., Ltd.	Temporarily ceased its business	Thailand	100	100
Samart Mobile Services Co., Ltd.	Temporarily ceased its business	Thailand	97.4	97.4
SIM2ASSET Co., Ltd.	Temporarily ceased its business	Thailand	100	100
Thai Base Station Co., Ltd.	Provision space rental and other service and distribute telecommunication equipment and systems	Thailand	100	100

Indirect subsidiaries held by the Company's subsidiaries

Company's name	Nature of business	Country of incorporation	Percentage of indirect shareholding	
			2020 Percent	2019 Percent
Investments through Samart Digital Media Co., Ltd.				
I-Sport Co., Ltd.	Provision of information of sports via full option interactive multimedia	Thailand	50	50
Entertainment Tree Co., Ltd.	Production, sale and provision of all kinds of entertainment-related content through multiple channels	Thailand	61.87	61.87
Investments through I-Sport Co., Ltd.				
Siam Sport Television Co., Ltd.	Television media, sport license and sport-related business	Thailand	50	50

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group has been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

- g) In recording the acquisition of additional shares of subsidiaries (repurchase of shares from non-controlling interests) when the fair value of the net assets acquired is higher than the cost of the investment the difference has been presented in shareholders' equity under the caption of "Surplus (deficit) on change in percentage of shareholding in subsidiary".

2.3 The separate financial statements present investments in subsidiaries under the equity method.

3 New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The cumulative effect of the change is described in Note 4.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The cumulative effect of the change is described in Note 4.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic

The Federation of Accounting Professions announced Accounting Treatment Guidance on "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 22 April 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 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to measurement of expected credit losses using a simplified approach, impairment of assets and goodwill, reversal of deferred tax assets and provisions.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, provisions and contingent liabilities. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of statement of financial position of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2019	The impacts of		1 January 2020
		Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Temporary investments	1,401	(1,401)	-	-
Other current financial assets	-	1,401	-	1,401
Non-current assets				
Other non-current financial assets	-	25,634	-	25,634
Available-for-sale investments	15,300	(15,300)	-	-
Equipment	2,623,616	-	(209,713)	2,413,903
Right-of-use assets	-	-	219,372	219,372
Other non-current assets	10,334	(10,334)	-	-

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2019	The impacts of		1 January 2020
		Financial reporting standards related to financial instruments	TFRS 16	
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under hire purchase and finance lease agreements	74,448	-	(74,448)	-
Current portion of lease liabilities	-	-	75,535	75,535
Non-current liabilities				
Liabilities under hire purchase and financial lease agreements, net of current portion	122,812	-	(122,812)	-
Lease liabilities, net of current portion	-	-	131,384	131,384

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2019	The impacts of		1 January 2020
		Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Temporary investments	1,401	(1,401)	-	-
Other current financial assets	-	1,401	-	1,401
Non-current assets				
Other non-current financial assets	-	21,766	-	21,766
Available-for-sale investments	15,300	(15,300)	-	-
Right-of-use assets	-	-	5,661	5,661
Other non-current assets	6,466	(6,466)	-	-
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	279	279
Non-current liabilities				
Lease liabilities, net of current portion	-	-	5,382	5,382

4.1 Financial instruments

The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			Total
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	
Financial assets as at 1 January 2020					
Cash and cash equivalents	214,648	-	-	214,648	214,648
Other current financial assets	1,401	1,401	-	-	1,401
Investment held-for-sale	4,955	4,955	-	-	4,955
Trade and other receivables	992,195	-	-	992,195	992,195
Restricted bank deposits	103,594	-	-	103,594	103,594
Other non-current financial assets	25,634	-	15,300	10,334	25,634
Total financial assets	1,342,427	6,356	15,300	1,320,771	1,342,427



(Unit: Thousand Baht)

	Separate financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			Total
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	
Financial assets as at 1 January 2020					
Cash and cash equivalents	95,296	-	-	95,296	95,296
Other current financial assets	1,401	1,401	-	-	1,401
Trade and other receivables	939,527	-	-	939,527	939,527
Short-term loans to related parties	109,940	-	-	109,940	109,940
Restricted bank deposits	103,594	-	-	103,594	103,594
Other non-current financial assets	21,766	-	15,300	6,466	21,766
Total financial assets	1,271,524	1,401	15,300	1,254,823	1,271,524

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss except derivative liabilities of which fair value is Baht 0.31 million (Separate financial statements: Baht 0.31 million)

4.2 Leases

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	13,786	3,256
Less: Short-term leases and leases of low-value assets	(10,341)	(969)
Add: Option to extend lease term	11,443	7,146
Less: Contracts reassessed as service agreements	(2,910)	(2,099)
Less: Deferred interest expenses	(2,319)	(1,673)
Increase in lease liabilities due to TFRS 16 first time adoption	9,659	5,661
Liabilities under finance lease agreements as at 31 December 2019	197,260	-
Lease liabilities as at 1 January 2020	206,919	5,661
Weighted average incremental borrowing rate (percent per annum)	7.63	5.18
Comprise of:		
Current lease liabilities	75,535	279
Non-current lease liabilities	131,384	5,382
	206,919	5,661

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Transmission equipment	202,637	-
Right-of-use building space	9,659	5,661
Motor vehicles	7,076	-
Total right-of-use assets (Note 25)	219,372	5,661

5. Significant accounting policies

5.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service or recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual costs incurred up to the end of the period and total anticipated costs to be incurred to completion.

The obligation to transfer goods or services to a customer for which the Group has received consideration from the customer is presented under the caption of “Unearned revenue” in the statement of financial position. Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Inventories

Inventories are valued at the lower of average cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Reduce cost of inventories to net realisable value will be set up for old, obsolete, slow moving or deteriorated inventories.

5.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the equity method.

5.5 Equipment/Depreciation

Condominium and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of condominium and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Condominium	-	20 years
Network equipment and network improvement	-	5 years
Transmission equipment	-	5 - 10 years
Furniture, fixture and office equipment	-	3 - 10 years
Furniture of sound recording room	-	3 - 10 years
Motor vehicles	-	5 and 7 years

Depreciation is included in determining income.

No depreciation is provided on assets under installation.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.7 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	- 5 years and agreement term
Right for air time	- 5 years
Right for telecommunication tower service	- 10 years and agreement term

5.8 Business combinations and goodwill

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest, if any, in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and the services are received.

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in the profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's and its subsidiaries' cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

5.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Right-of-use building space	4 - 10	years
Transmission equipment	7 and 10	years
Motor vehicles	5 and 7	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the assets.

Leases of equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

5.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the condominium, equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

5.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Company's and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

Provision for vacation

The Group sets up provision for vacation which is calculated in accordance with the Group's policy and formula, taking into consideration the employee's salary, the number of service years and the unused vacation days.

5.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current income tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.16 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any

discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020**Trade accounts receivable**

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.

The fair value of marketable securities is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand. If the last bid price of the last working day of the year as quoted on the Stock Exchange of Thailand is not available, the basis used by the Group to determine the fair value of marketable securities is the amount for which an asset can be exchanged or liability settled between knowledgeable, willing parties in an arm's length transaction.

The weighted average method is used for computation of the cost of investments.

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending as the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.17 Derivatives

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

5.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

6.1 Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation.

6.2 Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

6.3 Reducing cost to net realisable value of inventories

Determining the reduce cost to net realisable value of inventories requires management to exercise judgement in term of estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business less the estimated additional costs to be incurred in preparing the inventory for sale; and reduce cost of inventories for obsolete, slow-moving and deteriorated inventories, and taking into account the approximate useful life of each type of inventory and current changes in technology.

6.4 Depreciation of equipment and right-of-use assets

In determining depreciation of equipment and right-of-use assets, the management is required to make estimates of the useful lives and residual values of the equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review impairment of equipment and right-of-use assets on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

6.5 Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

6.6 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6.7 Post-employment benefits under defined benefit plans

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.

6.8 Contingent liabilities

The Group Company have contingent liabilities as a result of claims for payment. The management has exercised judgement to assess the situation and believes that no liabilities will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

7. Related party transactions

During the years, the Group had significant business transactions with related parties, principally in respect of the purchase and sales of goods, and the provision of services and loans. Such transactions, which were summarised below, were concluded on terms and bases agreed upon between the Company and its related parties. The pricing policies for these related party transactions are summarised as follows:

1. Sales prices are determining at market price, if there is unknown market price, sales price will be determined at cost plus a margin not over 15 percent. However, the pricing policy is subject to change depending on the type of business and market competition at the time being.
2. Rental expenses are charged at the amount stated in the agreement.
3. Management service income is charged at the amount stated in the agreement.
4. Other service income and expenses are charged at a mutually agreed price.
5. Interest on loans to the subsidiary companies are charged at cost of fund plus 0.25 percent per annum.
6. Interest on loans from subsidiary companies are charged at average 12-month fixed deposit rate of the big five commercial banks plus 0.25 percent per annum.
7. Interest on loans from parent company is charged at fixed rate per annum.
8. IT service fees expenses to parent company are charged at the amount stated in the agreement which parent company sets based on cost plus a margin not over five percent.

9. Fixed assets are sold and purchased at their net book value plus a margin, depending on the condition of assets.
10. Guarantee fee is charged between the parties at a rate of 0.3 percent per annum.
11. Directors and management's benefit expenses are charged as approved by the shareholders' meeting or contractually agreed price.

Significant business transactions between the Company and its related parties were summarised below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Transactions with parent company				
Interest expenses	5	-	5	-
IT service fee expense	7	7	1	1
Rental and other expenses	4	8	3	3
Transactions with subsidiary companies (eliminated from the consolidated financial statements)				
Sales	-	-	-	20
Management fee income	-	-	8	9
Interest income	-	-	12	13
Interest expenses	-	-	3	5
Transactions with related companies				
Sales	17	17	17	17
Service income	32	44	-	-
Other income	5	5	5	5
Sale of equipment	1	-	1	-
Purchase of services	-	3	-	1
Purchase of equipment	14	48	14	44
Purchase of intangible assets	-	1	-	-
Rental and other expenses	8	9	4	5
Interest expenses	11	16	-	-

As at 31 December 2020 and 2019, the balances of the accounts between the Company and those related parties were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade accounts receivable - related parties (Note 9)				
Parent company	-	70	-	50
Subsidiary companies	-	-	5,370	5,409
Related companies (related by shareholder)	1,666	9,856	1,624	6,183
Total	1,666	9,926	6,994	11,642
Less: Allowance for expected credit losses (Note 16)	-	-	(5,370)	(5,373)
Total trade accounts receivable - related parties - net	1,666	9,926	1,624	6,269
Amounts due from and advance to related parties (Note 9)				
Parent company	4,765	49	4,760	47
Subsidiary companies	-	-	40,947	30,550
Related companies (related by shareholder)	517	530	466	528
Total	5,282	579	46,173	31,125
Less: Allowance for expected credit losses (Note 16)	-	-	(25,325)	(19,075)
Total amounts due from and advance to related parties - net	5,282	579	20,848	12,050
Trade accounts payable - related parties (Note 21)				
Subsidiary companies	-	-	-	36
Related companies (related by shareholder)	18	2,091	18	781
Total trade accounts payable - related parties	18	2,091	18	817
Amounts due to and advance from related parties (Note 21)				
Parent company	5,722	8,940	5,121	6,390
Subsidiary companies	-	-	9,761	6,455
Related companies (related by shareholder)	199,048	274,892	198,418	274,221
Total amounts due to and advance from related parties	204,770	283,832	213,300	287,066
Accrued expenses - related parties (Note 21)				
Related companies (related by shareholder)	11,649	-	11,649	-
Total accrued expenses - related parties	11,649	-	11,649	-
Lease liabilities				
Parent company	6,693	-	5,382	-
Related companies (related by shareholder)	122,805	194,226	-	-
Total	129,498	194,226	5,382	-
Less: Portion due within one year	(79,801)	(73,300)	(375)	-
Total lease liabilities - net of current portion	49,697	120,926	5,007	-

Short-term loans to related parties and short-term and long-term loans from related parties

As at 31 December 2020 and 2019, the balances of short-term and long-term loans between the Company and those related parties and the movement were as follows:

(Unit: Thousand Baht)

Short-term loans to related parties (Note 10)	Separate financial statements			
	Balance as at 31 December 2019	During the year		Balance as at 31 December 2020
		Increase	Decrease	
Subsidiary companies				
I-Mobile Plus Co., Ltd.	119,500	-	-	119,500
Zecureasia Co., Ltd.	2,000	-	-	2,000
SIM2ASSET Co., Ltd.	6,500	-	500	6,000
Thai Base Station Co., Ltd.	109,000	12,000	-	121,000
Total	237,000	12,000	500	248,500
Less: Allowance for expected credit losses (Note 16)	(127,060)			(127,539)
Short-term loans to related parties - net	109,940			120,961

(Unit: Thousand Baht)

Short-term loans from related parties (Note 22)	Separate financial statements			
	Balance as at 31 December 2019	During the year		Balance as at 31 December 2020
		Increase	Decrease	
Subsidiary company				
Samart Mobile Services Co., Ltd.	493,000	-	-	493,000
Total	493,000	-	-	493,000

(Unit: Thousand Baht)

Long-term loans from related parties (Note 23)	Consolidated/Separate financial statements			
	Balance as at 31 December 2019	During the year		Balance as at 31 December 2020
		Increase	Decrease	
Parent Company				
Samart Corporation Public Co., Ltd.	-	322,305	-	322,305
Total	-	322,305	-	322,305

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term employee benefits	9.7	10.4	9.7	10.4
Post-employment benefits	0.2	0.5	0.1	0.2
Total	9.9	10.9	9.8	10.6

Significant agreements with related parties

Service and management agreements

- In May 2020, the Company and Samart Digital Media Co., Ltd. a subsidiary company, entered into one-year information technology management agreements with Samart Corporation Public Co., Ltd., the parent company. The Group has to pay a monthly service fees totaling approximately Baht 0.5 million (Separate financial statements: Baht 0.1 million).
- In July 2020, the Group entered into the three-years facility service agreements with Samart Corporation Public Co., Ltd., the parent company, under which they have to pay monthly facility service fees at the rates stipulated in the agreements.

