



**DIMET**

**ANNUAL**

**REPORT 2020**

**รายงานประจำปี**

**2563**

## Contents

	Page
<b>Business Operation</b>	
Importance information in term of Financial	1
Message from Chairman	2
Natures of Business	3
Risk Factors	5
<b>Management</b>	
Organization Chart	10
Capital Structure	11
Management Structure	15
Related Transaction	29
Internal Audit Control and Risk Management	32
Board of Directors and Other Committee	38
Details of Directors and Corporate Secretary	41
General Information	58
<b>Corporate Governance</b>	
Corporate Governance	62
Social Responsibilities	107
<b>Financial Status and Business operation</b>	
Discussion and analysis of financial status and operating results	108
Corporate Governance Report from Audit Committee	112
Report on Responsibilities of the Board of Directors on Financial Reporting	115
Independent Auditors' Report	117
Financial Statement	123
Note to Financial Statement	131

**IMPORTANT INFORMATION IN TERM OF FINANCIAL**

	Year 2020 (JULY - DECEMBER)	Year 2020 (as ended June 30, 2020)	Year 2019 (as ended June 30, 2019)
	Million Baht	Million Baht	Million Baht
<b>Operating Results (Million Baht)</b>			
Sales and Projects	63.88	359.28	333.25
Other Revenue	1.08	7.52	1.32
Total Revenue	64.96	366.80	334.57
EBTA	(43.88)	(72.62)	(98.55)
Earnings (Loss) before income tax	(50.94)	(83.54)	(103.23)
Net Earnings (Loss)	(52.52)	(90.27)	(112.61)
<b>Financial Status</b>			
Total Assets	333.88	335.15	333.82
Total Liabilities	154.84	157.30	