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 38.2.2 to the financial statements.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash	713	819	148	212
Bank deposits	225,701	317,424	143,348	198,679
Total cash and bank deposits	226,414	318,243	143,496	198,891
Less: Restricted bank deposits	(102,852)	(103,595)	(102,852)	(103,595)
Total cash and cash equivalents	123,562	214,648	40,644	95,296

As at 31 December 2020, bank deposits carried interests between 0.05 and 0.25 percent per annum (2019: between 0.05 and 0.75 percent per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade accounts receivable - related parties (Note 7)				
<i>Aged on the basis of due dates</i>				
Not yet due	43	9,864	-	6,171
Past due				
Up to 3 months	1,623	-	1,623	-
6 - 12 months	-	24	-	24
Over 12 months	-	38	5,371	5,447
Total	1,666	9,926	6,994	11,642
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts) (Note 16)	-	-	(5,370)	(5,373)
Total trade accounts receivable - related parties - net	1,666	9,926	1,624	6,269
Total trade accounts receivable - unrelated parties				
<i>Aged on the basis of due dates</i>				
Not yet due	10,637	80,867	363	61,489
Past due				
Up to 3 months	79,413	17,876	75,284	-
3 - 6 months	-	3,488	-	-
6 - 12 months	32,222	3,874	30,392	3,413
Over 12 months	2,390,495	2,953,461	2,388,464	2,952,014
Total	2,512,767	3,059,566	2,494,503	3,016,916
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(2,039,077)	(2,100,143)	(2,037,082)	(2,098,432)
Total trade accounts receivable - unrelated parties, net	473,690	959,423	457,421	918,484
Total trade accounts receivable - net	475,356	969,349	459,045	924,753
Other receivables				
Amounts due from and advance to related parties (Note 7)	5,282	579	46,173	31,125
Accrued service income	18,582	14,738	4,684	178
Other receivables - unrelated parties	9,383	14,692	-	2,680
Sales promotion receivables	1,987	3,331	1,987	3,331
Total	35,234	33,340	52,844	37,314
Less: Allowance for diminution in value of other receivables and sales promotion receivables	(9,015)	(10,494)	(1,987)	(3,465)
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts) (Note 16)	-	-	(25,325)	(19,075)
Total other receivables - net	26,219	22,846	25,532	14,774
Trade and other receivables - net	501,575	992,195	484,577	939,527

- a) Set out below is the movement in the allowance for expected credit losses of trade and other receivables:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
1 January 2020	2,110,637	2,126,345
Provision for expected credit losses	20,373	20,030
Amount written off	(679)	(679)
Amount recovered	(82,239)	(82,179)
Allowance for expected credit losses for subsidiaries	-	6,247
31 December 2020	2,048,092	2,069,764

- b) As at 31 December 2020, the balance of the Group' trade accounts receivable - unrelated parties that have been past due more than 12 months amounted to Baht 2,390 million (2019: Baht 2,953 million), and separate financial statements: Baht 2,388 million (2019: Baht 2,952 million).

During the year 2019, the Group had received repayments of approximately Baht 666 million (separate financial statements: Baht 665 million). As a result, net receivable as at 31 December 2019 was approximately Baht 853 million (separate financial statements: Baht 853 million).

During the year 2020, the Group had continually received repayments of approximately Baht 567 million (separate financial statements: Baht 567 million). As a result, net receivable as at 31 December 2020 was approximately Baht 351 million (separate financial statements: Baht 351 million).

The Group has evaluated and believed that they will receive repayments from debtors because they have been doing business together for a long time and the customers are trustworthy considering their continuing repayments. The Group has evaluated the accounts receivable collectability and believed that the allowance for expected credit losses, considering the current situation, as at 31 December 2020 was sufficient and appropriate and it would be able to collect the remaining debt after deducting the allowance for expected credit losses. Although the Group has evaluated and exercised its best estimate, there is still uncertainty about the changing situation, which is normal for future events that have not yet occurred.

- c) During the year 2020, the Company set aside an additional allowance for expected credit loss of Baht 20 million, (2019: nil). In addition, the Group had received repayments from some debtors which had already been set up fully allowance for expected credit losses in the past. The Group reversed allowance for expected credit losses amounted to Baht 82 million (2019: Baht 106 million) (separate financial statements: Baht 82 million (2019: Baht 104 million)) and recognised the allowance for expected credit losses and the reversal of allowance for expected credit losses, respectively in income statement for the year ended 31 December 2020.
- d) In addition, in 2020, the Group wrote-off trade accounts receivable and other receivables approximately Baht 2 million (2019: Baht 1 million) and separate financial statements: Baht 2 million (2019: Baht 1 million).

10. Short-term loans

(Unit: Thousand Baht)

	Separate financial statements	
	2020	2019
Short-term loans to related parties - subsidiary company (Note 7)	248,500	237,000
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts) (Note 16)	(127,539)	(127,060)
Total short-term loans - net	120,961	109,940

11. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2020	2019	2020	2019	2020	2019
Finished goods	141,266	144,874	(39,503)	(40,356)	101,763	104,518
Supplies	4,546	22,978	(4,546)	(22,978)	-	-
Total	145,812	167,852	(44,049)	(63,334)	101,763	104,518

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2020	2019	2020	2019	2020	2019
Finished goods	133,125	136,272	(31,504)	(32,125)	101,621	104,147
Supplies	4,546	22,978	(4,546)	(22,978)	-	-
Total	137,671	159,250	(36,050)	(55,103)	101,621	104,147

During the current year, the Group reversed the write-down of cost of inventories by Baht 19 million and reduced the amount of inventories recognised as expenses during the year (2019: Baht 263 million) (Separate financial statements: the Company reversed the write-down of cost of inventories by Baht 19 million and reduced the amount of inventories recognised as expenses during the year (2019: Baht 262 million)).

12. Other financial assets

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated financial statements	Separate financial statements
Financial assets at fair value through profit or loss (Note 12.1)		
Listed equity investment	246	246
Financial assets at fair value through other comprehensive income (Note 12.2)		
Listed equity investment	12,900	12,900
Financial assets at amortised cost		
Deposits	8,906	5,985
Total other financial assets	22,052	19,131
Current	246	246
Non-current	21,806	18,885
	22,052	19,131

12.1 Financial assets at fair value through profit or loss

Movements of the listed equity investment account were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements/Separate financial statements
Balance as at 31 December 2019	1,401
Decrease	
Proceeds from disposals of listed equity investments	(1,467)
Gain on disposals of listed equity investments	252
Total	(1,215)
Gain on change in value	60
Balance as at 31 December 2020	246

Temporary investments

As at 31 December 2019, the Company had temporary investments in trading securities as follows:

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements	
	2019	
	Cost	Fair value
Common stocks/Warrants	42,270	1,401
Less: Change in value	(40,869)	
Total temporary investments in trading securities	1,401	

Movements in the short-term investments in trading securities account during the years ended 31 December 2019 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements
	2019
Balance at beginning of year	1,819
Loss on change in value	(418)
Balance at end of year	1,401

12.2 Financial assets at fair value through other comprehensive income

Movements of listed equity investment account were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements
Net book value as at 31 December 2019	15,300
Loss on changes in value	(2,400)
Net book value as at 31 December 2020	12,900

Available-for-sale investments

As at 31 December 2019, the Group had available-for-sale investments as follows:

(Unit: Thousand Baht)

	2019		
	Consolidated financial statements/ Separate financial statements		
	No. of shares	Cost	Fair value
Common stock/Warrant			
Seven Utilities and Power Public Co., Ltd.	30,000	107,750	15,300
Total		107,750	15,300
Less: Change in value		(92,450)	
Total available-for-sale investments		15,300	

Movements of available-for-sale investments account during the years ended 31 December 2019 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	2019	2019
Net book value at beginning of the year	17,573	13,200
Gain (loss) on changes in value	2,683	2,100
Less: Convert to investment held-for-sale		
At cost	(76,068)	-
Reversal of loss on change in value (Note 31)	71,112	-
Total	(4,956)	-
Net book value at end of the year	15,300	15,300

On 30 October 2019, an Extraordinary Meeting of the shareholders of Siam Sport Syndicate Plc. passed a resolution to the delisting of such company's securities from the Stock Exchange of Thailand. The offer price of ordinary shares was at Baht 0.17 per share with offer period from 13 December 2019 to 18 February 2020.

The subsidiary's management approved to accept a tender offer to purchase all shares of Siam Sport Syndicate Plc.. As at 31 December 2019, the subsidiary company, therefore, has changed investment classification from available-for-sale investments to investments held for sale, and reversed unrealised loss on revaluation of fair value of available-for-sale securities amounting to Baht 71.1 million and recognised as impairment loss of investment in available-for-sale securities amount of Baht 71.1 million in the consolidated statement of comprehensive income for the year ended 31 December 2019.

13. Investment held-for-sale

Movements of the investment held-for-sale account were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
Balance as at 31 December 2019	4,955
Reversal of provision for diminution of investment (Note 12)	71,112
Decrease during the period	
Proceeds from disposals of investment	(4,955)
Loss on disposals of investment	(71,112)
Total	(76,067)
Balance as at 31 December 2020	-

14. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Advance for purchase of equipments	117,590	169,601	117,590	116,176
Input tax refundable	194,211	192,216	188,465	186,297
Advance for purchase of inventories	21,493	112,157	19,393	110,057
Prepaid expenses	4,052	73,898	1,480	1,487
Withholding tax deducted at sources (Note 14.1)	35,858	48,093	4,696	5,585
Undue input tax	10,725	17,125	1,121	1,219
Advance to employee	130	3,330	5	30
Others	5,469	2,569	1,869	1,898
Less: Allowance for diminution in value of other current assets	(1,863)	(1,863)	(1,863)	(1,863)
Total other current assets - net	387,665	617,126	332,756	420,886

14.1 Withholding tax deducted at sources

The balances of withholding tax deducted at sources as at 31 December 2020 and 2019, aged on years, were summarised below.

(Unit: Thousand Baht)

Year	Separate financial statements		financial statements	
	2020	2019	2020	2019
2011	226	226	-	-
2012	356	356	-	-
2014	2,398	2,398	-	-
2018	2,101	21,933	-	749
2019	22,584	23,180	4,241	4,836
2020	8,193	-	455	-
Total	35,858	48,093	4,696	5,585

The Group regards withholding tax deducted at sources as an asset since they have the right to claim for refund of it. However, the net realisable value of withholding tax depends on the exercise right to claim it, and the results of any tax audit by the Revenue officers.

During the year 2020, the Group received the refund of the withholding tax of 2018 totaling approximately Baht 20 million and wrote off the withholding tax deducted at sources of 2018 - 2019 amounting to Baht 0.2 million (2019: received the refund of the withholding tax of 2012 - 2017 totaling approximately Baht 54 million and wrote off the withholding tax deducted at sources of 2012 - 2017 amounting to Baht 0.5 million). However, the management has used judgement to assess the outcome of the refund claims and believes that no loss will result. Therefore, no allowance for diminution in value of withholding tax deducted at sources is recorded as at the end of reporting period.

15. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure credit facilities.

16. Investments in subsidiaries

16.1 Details of investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Net book value under equity method	
	2020	2019	2020	2019	2020	2019	2020	2019
			Percent	Percent				
Samart Digital Media Co., Ltd.	200,000	200,000	100	100	219,525	219,525	182,516	206,874
I-Mobile Plus Co., Ltd.	100,000	100,000	100	100	100,000	100,000	(177,744)	(171,917)
Samart Mobile Services Co., Ltd.	490,000	490,000	97.4	97.4	43,917	43,917	498,448	495,914
SIM2ASSET Co., Ltd.	2,500	2,500	100	100	2,500	2,500	(6,038)	(5,560)
Zecureasia Co., Ltd.	1,250	1,250	100	100	25	25	(7,096)	(6,910)
Thai Base Station Co., Ltd.	10,000	10,000	100	100	50,000	50,000	11,373	31,838
Net					415,967	415,967	501,459	550,239
Less: Deficit of investment in subsidiaries under equity method								
I-Mobile Plus Co., Ltd.							177,744	171,917
SIM2ASSET Co., Ltd.							6,038	5,560
Zecureasia Co., Ltd.							7,096	6,910
Total							190,878	184,387
Investment in subsidiaries							692,337	734,626



As at 31 December 2020 and 2019, investments in three subsidiaries have deficit net book value under equity method. The excess losses are therefore adjusted to short-term loans and trade and other receivables and presented the remaining as liabilities for investment in subsidiary companies under equity method in the statement of financial position as follows:

(Unit: Thousand Baht)

	2020	2019
Presented as allowance for expected credit losses, net from related party transactions (Note 7)		
Trade accounts receivable	5,370	5,373
Other receivable	25,325	19,075
Short-term loans	127,539	127,060
	158,234	151,508
Liabilities for investment in subsidiaries under equity method		
I-Mobile Plus Co., Ltd.	31,338	31,657
Zecureasia Co., Ltd.	1,306	1,222
	32,644	32,879
Total	190,878	184,387

16.2 Share of other comprehensive income

During the years, the Company recognises share of profit (loss) from investments in subsidiaries in the separate financial statements as follows:

(Unit: Thousand Baht)

Subsidiary companies	For the year ended 31 December			
	Separate financial statements			
	Share of profit (loss) from investments in subsidiaries		Share of other comprehensive income (loss) from investments in subsidiaries	
	2020	2019	2020	2019
Samart Digital Media Co., Ltd.	(24,414)	(59,579)	56	61,794
I-Mobile Plus Co., Ltd.	(5,827)	(6,568)	-	-
Samart Mobile Services Co., Ltd.	2,534	3,924	-	-
SIM2ASSET Co., Ltd.	(478)	(447)	-	(69)
Zecureasia Co., Ltd.	(186)	(203)	-	-
Thai Base Station Co., Ltd.	(20,466)	(9,777)	1	(52)
Total	(48,837)	(72,650)	57	61,673

16.3 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year	
	2020	2019	2020	2019	2020	2019
	(Percent)	(Percent)				
I-Sport Company Limited and its subsidiaries (Subsidiary companies of Samart Digital Media Co., Ltd.)	50	50	74	86	(11)	7

16.4 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position

(Unit: Million Baht)

	I-Sport Company Limited and its subsidiaries	
	2020	2019
Current assets	79	176
Non-current assets	276	320
Current liabilities	155	193
Non-current liabilities	52	131

Summarised information about comprehensive income

(Unit: Million Baht)

	I-Sport Company Limited and its subsidiaries	
	For the year ended 31 December	
	2020	2019
Revenue	126	358
Profit	(23)	9
Total comprehensive income	(23)	13

Summarised information about cash flows

(Unit: Million Baht)

	I-Sport Company Limited and its subsidiaries	
	For the year ended 31 December	
	2020	2019
Cash flows from operating activities	51	150
Cash flows from (used in) investing activities	1	(2)
Cash flows used in financing activities	(115)	(77)
Net increase (decrease) in cash and cash equivalents	(63)	71

16.5 Change in investment in subsidiaries held by Samart Digital Media Co., Ltd.

Acquisition of investment

On 14 February 2019, the meeting of Board of Directors of Samart Digital Media Co., Ltd., a subsidiary company, passed a resolution approving an acquisition of increased share capital of Entertainment Tree Co., Ltd., a subsidiary company, in proportion to shareholding, and an acquisition of the shares remaining after the share allocation in total of 270,000 shares of Baht 10 per share. The subsidiary fully paid for the share subscription decreased on 20 February 2019.

As a result of the acquisition of increased share capital, the percentage of shareholding of Samart Digital Media Co., Ltd. in Entertainment Tree Co., Ltd. increased from 44.99% to 61.87% and surplus on changes in percentage of shareholding in subsidiary decreased of Baht 0.78 million.

Addition registered share capital

On 18 February 2019, the Extraordinary General Meeting of Entertainment Tree Co., Ltd., a subsidiary company, passed a special resolution approving the increase in the registered share capital from Baht 5 million (500,000 ordinary shares of Baht 10 each) to Baht 8 million (800,000 ordinary shares of Baht 10 each) through the issuance of 300,000 additional ordinary shares at par value of Baht 10 each. The subsidiary company registered share capital increased with the Ministry of Commerce on 25 February 2019.

16.6 The plan to list I-Sport Co., Ltd. on the Market for Alternative Investment (MAI)

On 29 July 2015, the Extraordinary General Meeting of shareholders of I-Sport Co., Ltd., a subsidiary company, passed a resolution to approve the plan to list it on the Market for Alternative Investment (MAI) with the following details.

1. To transform the company into a public limited company for the issuance and the initial public offering (IPO) of its shares and to list on the MAI Stock Exchange.
2. To increase the registered share capital from Baht 120 million (12 million ordinary shares of Baht 10 each) to Baht 160 million (16 million ordinary shares of Baht 10 each) through an issuance of additional 4 million ordinary shares of Baht 10 each to offer 3 million shares to the initial public offering (IPO) and offer 1 million shares to the existing shareholders which are the Company and Siam Sport Syndicate Public Co., Ltd. In addition, Siam Sport Syndicate Public Co., Ltd. intends to offer 1 million shares to the initial public offering (IPO).
3. To change the par value of ordinary shares from Baht 10 per share to Baht 0.25 per share. However, the changing of the par value does not affect to the portion of the issuance of its shares.

As at 31 December 2020, the subsidiary company has not yet proceeded the above matters.

16.7 Dissolution of subsidiary company

On 11 October 2006, an Extraordinary Meeting of the shareholders of I-Mobile (Cambodia) Co., Ltd., a subsidiary company, passed a resolution to liquidate the company. The process of registering that company's dissolution and its subsequent liquidation are in progress.

17. Equipment

(Unit: Thousand Baht)

	Consolidated financial statements									
	Condominium	Network equipment and network improvement	Transmission Equipment	Project equipment	Furniture, fixture and office equipment	Furniture of sound recording room	Motor vehicles	Equipment for rent	Assets under installation	Total
Cost										
31 December 2018	11,512	553,197	412,511	-	978,920	47,017	57,173	46,225	1,989,117	4,095,672
Additions/Transfer in	-	418	2,457	80,706	715	-	-	-	368,288	452,584
Disposals/Transfer out	-	(568)	-	-	(14,508)	(523)	(565)	-	(208,897)	(225,061)
31 December 2019	11,512	553,047	414,968	80,706	965,127	46,494	56,608	46,225	2,148,508	4,323,195
Adjustment due to first time adoption of TFRS 16 (Note 25)	-	-	(260,615)	-	-	-	(12,484)	-	-	(273,099)
1 January 2020	11,512	553,047	154,353	80,706	965,127	46,494	44,124	46,225	2,148,508	4,050,096
Additions/Transfer in	-	118	-	59,677	214	-	-	-	56,559	116,568
Disposals/Transfer out	-	(2,357)	-	-	(6,495)	(4,020)	(8,460)	(43,007)	(63,915)	(128,254)
31 December 2020	11,512	550,808	154,353	140,383	958,846	42,474	35,664	3,218	2,141,152	4,038,410

(Unit: Thousand Baht)

	Consolidated financial statements									
	Condominium	Network equipment and network improvement	Transmission Equipment	Project equipment	Furniture, fixture and office equipment	Furniture of sound recording room	Motor vehicles	Equipment for rent	Assets under installation	Total
Accumulated depreciation										
31 December 2018	5,006	516,076	140,333	-	740,568	33,642	44,991	46,146	-	1,526,762
Depreciation for the year	572	18,913	43,716	12,227	95,359	2,738	3,950	43	-	177,518
Accumulated depreciation of assets disposed and transferred out	-	(562)	-	-	(13,202)	(504)	(565)	-	-	(14,833)
31 December 2019	5,578	534,427	184,049	12,227	822,725	35,876	48,376	46,189	-	1,689,447
Adjustment due to first time adoption of TFRS 16 (Note 25)	-	-	(57,978)	-	-	-	(5,408)	-	-	(63,386)
1 January 2020	5,578	534,427	126,071	12,227	822,725	35,876	42,968	46,189	-	1,626,061
Depreciation for the year	571	15,660	17,124	21,526	72,968	2,693	887	36	-	131,465
Accumulated depreciation of assets disposed and transferred out	-	(2,350)	-	-	(6,320)	(4,020)	(8,460)	(43,007)	-	(64,157)
31 December 2020	6,149	547,737	143,195	33,753	889,373	34,549	35,395	3,218	-	1,693,369

(Unit: Thousand Baht)

	Consolidated financial statements									
	Condominium	Network equipment and network improvement	Transmission Equipment	Project equipment	Furniture, fixture and office equipment	Furniture of sound recording room	Motor vehicles	Equipment for rent	Assets under installation	Total
Allowance for impairment loss										
31 December 2018	-	191	-	-	9,071	-	-	-	2,135	11,397
Reversal of allowance for impairment from write-off	-	-	-	-	(1,265)	-	-	-	-	(1,265)
31 December 2019	-	191	-	-	7,806	-	-	-	2,135	10,132
Increase in allowance for impairment	-	-	-	-	50	-	-	-	-	50
31 December 2020	-	191	-	-	7,856	-	-	-	2,135	10,182
Net book value										
31 December 2019	5,934	18,429	230,919	68,479	134,596	10,618	8,232	36	2,146,373	2,623,616
31 December 2020	5,363	2,880	11,158	106,630	61,617	7,925	269	-	2,139,017	2,334,859
Depreciation for the year										
2019 (Baht 79 million included in cost of services, and the balance in selling and distribution expenses and administrative expenses)										177,518
2020 (Baht 58 million included in cost of services, and the balance in selling and distribution expenses and administrative expenses)										131,465



	Separate financial statements					
	Condominium	Project Equipment	Furniture, fixture and office equipment	Motor vehicles	Assets under installation	Total
Cost						
31 December 2018	11,512	-	859,829	21,104	1,992,998	2,885,443
Additions/Transfer in	-	80,706	400	-	337,723	418,829
Disposals/Transfer out	-	-	(7,599)	(565)	(181,933)	(190,097)
31 December 2019	11,512	80,706	852,630	20,539	2,148,788	3,114,175
Additions/Transfer in	-	59,677	50	-	55,121	114,848
Disposals/Transfer out	-	-	(2,169)	(2,935)	(61,177)	(66,281)
31 December 2020	11,512	140,383	850,511	17,604	2,142,732	3,162,742
Accumulated depreciation						
31 December 2018	5,006	-	639,935	18,759	-	663,700
Depreciation for the year	572	12,227	92,434	1,579	-	106,812
Accumulated depreciation of assets disposed and transferred out	-	-	(6,320)	(565)	-	(6,885)
31 December 2019	5,578	12,227	726,049	19,773	-	763,627
Depreciation for the year	571	21,525	70,973	561	-	93,630
Accumulated depreciation of assets disposed and transferred out	-	-	(2,112)	(2,936)	-	(5,048)
31 December 2020	6,149	33,752	794,910	17,398	-	852,209
Allowance for impairment loss						
31 December 2018	-	-	8,975	-	2,135	11,110
Reversal allowance for impairment from write-off	-	-	(1,265)	-	-	(1,265)
31 December 2019	-	-	7,710	-	2,135	9,845
31 December 2020	-	-	7,710	-	2,135	9,845
Net book value						
31 December 2019	5,934	68,479	118,871	766	2,146,653	2,340,703
31 December 2020	5,363	106,631	47,891	206	2,140,597	2,300,688
Depreciation for the year						
2019 (Baht 12 million included in cost of services, and the balance in selling and distribution expenses and administrative expenses)						106,812
2020 (Baht 22 million included in cost of services, and the balance in selling and distribution expenses and administrative expenses)						93,630

- As at 31 December 2019, the subsidiary companies had equipment and vehicles under finance lease agreements with net book values of Baht 217 million.
- As at 31 December 2020, certain equipment items of the Group companies were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 1,378 million and separate financial statements: Baht 636 million (2019: Baht 1,192 million and separate financial statements: Baht 477 million).
- As at 31 December 2020, the Group had allowance for impairment loss of equipment amounting to Baht 10 million and separate financial statements amounting to Baht 10 million for unused and damaged equipment (2019: Baht 10 million and separate financial statements: Baht 10 million).

18. Goodwill

Goodwill mainly relates to the purchase of shares of Siam Sport Television Co., Ltd. by I-Sport Co., Ltd., a subsidiary company.

The subsidiary company determined the recoverable amounts of the cash generating units (CGUs) based on value in use, using cash flow projections covering a five-year period prepared with reference to financial budgets approved by the management.

Key assumptions used in value in the value in use calculations are as follows:

(Unit: Percent per annum)

	2020	2019
Terminal growth rate	1.8	3.0
Discount rate	8.8	7.0

The management determined the growth rate based on historical operating results, the expected market growth rate, the rate of gross domestic product growth and the discount rate which is a post-tax rates that reflects the specific risk of the particular operating segment.

After consideration, as at 31 December 2020 and 2019 management believed that goodwill is not impaired.

19. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements			
	Computer software	Right for air time	Right for telecommunication tower service	Total
Cost				
31 December 2018	101,262	3,191	42,665	147,118
Additions / transfer in	1,815	-	66,827	68,642
31 December 2019	103,077	3,191	109,492	215,760
Additions / transfer in	-	-	9,839	9,839
Disposals / transfer out	(2,567)	-	-	(2,567)
31 December 2020	100,510	3,191	119,331	223,032
Accumulated amortization				
31 December 2018	96,845	2,552	4,854	104,251
Amortisation for the year	1,053	639	8,104	9,796
31 December 2019	97,898	3,191	12,958	114,047
Amortisation for the year	847	-	13,976	14,823
Accumulated amortisation of assets disposal and transferred out	(570)	-	-	(570)
31 December 2020	98,175	3,191	26,934	128,300
Net book value				
31 December 2019	5,179	-	96,534	101,713
31 December 2020	2,335	-	92,397	94,732

Right for air time

On 26 December 2014, I-Sport Co., Ltd., a subsidiary company, purchased shares of Siam Sport Television Co., Ltd. (a subsidiary company) with mutually agreed price. As a result of the purchase of investment under the acquisition method, the subsidiary company recorded the right for air time of sport program as intangible assets with five years useful lives.

Right for telecommunication tower service

On 1 September 2017, the Company purchased shares of Thai Base Station Co., Ltd. (a subsidiary company) with mutually agreed price. As a result of the purchase of investment under the acquisition method, the Company recorded the right for telecommunication tower service as intangible assets with ten years useful lives.

During the year, Thai Base Station Co., Ltd. (a subsidiary company) has transferred telecommunication tower to Department of National Parks, Wildlife and Plant Conservation. As a result, the Company recorded the right for telecommunication tower service as intangible assets with agreement term useful lives.

20. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019	2020	2019
Short-term loans from banks	MMR	MMR	6,000	2,290,040	-	2,255,040
Total			6,000	2,290,040	-	2,255,040

Movement in the short-term loans accounts during the years ended 31 December 2020 and 2019 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Balance at beginning the year	2,290,040	2,649,180	2,255,040	2,599,180
Add: Addition	9,000	74,000	-	-
Less: Covert to long-term loan (Note 24)	(2,214,060)	(193,920)	(2,214,060)	(193,920)
Less: Repayments	(78,980)	(239,220)	(40,980)	(150,220)
Balance at end of the year	6,000	2,290,040	-	2,255,040

Short-term loans from banks are secured by the pledge of some bank deposits and short-term loans from banks of I-Sport Co., Ltd., a subsidiary company, secured by the Company and Siam Sport Syndicate Public Co., Ltd. (another shareholder).

In addition, short-term loan agreements with banks of the Group contain certain conditions as specified in the agreements that require the Group to comply.

On 25 September 2019, the Company entered into a debt restructuring agreement with an asset management company that received the transfer of accounts receivable factoring and repayment from a commercial bank in order to amend the terms of repayment of short-term loan of Baht 194 million to the new maturity within the end of December 2024.

On 29 June 2020 and 21 December 2020, the Company had entered into debt restructuring agreements with two commercial bank in order to amend the terms of repayment of short-term loan of Baht 2,034 million and Baht 180 million, respectively to the new maturity within 31 March 2023 and within 30 December 2022, respectively (as mentioned in Note 24).

21. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade accounts payable				
Trade accounts payable - related parties (Note 7)	18	2,091	18	817
Trade accounts payable - unrelated parties	129,730	75,551	122,326	59,551
Total trade accounts payable	129,748	77,642	122,344	60,368
Other payables				
Amount due to and advance from related parties (Note 7)	204,770	283,832	213,300	287,066
Other payables - unrelated parties	186,395	240,080	54,559	92,011
Accrued expenses - related parties (Note 7)	11,649	-	11,649	-
Other accrued expenses	700	746	700	746
Total other payables	403,514	524,658	280,208	379,823
Total trade and other payables	533,262	602,300	402,552	440,191

22. Short-term loans

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term loans from related parties (Note 7)	-	-	493,000	493,000
Short-term loan from unrelated parties	22,140	22,140	-	-
Total short-term loans	22,140	22,140	493,000	493,000

Short-term loan from unrelated parties

Short-term loans as at 31 December 2020 amount to Baht 22.1 million (2019: Baht 22.1 million) are loans from Siam Sport Syndicate Public Co., Ltd., carrying interest at the average 12-month fixed deposit rate of the big five commercial banks plus 0.50 percent per annum.

23. Long-term loans from related parties

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements	
	2020	2019
Long-term loans from related parties (Note 7)	322,305	-
Total long-term loans	322,305	-

Long-term loan from related parties

On 2 September 2020, the Company had entered into a loan agreement with Samart Corporation Public Co., Ltd., the parent company, in total of not exceeding Baht 600 million in which the loan has three installments of draw down and the Company drawn down 1st installment in September 2020. Interest on loans is charged at fixed rate per annum and shall be repaid in full amounts within 30 December 2025.

(Unit: Thousand Baht)

No.	Credit facilities	Significant terms and conditions of loan agreements	Consolidated financial statements/ Separate financial statements	
			Interest rate	2020 2019
The Company	1.	<p>Repayment of the first installment in March 2018, with quarterly payment of principal and monthly payment of interest to be completed within the 21st installment. (i.e. within March 2023)</p> <ul style="list-style-type: none"> - Installment 1 - 4 : Baht 0.05 million each - Installment 5 - 8 : Baht 7.4 million each - Installment 9 March 2020 : Baht 7.4 million - May 2020: Baht 12.3 million - Installment 10 - 13 : Only interest - Installment 14 - 20 : Baht 56.05 million each - Installment 21 : The remaining principal and interest <p>Repayment on a quarterly basis within 31 March 2023</p> <ul style="list-style-type: none"> - Year 2018 : quarterly installments of Baht 0.04 million each - Year 2019 : quarterly installments of Baht 5.4 million each - Year 2020 : quarterly installments of Baht 14.3 million each - (June 2020 : moratorium on principal payment) - Year 2021 - 2022 : quarterly installments of Baht 39.71 million each - (March 2020 : moratorium on principal payment) - March 2023 : The remaining principal and interest (Unit: Thousand Baht) 	MLR minus Fixed rate per annum (2019: MLR minus Fixed rate per annum)	383,602 463,223
	2.	<ul style="list-style-type: none"> - Year 2018 : quarterly installments of Baht 0.04 million each - Year 2019 : quarterly installments of Baht 5.4 million each - Year 2020 : quarterly installments of Baht 14.3 million each - (June 2020 : moratorium on principal payment) - Year 2021 - 2022 : quarterly installments of Baht 39.71 million each - (March 2020 : moratorium on principal payment) - March 2023 : The remaining principal and interest (Unit: Thousand Baht) 	MLR minus Fixed rate per annum (2019: MLR minus Fixed rate per annum)	279,251 337,213

(Unit: Thousand Baht)

No.	Credit facilities	Significant terms and conditions of loan agreements		Consolidated financial statements/ Separate financial statements	
		Repayment schedule	Interest rate (Percent per annum)	2020	2019
3.	199,940	Repayment on a quarterly basis within the 18 th installment within 31 March 2023 - Installment 1 : Baht 0.02 million - Installment 2 - 5 : Baht 3 million each - Installment 6 : Baht 3.3 million - Installment 7 - 10 : moratorium on principal payment - Installment 11 - 17 : Baht 22.74 million each - Installment 18 : The remaining principal and interest	MLR minus Fixed rate per annum (2019: MLR minus Fixed rate per annum)	155,620	187,920
4	193,920	Repayment on a quarterly basis within the 15 th installment within 31 March 2023 - Installment 1 - 2 : Baht 3 million each - Installment 3 March 2020 : Baht 3 million April 2020 : Baht 4.98 million - Installment 4 - 7 : moratorium on principal payment - Installment 8 - 14 : Baht 22.74 million each - Installment 15 : The remaining principal and interest	- Fixed rate per annum for the first 12 months - Average MLR of 4 major banks minus fixed rate per annum (2019: MLR minus fixed rate per annum)	155,620	187,920
5	2,034,120	Repayment on a quarterly basis within the 8 th installment within 31 March 2023, the first installment in last business day of June 2021 - Installment 1-7 : Baht 250.14 million each - Installment 8 : The remaining principal and interest	MLR minus Fixed rate per annum	1,711,815	-
6	179,940	Repayment on a quarterly basis within the 9 th installment within 30 December 2022, the first installment in last business day of December 2020 - Installment 1 : Baht 24.32 million each - Installment 2 : moratorium on principal payment - Installment 3 - 8 : Baht 22.74 million each - Installment 9 : The remaining principal and interest	MLR minus Fixed rate per annum	155,619	-
Total long-term loans from financial institutions				2,841,527	1,176,276
Less: Current portion				(1,329,762)	(635,736)
Long-term loans from financial institutions - net of current portion				1,511,765	540,540



Movements in the long-term loans account during the years ended 31 December 2020 and 2019 were summarised below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2020	2019
Balance at beginning of the year	1,176,276	1,051,505
Add: Convert from short-term loan (Note 20)	2,214,060	193,920
Less: Repayments	(548,809)	(69,149)
Balance at end of the year	2,841,527	1,176,276

On 16 April 2020, the Company had entered into an amendment of loan agreement with a commercial bank in order to revise term of repayment of long-term loan of Baht 185 million from the former maturity within December 2024. Subsequently, on 5 November 2020, the Company had entered into an additional amendment of loan agreement with such commercial bank in order to revise term of payment of long-term loan of Baht 180 million to the new maturity within 31 March 2023.

On 24 April 2020, the Company had entered into a memorandum of amendment of loan agreement with an asset management company in order to revise term of payment of long-term loan of Baht 180 million from the former maturity within December 2024. Subsequently, on 22 July 2020, the Company had entered into an additional memorandum of amendment of loan agreement with such asset management company in order to revise term of payment of long-term loan of Baht 180 million to the new maturity within 31 March 2023.

On 13 May 2020, the Company had entered into an amendment of loan agreement with other commercial bank in order to revise term of repayment of long-term loan of Baht 456 million from the former maturity within December 2024. Subsequently, on 21 September 2020 and 12 October 2020, the Company had entered into an additional amendment of loan agreement with such commercial bank in order to revise term of payment of long-term loan of Baht 384 million to the new maturity within the end of March 2023.

On 29 June 2020, the Company had entered into a debt restructuring agreement with other commercial bank in order to amend the terms of repayment of short-term loan of Baht 2,034 million to the new maturity within 31 March 2023.

On 17 July 2020, the Company received a waiver letter from other commercial bank, approving a waiver for moratorium on repayment of loan for the installment of June 2020. Subsequently, on 25 December 2020, the Company had entered into an additional memorandum of amendment of loan agreement with such commercial bank in order to revise term of payment of long-term loan of Baht 309 million from a former maturity of December 2022 to the new maturity within 31 March 2023.

On 21 December 2020, the Company had entered into a debt restructuring agreement with other commercial bank in order to amend the terms of repayment of short-term loan of Baht 180 million to the new maturity within 30 December 2022.

Under the Company's loan agreement and memorandum, the Company must comply with certain conditions stipulated in the agreement such as to maintain the percentage of shareholding of Samart Corporation Public Co., Ltd., in the Group, to maintain financial ratios and to receive financial support from Samart Corporation Public Co., Ltd. in total of not exceeding Baht 600 million. The amount of the financial support was approved by the Company's Extraordinary General Meeting of Shareholders on 1 September 2020.

Based on the financial statements, as at 31 December 2020 the Company was unable to maintain certain financial ratios as stipulated in the loan agreements with the aforementioned banks. Therefore, the loan of Baht 156 million (2019: Baht 525 million) is payable on demand. The Company classifies this loan as current portion.

25. Leases

The group as a lessee

The group has lease contracts for various items of property, plant, and equipment used in its operations. leases generally have lease terms between 4 - 10 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Transmission Equipment	Right-of-use building space	Motor vehicles	Total
As at 31 December 2019	-	-	-	-
Adjustment due to first time adoption of TFRS 16	-	9,659	-	9,659
Transfer from equipment (Note 17)	202,637	-	7,076	209,713
1 January 2020 (Note 4.2)	202,637	9,659	7,076	219,372
Depreciation for the year	(26,062)	(1,536)	(2,263)	(29,861)
31 December 2020	176,575	8,123	4,813	189,511

(Unit: Thousand Baht)

	Separate financial statements	
	Right-of-use building space	Total
As at 31 December 2019	-	-
Adjustment due to first time adoption of TFRS 16	5,661	5,661
1 January 2020 (Note 4.2)	5,661	5,661
Depreciation for the year	(606)	(606)
31 December 2020	5,055	5,055

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Lease payments	140,194	215,635	6,769	-
Less: Deferred interest expenses	(8,810)	(18,375)	(1,387)	-
Total	131,384	197,260	5,382	-
Less: Portion due within one year	(81,035)	(74,448)	(375)	-
Lease liabilities - net of current portion	50,349	122,812	5,007	-

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	For the year ended 31 December 2020	
	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	29,861	606
Interest expense on lease liabilities	11,884	287
Expense relating to short-term leases	16,651	991
Expense relating to leases of low-value assets	859	-

d) Other

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 106 million, including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

The subsidiary companies have entered into the lease agreements with related company and leasing companies for rental of motor vehicles with transmission tools and equipment and media asset management system for use in their operations, whereby the lease agreements carried interests between 7.26 and 7.50 percent per annum and they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 5 years.

On 16 September 2019, Siam Sport Television Co., Ltd., the subsidiary company entered into a memorandum of amendment to finance lease agreement with the related company, in order to extend the payment period of rental under the lease agreement by 2 years.

The lease agreement with related company was guaranteed by I-Sport Co., Ltd. a parent company of such subsidiary company as described in Note 38.2.2 to the financial statements.

26. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Provision for long-term employee benefits at beginning of year	26,141	23,900	12,553	8,844
Included in profit or loss:				
Current service cost	1,585	1,680	741	560
Interest cost	373	616	172	204
Employee transferal	(511)	(55)	(418)	71
Gain on settlement	(4,388)	-	(660)	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(1,708)	-	39
Financial assumptions changes	432	1,636	133	635
Experience adjustments	(3,443)	(7,549)	(3,087)	(270)
Past service cost	-	7,621	-	2,470
Benefits paid during the year	(3,333)	-	(3,333)	-
Provision for long-term employee benefits at end of year	16,856	26,141	6,101	12,553

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 7.6 million (Separate financial statements: Baht 2.5 million) as a result. The Group already reflected the effect of the change by recognising past service costs as expenses in the income statements of the year 2019.

The Group expects to pay Baht 1.5 million of long-term employee benefits during the next year (Separate financial statements: Nil) (2019: Baht 3.2 million and Separate financial statements: Baht 3.2 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 10 - 37 years (Separate financial statements: 10 years) (2019: 8 - 22 years and separate financial statements: 8 years).

Significant actuarial assumptions are summarised below.

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	0.7 - 2.7	1.4 - 2.1	0.7	1.4
Salary increase rate	2.0 - 6.0	2.0 - 6.0	3.5 - 6.0	3.5 - 6.0
Turnover rate	0 - 29	0 - 29	2 - 24	2 - 24

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	Liability increase (decrease)				Liability increase (decrease)			
	Increase 1%		Decrease 1%		Increase 1%		Decrease 1%	
	2020	2019	2020	2019	2020	2019	2020	2019
Discount rate	(1.2)	(1.9)	1.4	2.1	(0.4)	(0.7)	0.4	0.8
Salary increase rate	1.0	2.1	(0.9)	(1.9)	0.3	0.8	(0.3)	(0.7)
	Increase 20%		Decrease 20%		Increase 20%		Decrease 20%	
	2020	2019	2020	2019	2020	2019	2020	2019
Turnover rate	(1.2)	(2.0)	1.5	2.2	(0.3)	(0.7)	0.4	0.7

27. Share capital and warrants

On 27 April 2018, the Annual General Meeting of the Company's shareholders passed a resolution to issue warrants no. 1 (SDC-W1) up to 2,200,125,000 units of warrants to the existing shareholders of the Company who subscribe to and are allocated newly issued shares by offering to them in proportion to their shareholdings (rights offering) at the ratio of 4 newly issued shares to 1 warrant, without any cost. The exercise ratio is 1 warrant : 1 share, with an exercise price of Baht 0.5 per 1 ordinary share. The warrants have a life of 5 years and are exercisable on the last business day of the June and December of each year throughout the life of the warrants, commencing from 28 December 2018 until 1 June 2023.

Warrants	Exercise price	Exercise ratio	Warrants issued	Exercised or cancelled	Warrants as at 31 December 2020
	(Baht per unit)	(Warrants: ordinary shares)	(Thousand units)	(units)	(Thousand units)
SDC-W1	0.50	1:1	1,731,043	-	1,731,043

28. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

29. Service income

Service income for the years ended 31 December 2020 and 2019 summarised as followings:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Service income under telecommunication service license - Type 1	-	-	-	-
Other service income	225,863	478,596	3,474	1,573
Total service income	225,863	478,596	3,474	1,573

30. Other income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Reversal of reserve for doubtful accounts	-	97,496	-	103,410
Management fee income	-	-	7,800	8,880
Gain on sales of equipment	3,487	347	1,207	298
Gain on exchange	494	5,476	494	5,476
Others	18,420	18,189	8,209	9,612
Total other income	22,401	121,508	17,710	127,676

31. Expenses by nature

Significant expenses classified by nature were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cost of goods sold	6,401	128,716	6,649	159,920
Salaries and wages and other employee benefits	89,121	169,246	30,650	33,545
Depreciation and amortisation	176,149	187,314	94,236	106,812
Transmission equipment rental expenses	-	28,674	-	-
Cost of lease line	7,869	33,734	-	-
Rental expenses from operating lease agreements	8,047	18,649	4,611	7,632
Changes in inventories	(2,754)	104,282	(2,526)	104,147
Purchase finished goods for sales	374,233	119,614	373,398	107,067
Marketing expenses	6,574	17,763	12	(69)
Loss on change in value of investment held-for-sale	-	71,112	-	-

32. Other expenses

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loss on changes in value of investment held-for-sale (Note 13)	-	71,112	-	-
Write-off bad debts	718	-	718	-
Others	770	418	533	418
Total other expenses	1,488	71,530	1,251	418

33. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Interest expenses on:				
Bank loans	155,470	204,069	154,601	201,915
Loans from related parties	4,808	-	8,151	5,113
Lease liabilities and others	11,884	15,813	287	-
Total interest expenses	172,162	219,882	163,039	207,028
Bank charges	1,077	2,069	789	1,803
Total finance cost	173,239	221,951	163,828	208,831

34. Income tax

Income tax income for the years ended 31 December 2020 and 2019 were made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current income tax				
Current income tax charge	2,596	2,812	-	-
Deferred tax				
Relating to origination and reversal of temporary differences	127,397	(14,289)	117,429	(5,024)
Income tax expenses (income) reported in profit or loss	129,993	(11,477)	117,429	(5,024)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax relating to loss on changes in value of available-for-sale investments	-	14,759	-	14,759
Deferred tax on gain from the change in value of financial assets measured at FVOCI	(480)	-	(480)	-
Deferred tax relating to actuarial loss	602	1,528	605	1,003
Income tax charged to other comprehensive income	122	16,287	125	15,762

The reconciliation between accounting loss and income tax (income) expenses was shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting loss before tax	(224,471)	(244,939)	(225,511)	(243,414)
Applicable tax rate	15% and 20%	15% and 20%	20%	20%
Accounting loss before tax multiplied by income tax rate	(44,870)	(48,966)	(45,102)	(48,683)
Share of loss from investment in subsidiaries	-	-	9,767	14,530
Effects of:				
Utilisation of tax loss carry forward	-	(2,318)	-	-
Non-deductible expenses	4,804	3,308	4,345	640
Non-deductible taxable income	(16,626)	(20,856)	(16,626)	(20,856)
Additional expenses deductions allowed	(344)	(1,027)	(344)	(1,024)
Write-off of deferred tax assets	112,989	1,902	112,989	-
Others	(196)	(324)	(98)	(165)
Total	100,627	(19,315)	100,266	(21,405)
Deferred tax assets not recognised	74,236	52,672	52,498	50,407
Reversal of deferred tax asset	-	4,132	-	127
Income tax expenses (income) reported in the income statement	129,993	(11,477)	117,429	(5,024)

The components of deferred tax assets and deferred tax liabilities were as follows:

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for diminution in value of investment held-for-sale	-	14,223	-	-
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	274	283	-	-
Allowance for diminution in value of inventories	8,705	12,562	7,210	11,021
Allowance for asset impairment	1,969	1,969	1,969	1,969
Loss on change in value of temporary investments	-	8,174	-	8,174
Loss on changes in value of available-for-sale investments	-	18,490	-	18,490
Unrealised fair value loss on investment designated at fair value through profit or loss	8,230	-	8,230	-
Provision for long-term employee benefits	3,371	5,228	1,220	2,511
Loss on change in value of equity investments designated at fair value through other comprehensive income	18,970	-	18,970	-
Unused tax loss	309,924	419,991	291,238	404,227
Lease agreements	6,479	5,425	-	-
Others	46	68	22	37
Total	357,968	486,413	328,859	446,429
Deferred tax liabilities				
Valuation of intangible assets	(5,770)	(6,666)	-	-
Others	-	(30)	-	(30)
Total	(5,770)	(6,696)	-	(30)
Deferred tax, net	352,198	479,717	328,859	446,399

Deferred tax assets and liabilities in statement of financial position were as follows:

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets	352,198	479,717	328,859	446,399
Deferred tax, net	352,198	479,717	328,859	446,399

As at 31 December 2020, the Group have Baht 310 million (The Company only: Baht 291 million) (2019: Baht 420 million (The Company only: Baht 404 million)) deferred tax assets in relation to tax loss carried forward deductible against future profit in tax calculation if the Group have sufficient profit.

The Company has a new business under the expertise and experience of the Company which are awaiting the approval during the year of 2021 and it is able to commence business operations immediately thereafter. The Company expects to gain sufficient profit to utilize tax loss carried forward. It therefore believes that it will benefit from the recorded deferred tax assets and a provision for impairment is not necessary, considering the current situation. Although the Company has evaluated and exercised its best estimate, there is still uncertainty about the changing situation, which is normal for future events that have not yet occurred.

As at 31 December 2020, the Group companies have deductible temporary differences Baht 2,065 million and separate financial statements: Baht 2,057 million (2019: Baht 2,127 million and separate financial statements: Baht 2,119 million) and unused tax losses which will expire in 2021 - 2025 totaling Baht 1,370 million and separate financial statements: Baht 1,079 million (2019: Baht 619 million and separate financial statements: Baht 390 million), on which deferred tax assets have not been recognised as the Group companies believe that the future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

35. Basic earnings (loss) per share

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

Diluted loss per share is calculated by dividing loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the total sum of the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued according to the portion of warrant exercise.

As at 31 December 2020, the warrants are excluded from the potential ordinary shares since their exercise price is in excess of the fair value of the ordinary shares.

36. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on their geographical (i.e., domestic and foreign) and their products and services. The Group have two business segments as follows:

1. Digital Network segment

Provision Digital Trunked Radio systems and distribution equipment, audio - visual equipment network and software systems and a mobile antenna services provider (Mobile Virtual Network Operator).

2. Digital Content segment

2.1 Provision of voice services, audiovisual or multimedia services and infotainment services through mobile phones

2.2 Content provider through multimedia channels

2.3 Producer of television

2.4 Provision of multimedia and interactive media services

2.5 Provision of website services

2.6 Provision of entertainment services as part of intelligent marketing strategy

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is set out in Note 7 to the financial statements.

The following tables present revenue and profit and total assets/total liabilities information regarding the Group' operating segments for the years ended 31 December 2020 and 2019, respectively.

(Unit: Million Baht)

	Domestic				Adjustments and eliminations		Consolidated	
	Digital network		Digital content		2020	2019	2020	2019
	2020	2019	2020	2019				
Sales and service income								
Sales and service income from third parties								
- Local sales and service income	398	462	190	476	-	-	588	938
Sales and service income from related parties	41	75	8	6	-	(20)	49	61
Total sales and service income	439	537	198	482	-	(20)	637	999
Cost of sales and service	425	486	156	342	4	(16)	585	812
Gross profit	14	51	42	140	(4)	(4)	52	187
Unallocated income (expenses):								
Other income							22	122
Selling and distribution expenses							(48)	(57)
Administrative expenses							(139)	(205)
Other expenses							(2)	(72)
Finance income							1	2
Finance cost							(173)	(222)
Reversal of impairment loss on financial assets							63	-
Income tax income (expense)							(130)	12
Non-controlling interests of the subsidiaries							11	(5)
Loss for the year							(343)	(238)

(Unit: Million Baht)

	Domestic				Adjustments and eliminations		Consolidated	
	Digital network		Digital content		2020	2019	2020	2019
	2020	2019	2020	2019				
Assets								
Trade accounts receivable - net	464	933	16	41	(5)	(5)	475	969
Inventories - net	102	105	-	-	-	-	102	105
Equipment - net	2,303	2,349	33	277	(1)	(2)	2,335	2,624
Deferred tax assets	329	447	29	39	(6)	(6)	352	480
Others	2,016	2,177	377	258	(1,265)	(1,284)	1,128	1,151
Segment total assets	5,214	6,011	455	615	(1,277)	(1,297)	4,392	5,329
Segment total liabilities	4,498	5,051	197	201	(798)	(773)	3,897	4,479
Additions (decrease) to non-current assets other than financial instruments and deferred tax assets	78	192	(69)	(69)	(4)	(3)	6	120

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Revenue from contracts with customers				
Sales	411	400	411	417
Service income	226	478	3	2
Revenue from contract work	-	121	-	79
Total	637	999	414	498
Timing of revenue recognition:				
Revenue recognised at a point in time	411	400	411	417
Revenue recognised at over time	226	599	3	81
Total revenue from contracts with customers	637	999	414	498

Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Million Baht)

	2020	2019
<i>Revenue from external customers</i>		
Thailand	637	987
Others	-	12
Total	637	999

Non-current assets (other than financial instruments and deferred tax assets)

(Unit: Million Baht)

	2020	2019
Thailand	2,800	2,795
Total	2,800	2,795

Major customers

For the year 2020, the Group had revenue from 2 major customers in amount of Baht 310 million and Baht 79 million, arising from sales by sales product (2019: the Group had revenue from 2 major customers in amount of Baht 368 million and Baht 154 million, arising from sales by sales product, sport content services and producer of television and radio programs, printed media and billboards).

37. Provident fund

The Company, subsidiary companies and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and subsidiary companies contribute to the fund monthly at the rate of 3 - 10 percent of basic salary. Their employees contribute to the fund monthly at the rate of 3 - 15 percent of basic salary. The fund, which is managed by Bangkok Bank Public Company Limited and Bank of Ayudhya Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to approximately Baht 4 million (Separate financial statements: Baht 2 million) (2019: Baht 6 million, Separate financial statements: Baht 2 million) were recognised as expenses.

38. Commitments and contingent liabilities

The Group had commitments and contingent liabilities other than those disclosed in other notes to financial statements as follows:

38.1 Operating lease commitments and service agreements

As at 31 December 2020, the Group has future lease payments required under short-term leases, leases of low-value assets and service agreements as follows:

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Within 1 year	17	5
Over 1 and up to 3 years	12	8
Total	29	13

38.2 Guarantees

38.2.1 Bank guarantees

As at 31 December 2020, there were outstanding bank guarantees issued by banks on behalf of the Group of approximately Baht 15.73 million and separate financial statements: Baht 0.63 million (2019: Baht 16.91 million and separate financial statements: Baht 0.69 million), in respect of certain performance bonds as required in the normal course of business. The details of bank guarantees are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Performance guarantees	15.62	16.59	0.62	0.62
Guarantee electricity use, among others	0.11	0.32	0.01	0.07
	15.73	16.91	0.63	0.69

38.2.2 Guarantees to related parties

- The Company has contingent liabilities in respect of the guarantees of subsidiaries' credit facilities provided to banks as follows:

(Unit: Million Baht)

	Guaranteed facilities	
	2020	2019
Samart Mobile Services Co., Ltd.	-	5
I-Sport Co., Ltd.	10	12
I-Sport Co., Ltd. and Siam Sport Television Co., Ltd.	35	51
Siam Sport Television Co., Ltd.	-	2

These guarantees are effective for as long as the underlying obligations have not been discharged by those subsidiaries.

- As at 31 December 2020, I-Sport Co., Ltd. a subsidiary company was guarantor for Siam Sport Television Co., Ltd., a subsidiary company of I-Sport Co., Ltd. regarding the finance lease agreement between Siam Sport Television Co., Ltd. and Samart Comtech Co., Ltd., a related company. The contingent liabilities is amounting to Baht 128 million (2019: Baht 212 million).

38.3 Commitments in uncalled portions of investments

As at 31 December 2020, the Company has outstanding commitment in respect of uncalled portions of investment in its local subsidiary of approximately Baht 3 million (2019: Baht 3 million).

38.4 Other commitments

38.4.1 The Group companies entered into the service agreements with various companies between 1 and 3 years. The Group companies have to pay a monthly facility service fee at the rate stipulated in the agreements.

38.4.2 On 10 March 2017, the Company entered into an agreement to enter into a consortium with Samart Communication Services Co. Ltd. named SISC Consortium, for the purpose of entering into an alliance service agreement for Digital Trunked Radio System with CAT Telecom Public Co., Ltd. The Company was appointed as the lead company of SISC Consortium and is authorized to act on behalf of SISC Consortium. The agreement is effective from the date that the agreement is signed and will terminate when SISC Consortium has fully discharged its responsibilities under the agreement. The Company is obliged to comply with certain conditions and pay fees for the project as stated in the agreement.

Subsequently, on 24 August 2017, SISC Consortium entered into a business alliance agreement with CAT Telecom Public Co., Ltd. in order to increase its capability to provide Digital Trunked Radio System (DTRS) services. The agreement will terminate on 31 July 2025.

On 2 October 2017, the Company entered into a three-year agreement with CAT Telecom Public Co., Ltd. to resell digital trunked radio system services to end-users. The term shall be automatically extended for another one-year term, unless either party provide the other with written notice of its election not to extend on before the date of expiration. Under the terms of the agreement, the Company is obliged to pay minimum wholesale service fees at a stipulated rate.

38.4.3 As at 31 December 2020, the Company is committed to a company relating to provide equipment, computer system and software. The commitment will terminate when the Company completely deliver the equipment to the aforementioned company.

38.5 Capital commitment

As at 31 December 2020, the Company has capital commitment of approximately USD 17 million or equivalent to Bath 526 million and Baht 506 million regarding the purchasing of equipment for Digital Trunked Radio System (DTRS) services (2019: USD 19.6 million or equivalent to Bath 594 million and Baht 506 million).

As at 31 December 2020, Thai Base Station Co., Ltd., a subsidiary company has capital commitment of approximately Bath 93 million regarding the purchasing of equipment and installing for telecommunication tower service for Tower-Co project (2019: Bath 100 million).

38.6 Litigation

On 22 February 2017, TOT Public Co., Ltd. submitted a letter to the Office of National Broadcasting and Telecommunications Commission (NBTC) to notify the NBTC of the cancellation of the cooperation under the Memorandum of Understanding with respect to 3G mobile network service trial project prior to notifying of such cancellation to I-Mobile Plus Co., Ltd., a subsidiary company. On 1 March 2017, the subsidiary company submitted a letter to TOT Public Co., Ltd. and the NBTC to notify of the termination of i-mobile 3GX service because the 3GX cellular phone system was frequently disrupted and TOT Public Co., Ltd. was unable to permanently fix the problem. In addition, TOT Public Co., Ltd. had not expanded its base station following its business plan in order to expand the coverage across the country. However, the subsidiary company had prepared a recovery plan for users of i-mobile 3GX service in accordance with the conditions imposed by the NBTC. Subsequently, on 22 June 2017, the NBTC submitted to the subsidiary a letter regarding an approval of the termination of the Telecommunications Business License type 1 and agreed with the company's recovery plan for the users of i-mobile 3GX. Subsequently, on 7 July 2017, the subsidiary submitted a letter notifying the NBTC that it had mutually agreed with TOT Public Company Limited that the date of discontinuing the i-mobile 3GX service would be 18 July 2017.

Later, the subsidiary company, has been notified by TOT Public Co., Ltd. demanding the payment for Home Location Register (HLR) amounting to Baht 19 million (31 December 2019: Baht 19 million). However, the management and the legal department of the subsidiary company were of the opinion that the subsidiary company was not liable to such payment because the data storage on HLR did not reach the quota specified in the agreement. The subsidiary company filed a plaint for compensation with TOT Pcl. to the Civil Court since October 2018 and at present it is under consideration of the Civil Court. In this regard, as at 31 December 2020 the subsidiary company did not set up a provision in the account.

In addition, TOT Public Co., Ltd. submitted a letter to the Subsidiary demanding the payment for accrued service fee totaling Baht 137 million (including, Home Location Register, mentioned above). Subsequently, the Subsidiary submitted a letter requesting to offset the service fee with prepaid bulk or package that the Subsidiary had purchased from TOT Public Co., Ltd. with the balance of Baht 70 million.

Later, during 2020, TOT Public Co., Ltd. filed a suit against the Company and the Subsidiary with the Central Administrative Court for breach of an administrative contract with an amount in dispute of Baht 212 million (including interest thereon). The Central Administrative Court issued an order not to accept the specific plaint regarding the service fee payment for preparing and storing data in the Home Location Register (HLR) from April 2011 to October 2014 with interest and VAT thereon, and the Court ordered the Subsidiary to amend the plaint and file it with the Court within 30 days after receiving the order. In October 2020, the Company and the Subsidiary filed a petition against the jurisdiction with the Central Administrative Court, because it was the same case that the Subsidiary filed the plaint with TOT Pcl. in 2018, as previously mentioned. In January 2021, the Company and the Subsidiary filed a request for the seventh extension of the period of filing the plaint with the Central Administrative Court and the Court had a permission to extend the period of filing the plaint until 1 March 2021.

The Group's legal advisor was of the opinion that TOT Public Co., Ltd. breached the contract, causing a significant business damage to the Company and the Subsidiary. The Subsidiary filed the plaint with the Civil Court as mention above, and the Court would finally rule in favor of the subsidiary. In addition, the case filed by TOT Pcl. against the Company and the Subsidiary should be under jurisdiction of the Court of Justice, and the court will finally rule in favor of the Subsidiary. The Group's management still believes that the adverse impact arising from this dispute will not be significant. At present, the Company, the Subsidiary and their legal advisor are preparing the documents to file the amended plaint with the Central Administrative Court.

As at 31 December 2020, the case is under further court proceedings. The Group is confident that the provision in its account is adequate in current situation.

39. Fair value hierarchy

As at 31 December 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated/ Separate financial statements	
	31 December 2020	
	Level 1	Total
Assets measured at fair value		
Financial assets measured at FVTPL		
Equity investments	0.2	0.2
Financial assets measured at FVOCI		
Equity investments	13	13

(Unit: Million Baht)

	31 December 2019	
	Consolidated financial statements	Separate financial statements
	Level 1	Level 1
Assets measured at fair value		
Held for trade investments		
Equity instruments	1	1
Investment held-for-sale		
Equity instruments	5	-
Available-for-sale investments		
Equity instruments	15	15

40. Financial instruments

40.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off according to the Group's policy determining the appropriateness.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to their cash at banks, short-term and long-term borrowings. Most of the Groups' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date.

186 Annual Report 2020

Effective interest rates of financial assets and liabilities were separately shown in related notes to financial statements.

(Unit: Million Baht)

	Separate financial statements									
	Fixed interest rates				Floating interest rate		Non-interest bearing		Total	
	Within 1 year		1 - 5 years							
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Financial assets										
Cash and cash equivalents	-	-	-	-	41	95	-	-	41	95
Temporary investments	-	-	-	-	-	-	-	1	-	1
Trade and other receivables	-	-	-	-	-	-	485	940	485	940
Short-term loans	-	-	-	-	121	110	-	-	121	110
Restricted bank deposits	103	104	-	-	-	-	-	-	103	104
Other financial assets	-	-	-	-	-	-	19	15	19	15
	103	104	-	-	162	205	504	956	769	1,265
Financial liabilities										
Short-term loans from banks	-	2,255	-	-	-	-	-	-	-	2,255
Trade and other payables	-	-	-	-	-	-	403	440	403	440
Short-term loans from related parties	-	-	-	-	493	493	-	-	493	493
Long-term loans from related parties	-	-	322	-	-	-	-	-	322	-
Long-term loans from financial institutions	-	-	-	-	2,842	1,176	-	-	2,842	1,176
Lease liabilities	5	-	-	-	-	-	-	-	5	-
	5	2,255	322	-	3,335	1,669	403	440	4,065	4,364

Effective interest rates of financial assets and liabilities were separately shown in related notes to financial statements.



Interest rate sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate short-term loans and long-term loans affected as at 31 December 2020, with all other variables held constant.

Currency	Increase/decrease	Consolidated financial statements	Separate financial statements
		Effect on profit before tax	Effect on profit before tax
	(%)	(Thousand Baht)	(Thousand Baht)
Baht	+0.10	2,870	3,086
	-0.10	(2,870)	(3,086)

The above analysis has been prepared assuming that the amounts of the floating rate borrowings and all other variables remain constant over one year. Moreover, the floating legs of these borrowings are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions.

Foreign currency risk

The Group's exposure to foreign currency risk arise mainly from purchasing transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when they consider appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies were summarised below.

Foreign currency	Consolidated financial statements/Separate financial statements		Exchange rate as at 31 December	
	2020	2019	2020	2019
	(Million)		(Baht per 1 foreign currency unit)	
Financial assets				
US dollar	3.95	3.91	29.8674	29.9767
Financial liabilities				
US dollar	1.29	2.56	30.2068	30.3313

As at 31 December 2019, the Company had the following outstanding forward exchange contracts:

31 December 2019			
Foreign currency	Consolidated financial statements/Separate financial statements	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
Bought amount			
US dollar	1.5	30.1800 - 30.3625	April 2020

Liquidity risk

The Group has a policy to control the risk of a shortage of liquidity by maintaining an adequate level of cash and cash equivalents for the Group's operation. As at 31 December 2020, approximately 51% of the Group's debt will mature in less than one year (The Company only: 55%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed risk with respect to refinancing its debt and concluded that the Group has access to a source of funding, and the Group can request for roll over debt maturing within 12 months with existing lenders.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2020 based on contractual undiscounted cash flows:

Unit: Million Baht)

	Consolidated financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	6	-	-	6
Short-term loans	22	-	-	-	22
Trade and other payables	533	-	-	-	533
Lease liabilities	-	81	47	3	131
Long-term loans from related parties	-	-	400	-	400
Long-term loans	-	1,439	1,550	-	2,989
Total non-derivatives	555	1,526	1,997	3	4,081

Unit: Million Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from related parties	493	-	-	-	493
Trade and other payables	403	-	-	-	403
Lease liabilities	-	-	3	2	5
Long-term loans from related parties	-	-	400	-	400
Long-term loans	-	1,439	1,550	-	2,989
Total non-derivatives	896	1,439	1,953	2	4,290

40.2 Fair values of financial instruments

Since the majority of the Groups' financial instruments are short-term in nature or bear floating interest rate, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

41. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 7.9:1 (2019: 5.3:1) and the Company's was 10.1:1 (2019: 6.1:1).

42. Event after the reporting period

On 23 February 2021, the Board of Director's Meeting no. 1/2564 considered to find a solution to the Company's shareholders' equity less than 50% of paid-up capital situation and compliance with the regulations of the Stock Exchange of Thailand in the event that the Company's securities will be marked with "C" (Caution) sign. In this regard, the company will propose solutions to the situation to the meeting in order to provide information to investors and related parties (Public Presentation).

43. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 23 February 2021.

Remuneration of the Auditors

1) Audit Fee

In 2020, the Company and subsidiaries paid audit fees to the auditors from EY Office Limited amounting to Baht 2,300,000 and 2,380,000 respectively. In addition, the Company and subsidiaries paid out of pocket expenses relating to audit work such as traveling expenses, photocopy expenses and others totaling Baht 92,871.

2) Non-Audit Fee

In 2020, there was no other fee paid to the Company and subsidiaries' auditors from EY Office Limited.

Directors, Management, Controlling Person, Company Secretary and Head of Internal Audit

As of February 28, 2021

Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
1. Mr. Piyapan Champasut <ul style="list-style-type: none">Chairman of the BoardIndependent DirectorAudit Committee Member	72	<ul style="list-style-type: none">- Honorary Doctorate of Philosophy, Ramkhamhaeng University- Honorary Master of Laws, Ramkhamhaeng University- Honorary Master of Arts (Public Administration), the National Institute of Development Administration (NIDA)- Bachelor of Laws, Chulalongkorn University <p>Training courses:</p> <ul style="list-style-type: none">- Health Ambassador Class 3, Chulabhorn Royal Academy in Aug. 2020 - Apr. 2021- Environmental Governance for Executive Office (Class 6) Department of Environmental Quality Promotion (DEQP) in 2018- Advanced Master of Management Program (AMM) (Class 1) Public Administration, NIDA in 2018- Chief Information Office (Class 5) National Electronics and Computer Technology Center (NECTEC) in 2008 <p>Training courses from Thai Institute of Directors Association (IOD):</p> <ul style="list-style-type: none">- Director Certification Program (DCP) in 2008	None	None	Mar. 2016 - Present	Chairman of the Board of Directors / Independent Director / Audit Committee Member	Samart Digital Plc.
					2012 - 2018	Position in other listed companies Chairman of the Board of Directors	Terabyte Net Solution Public Company Limited
					2009 - 2011	Chairman of the Board of Directors	Airports of Thailand Public Company Limited (AOT)
					1996 - Present 1989 - Present 1985 - Present	Position in non-listed companies Chairman of the Board of Directors Director Director	P S Member Co., Ltd. Chongliang & Sons Co., Ltd. Ruamcharoen Engineering Co., Ltd.
					2008 - 2011 2006 - 2011	Chairman of the Board of Directors Chairman of the Board of Directors	Bangkok Mass Transit Authority The Transport Co., Ltd.

Appointment Date : March 1, 2016

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")



Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
2. Dr. Chotivud Chayavadhanangkur <ul style="list-style-type: none"> Independent Director Chairman of the Audit Committee Chairman of the Corporate Governance Committee Nominating and Compensation Committee Member 	73	<ul style="list-style-type: none"> Doctorate of Ph.D. in Electrical Engineering, University of Minnesota, USA Master Degree in M.S. Electrical Engineering, University of Minnesota, USA Bachelor Degree in Engineering (1st Class Honour), Chulalongkorn University <u>Training courses:</u> <ul style="list-style-type: none"> Sustainability in the Digital Age, EY Office Limited in 2019 <u>Training courses from Thai Institute of Directors Association (IOD):</u> <ul style="list-style-type: none"> Director Accreditation Program (DAP) in 2004 	0.08 (9,000,000 shares)	None	2009 - Present	Chairman of the Audit Committee	Samart Digital Plc.
					2008 - Present	Chairman of the Corporate Governance Committee	Samart Digital Plc.
					2005 - Present	Nominating and Compensation Committee Member	Samart Digital Plc.
					2003 - Present	Independent Director	Samart Digital Plc.
					<u>Position in other listed companies</u>		
					<u>Position in non-listed companies</u>		
					2019 - Present	Director	Servex Auto Sales And Service Co., Ltd.
					2016 - Present	Director	Bangkok Servex Security Guard Co., Ltd.
					2005 - Present	Director	Greens Spot Co., Ltd.
					2005 - Present	Director	BITIC Co., Ltd.
Appointment Date: September 30, 2003					2002 - Present	Chairman of the Board of Directors	Bangkok Servex Security Guard And Business Services Co., Ltd.**

Remarks: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")

** Formerly known as Bangkok Servex Co., Ltd.

Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
3. Mr. Kunthit Arunyananda <ul style="list-style-type: none">Independent DirectorAudit Committee MemberChairman of the Nominating and Compensation CommitteeCorporate Governance Committee Member	54	<ul style="list-style-type: none">Mini MBA, Business Administration, Thammasat UniversityBachelor Degree in Accounting, The Rajamongkol Institute of Technology <u>Training courses from Thai Institute of Directors Association (IOD):</u> <ul style="list-style-type: none">Director Certification Program (DCP) in 2004	0.01 (800,000 shares)	None	2009 - Present	Chairman of the Nominating and Compensation Committee	Samart Digital Plc.
					2008 - Present	Corporate Governance Committee Member	Samart Digital Plc.
					2003 - Present	Independent Director / Audit Committee Member	Samart Digital Plc.
					2014 - Present	<u>Position in other listed companies</u> Executive Director	Kuang Pei San Food Products Plc.
					2001 - Present	<u>Position in non-listed companies</u> Director	Sam Nak - Ngan A.M.C. Co., Ltd.
Appointment Date: September 30, 2003							

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")



Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
4. Mr. Charoenrath Vilailuck <ul style="list-style-type: none">• Director• Risk Management Committee Member	60	<div>- Bachelor Degree in Electrical Engineering The University of Newcastle, Australia</div> <div><u>Training courses:</u></div> <div><div>- Certificate of NACC/IACA International Anti-Corruption Academy (NACC11), Office of the National Anti-corruption Commission, Thailand in Jan. - Sep. 2020</div><div>- Health Ambassador (Class 2) Chulabhorn Royal Academy, Chulabhorn Research Institute in Aug. 2019 - Mar. 2020</div><div>- Advanced Master of Management Program (AMM) (Class 1) Public Administration, NIDA in 2018</div><div>- Top Executive Program in Energy Literacy for a Sustainable Future (Class 10), Thailand Energy Academy (TEA) in 2017</div><div>- Leadership Program (class 19), Capital Market Academy (CMA) in 2014</div><div>- Chief Executive Course for Urban Development Management (Class 1), Urban Green Development Institute Bangkok in 2012</div><div>- National Defence course for the joint State-Private Sectors (Class 18), National Defence College of Thailand in 2005 - 2006</div></div>	None	Mr. Watchai's elder brother	May 2016 - Present 2003 - Present	Risk Management Committee Member Director	Samart Digital Plc. Samart Digital Plc.
		May 2016 - Present 2008 - Present 1998 - Present 1996 - Present 1993 - Present 1993 - Present 2013 - Jan. 2019			<u>Position in other listed companies</u> Risk Management Committee Member Chairman of the Risk Management Committee Chief Executive Officer Director / Executive Director Executive Chairman Director Director / Executive Director / Risk Management Committee Member <u>Position in non-listed companies</u> Director / Executive Director Director Director	Samart Telcoms Plc. Samart Corporation Plc. Samart Corporation Plc. Samart Telcoms Plc. Samart Corporation Plc. Samart Corporation Plc. One to One Contacts Plc. Samart Aviation Solutions Plc.** (In the process of being listed in the SET) Vilailuck International Holding Co., Ltd. and its subsidiaries Related Companies of Samart Digital Plc. (as shown in the Position of Directors and Management of the Company in Subsidiaries and Related Companies)	
		<div><u>Training courses from Thai Institute of Directors Association (IOD):</u></div> <div><div>- Director Certification Program (DCP) in 2004</div><div>- Director Accreditation Program (DAP) in 2004</div></div>					
Appointment Date: September 30, 2003							

Remarks: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")

** Formerly known as Samart Transolutions Co., Ltd.

Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
5. Mr. Watchai Vilailuck <ul style="list-style-type: none"> • Authorized Director • Chief Executive Officer • Executive Chairman • Chairman of the Risk Management Committee 	58	<ul style="list-style-type: none"> - Bachelor Degree in Accounting, Faculty of Commerce and Accounting, Thammasat University Training courses: <ul style="list-style-type: none"> - WING in the Mind of the Disruptors class 4 in Nov. 2020 - Feb. 2021 - Digital Edge Fusion (DEF#5). - Sripatum University in Aug. - Nov. 2020 - The Story (The Ultimate Leadership Tool) (Class 4), Sripatum University in Jan. - Aug. 2020 - Top Executive Program for Creative & Amazing Thai Service (Class 1), The Thai Chamber of Commerce University in 2019 - Ultra Wealth Group (Class 4), Capital Market Academy in Jan. - May 2018 - Top Executive Program in Commerce and Trade (TepCot) (Class 11), The Thai Chamber of Commerce University in Mar.- Sep.2018 - Advanced Master of Management Program (AMM) (Class 2), National Institute of Development Administration (NIDA) in Aug.-Dec.2018 - CMA-GMS International Program (Class 3), Capital Market Academy in 2017 - Academy of Business Creativity (ABC) (Class 6), Sripatum University in 2017 - Top Executive Program in Energy Literacy for a Sustainable Future (Class 6), Thailand Energy Academy (TEA) in 2015 - Top Executive Program in Industrial development and Investment (Class 2), Institute of Business and Industrial Development (IBID) in 2015 - The 5th Training Course on Justice for Executives, Institute of Administrative Justice, The Office of the Administrative Courts of Thailand in 2013 - 2014 	0.21 (23,343,000 shares)	Mr. Charoenrath's younger brother	Nov. 2016 - Present	Chief Executive Officer / Executive chairman / Chairman of the Risk Management Committee	Samart Digital Plc.
					2003 - Present	Director	Samart Digital Plc.
					Nov. 2016 - Present	Position in other listed companies Head of Digital LOB	Samart Corporation Plc.
					Present	Acting Chief Operating Officer of Technology Related Services LOB	Samart Corporation Plc.
					May 2016 - Present	Chairman of the Risk Management Committee Member	Samart Telcoms Plc.
					May 2016 - Jan. 2021	Executive Committee Member	One to One Contacts Plc.
					May 2014 - Dec. 2020	Acting Chief Operating Officer of Call Center LOB	Samart Corporation Plc.
					2013 - Present	Chairman of the Sustainable Development Committee	Samart Corporation Plc.
					2013 - May 2016	Executive Chairman	One to One Contacts Plc.
					2013 - Jan. 2021	Director / Chairman of the Risk Management Committee	One to One Contacts Plc.
					2004 - Present	Risk Management Committee Member	Samart Corporation Plc.
					2000 - Present	Executive Chairman / Chief Executive Officer	Samart Telcoms Plc.
					2000 - Present	President	Samart Corporation Plc.
					1996 - Present	Director	Samart Telcoms Plc.
					1993 - Present	Director / Executive Director	Samart Corporation Plc.

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")



Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
5. Mr.Watchai Vilailuck (cont.)		<div>- ASEAN Executive Management Programme (Class 2), The Secretariat of the Prime Minister, Office of the Civil Service Commission (OCSC), Office of the National Economic and Social Development Board, Ministry of Foreign Affairs and Sasin Graduate Institute of Business Administration, Chulalongkorn University in 2013</div> <div>- The Programme for Senior Executive on Justice Administration Batch 15, National Justice Academy in 2011 - 2012</div> <div>- Leadership Program (Class 11), Capital Market Academy (CMA) in 2010 - 2011</div> <div>- National Defence for The Joint State - Private Sector Course (Class 21), National Defence College of Thailand in 2008 - 2009</div> <div>- Strategic Planning & Implementation Program University of Michigan Business School (Executive Education Center), Singapore in 2000</div> <div>- Management Program, United Kingdom in 1985</div>			2018 - Present	<u>Position in non-listed companies</u> Director / Executive Director	Samart Aviation Solutions Plc.** (In the process of being listed in the SET) Vilailuck International Holding Co., Ltd. and its subsidiaries Subsidiaries and Related Companies of Samart Digital Plc. (as shown in the Position of Directors and Management of the Company in Subsidiaries and Related Companies)
					1993 - Present Present	Director Director	
		<u>Training courses from Thai Institute of Directors Association (IOD):</u> <div>- Director Accreditation Program (DAP) in 2004</div>					
Appointment Date: September 30, 2003							

Remarks: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")

** Formerly known as Samart Transolutions Co., Ltd.

Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
6. Mr. Wongkrit Jiamsripong <ul style="list-style-type: none">• Authorized Director• Executive Director• Risk Management Committee Member• Corporate Governance Committee Member• Nominating and Compensation Committee Member• Chairman of the Sustainable Development Committee	52	<ul style="list-style-type: none">- Master of Business Administration (MBA), Thammasat University- Bachelor of Engineering, Chulalongkorn University <u>Training courses:</u> <ul style="list-style-type: none">- TLCA CFO CPD No. 5, Topic : How to create value with the right environment, social and governance strategies in 2020 for 2 Hours- e-Learning CFO Refresher Course by the Stock Exchange of Thailand in 2020 for 6 hours- Management of Public Economics for Executives, King Prajadhipok's Institute- Strategic CFO in Capital Markets Class 8, Topic : CFO & Financial Information Management in 2019 for 12 hours <u>Training courses from Thai Institute of Directors Association (IOD):</u> <ul style="list-style-type: none">- Director Accreditation Program (DAP) in 2021	None	None	Dec. 2020 - Present	Director / Executive Director / Risk Management Committee Member / Corporate Governance Committee Member / Nominating and Compensation Committee Member / Chairman of the Sustainable Development Committee	Samart Digital Plc.
					Oct. 2018 - Present	<u>Position in other listed companies</u> Vice President - Finance	Samart Corporation Plc.
					Dec. 2020 - Present	<u>Position in non-listed companies</u> Director	Subsidiaries and Related Companies of Samart Digital Plc. (as shown in the Position of Directors and Management of the Company in Subsidiaries and Related Companies)
					Oct. 2018 - Present Jan. 2014 - Sep. 2018	Director Vice President - Business Development	Samart U-Trans Co., Ltd. Samart U-Trans Co., Ltd.
					Appointment Date: December 15, 2020		

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")



Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
7. Mr. Thawee Udomkitchote • Head of Digital Content	55	<ul style="list-style-type: none">- Mini MBA, Business Administration, The Thai Chamber of Commerce University- Mini MBA, Business Administration, Thammasat University- Bachelor Degree in Economics and Administration, Kasetsart University <u>Training courses:</u> <ul style="list-style-type: none">- Relationship in 2017- Re Positioning Workshop in 2015- Executive Development Program in 2014- Teamwork in 2013 <u>Training courses from Thai Institute of Directors Association (IOD):</u> <ul style="list-style-type: none">- Director Accreditation Program (DAP) in 2004	None	None	Feb. 2021 - Present Sep. 2003 - 2006	Head of Digital Content Director	Samart Digital Plc. Samart Digital Plc.
					Mar. 2012 - Jan. 2018	<u>Position in other listed companies</u> Senior Vice President	Samart Corporation Plc.
					Mar. 2016 - Present	<u>Position in non-listed companies</u> Director / Managing Director	Subsidiaries and Related Companies of Samart Digital Plc. (as shown in the Position of Directors and Management of the Company in Subsidiaries and Related Companies) Samart Engineering Co., Ltd. Subsidiaries and Related Companies of Samart Digital Plc.
					Dec.2010 - Present Sep.2003 - 2014	Managing Director Director / Managing Director	
Appointment Date : February 11, 2021							

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")

Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
8. Mrs. Sumonthip Srimek <ul style="list-style-type: none"> • Vice President - Account • Executive Committee Member • Sustainable Development Committee Member • The Person Supervising Accounting 	61	<ul style="list-style-type: none"> - Master Degree, Business Administration, Kasetsart University - Bachelor Degree in Accounting, Chiang Mai University <p><u>Training courses (External):</u></p> <ul style="list-style-type: none"> - Transfer Pricing Disclosure Form in 2020 - Update new laws that could impact net profit calculation in 2020 - Tax and Accounting for SMEs in 2019 - Update Tax and Accounting in 2019 - Digital Accounting in 2019 - Thai Financial Reporting Standards of Financial Instruments (IAS 32, TFRS 7) in 2018 - Update Tax and Accounting in 2018 - All Thai Financial Reporting Standards (All TFRS) in 2018 <p><u>Training courses (In-House):</u></p> <ul style="list-style-type: none"> - Thai Financial Reporting Standards (TFRS 9 and TFRS 16) in 2019 - Accounting Standards 12 in 2019 - Thai Financial Reporting Standards of Revenue from Contract with Customers (TFRS 15) in 2018 	None	None	May 2019 - Present	Executive Committee Member / Sustainable Development Committee Member	Samart Digital Plc.
					2004 - Present	Vice President - Accounting	Samart Digital Plc.
						<u>Position in other listed companies</u>	
						<u>Position in non-listed companies</u>	

Appointment Date: September 30, 2003

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")



Appointment Date: July 1, 2017

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "4. Disclosure and Transparency")

Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
10. Miss Boonrut Mongkolratanakorn <ul style="list-style-type: none">• Company Secretary• Sustainable Development Committee Member• Secretary to Committees	58	<div>- Mini MBA, Business Administration, Thammasat University</div> <div>- Bachelor Degree in Accounting, Thammasat University</div> <div><u>Training courses:</u></div> <div>- Law and regulations for Company Secretary, Chulalongkorn University in 2003</div> <div>- Internal Auditing Certificate Program, Federation of Accounting Professions in 2003</div> <div>- Graduation certificate in Advanced Accounting, Thammasat University in 1986</div> <div>(Please see details of training courses in 2020 in “Management Structure” under topic “Company Secretary”)</div>	0.00 (70,000 shares)	None	Nov. 2013 - Present	Sustainable Development Committee Member	Samart Digital Plc.
					2003 - Present	Company Secretary / Secretary to Committees	Samart Digital Plc.
					2003 - July 2013 and Nov. 2018 - July 2019	Head of Internal Audit / Secretary to the Audit Committee	Samart Digital Plc.
						<u>Position in other listed companies</u>	
						<u>Position in non-listed companies</u>	
Appointment Date: October 31, 2003							

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")



Name-Surname / Position / Appointment Date	Age	Education / Training	Shareholding in Company* (%)	Relationship	Working Experience last 5 years		
					During	Position	Company / Department
11. Mr. Wichai Rongkawilitt <ul style="list-style-type: none">• Head of Internal Audit• Secretary to the Audit Committee• Secretary to the Risk Management Committee	54	<ul style="list-style-type: none">- Bachelor degree in Accounting, Dhurakij Pundit University <p><u>Training courses (External):</u></p> <ul style="list-style-type: none">- Smart Disclosure Program (Online) in 2020- Fraud Audit, The Institute of Internal Auditors of Thailand (IIAT) in 2018- The Connected Transaction, The Securities and Exchange Commission, Thailand in 2018- Training Confirmation Letter : Operation System Windows 10 in 2016- CG Forum 3/2016 Prevention and Control of Corporate Corruption in 2016- Fraud case study and Knowledge sharing for Internal Auditor in 2015- Fraud Risk Management (FRM) in 2015- Fraud Audit, The Institute of Internal Auditors of Thailand (IIAT) in 2014- Audit Techniques for Internal Audit in 2014- Development Plan for Internal Audit in 2014- COSO 2013 Internal Control - Integrated Framework Update, Federation of Accounting Professions in 2014 <p><u>Training courses (In-House):</u></p> <ul style="list-style-type: none">- Personal Data Protection Act 2019 in 2020- Smart Work in 2020- Thai Financial Reporting Standards of Revenue from Contract with Customers TFRS 9 and TFRS 16 in 2019- Tax Planning in 2019	None	None	Aug. 2019 - Present	Head of Internal Audit / Secretary to the Audit Committee / Secretary to the Risk Management Committee	Samart Digital Plc.
		2015 - Oct. 2018	Internal Audit Manager / Secretary to the Audit Committee	Samart Digital Plc.			
		Nov. 2018 - July 2019 Mar. 2014 - Dec. 2014 2011 - Feb. 2014	<u>Position in other listed companies</u> Internal Audit Manager Internal Audit Manager Internal Audit Manager	One to One Contacts Plc. One to One Contacts Plc. Samart Corporation Plc.			
			<u>Position in non-listed companies</u> -				
		Appointment Date: August 13, 2019					

Remark: * Includes holding by spouse and minor children. (See the securities holding information in the topic of "Corporate Governance" under the item of "4. Disclosure and Transparency")

[illegible]

Remarks: 1. X = Chairman

2. Consist of:

1. SDC = Smart Digital Plc.

5. I-SPORT = I-Sport Co. Ltd.

9. S2A = SIM2ASSET Co., Ltd

13. SCT = Smart Comtech Co.

16. SCS – Smart Communication Services, Ltd.

17: 303 = Samant Communication Self

21 SEC = Suryanabhumj Environment C

21. SEC = Sullivan Environmental Co.
22. TTN = Thai Trade Net Co. Ltd.

25. IIN = Inal Trade Net Co., Ltd.

29. PIN = Portal net Co., Ltd.

33. TS = Transec Power Services Co

37. NST = Net Service (Thailand) Co.,

(1) Direct held by Samart Digital Media Co., Ltd.

(2) Direct held by I-Sport Co., Ltd

(3) Formerly known as Smart Transolutions

(4) Under the process of closing the company



Board of Directors and Committees

As of December 31, 2020

Directors / Committees' / Members	Board of Directors	Executive Committee	Audit Committee	Risk Management Committee	Corporate Governance Committee	Nominating and Compensation Committee	Sustainable Development Committee
1. Mr. Piyapan Champasut	X		/				
2. Dr. Chotivud Chayavadhanangkur	/		X		X	/	
3. Mr. Kunthit Arunyakanda	/		/		/	X	
4. Mr. Charoenrath Vilailuck	/			/			
5. Mr. Watchai Vilailuck	/	X		X			
6. Mr. Wongkrit Jiamsripong	/	/		/	/	/	X
7. Mrs. Sumonthip Srimek		/					/
8. Mr. Hiran Phanbanlaem		/					/
9. Miss Boonut Mongkolratanakorn							/

Remarks: x = Chairman / = Director

General and Other Information

Samart Digital Public Company Limited

Company	:	Samart Digital Public Company Limited
Head Office	:	99/2 Moo 4, Software Park, 34 Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120
Registration No.	:	0107546000318
Home Page	:	www.samartdigital.com
Telephone	:	0-2502-6000
Fax.	:	0-2502-6361
Registered Capital	:	Baht 1,540,087,500
Paid-up Capital	:	Baht 1,132,442,321.80
Number of Issued Shares	:	11,324,423,218 shares
Par Value	:	Baht 0.10 per share
Warrant	:	SDC-W1 - 1,731,043,303 units of Warrants, Exercise Ratio: 1 unit of Warrant will be entitled to purchase 1 ordinary share at 0.05 baht per share, and the last exercise date is June 1, 2023.

Other References

Company Registrar	:	Thailand Securities Depository Company Limited
Head Office	:	93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng, Bangkok 10400
Telephone	:	0-2009-9000
Fax.	:	0-2009-9991
Auditor	:	Mrs. Sarinda Hirunprasurtwutti
	:	Certified Public Accountant (Thailand) No. 4799
Head Office	:	EY Office Limited 33 rd Floor, Lake Rachada Office Complex 193/136-137 Rachadapisek Road, Klongtoey, Bangkok 10110
Telephone	:	0-2264-9090
Fax.	:	0-2264-0789-90
Company Secretary	:	Ms. Boonrut Mongkolratanakorn
Email	:	CorporateSecretary@samartdigital.com
Telephone	:	0-2502-6871
Fax.	:	0-2502-6361
Internal Audit	:	Mr. Wichai Rongkawilit
Email	:	InternalAudit@samartdigital.com
Telephone	:	0-2502-6190
Fax.	:	0-2502-6361

More information, please see the Annual Information Disclosure of the Company (Form 56-1) on the Company's website (www.samartdigital.com), the SEC's website (www.sec.or.th) and the SET's website (www.set.or.th).

SAMART *Digital*



SAMART DIGITAL PUBLIC COMPANY LIMITED

99/2 Moo 4, Software Park, 34 Fl.,
Chaengwattana Rd., Klong Gluar, Pak-Kred,
Nonthaburi 11120 Tel: 662-502-6000 Fax: 662-502-6361
www.samartdigital.com

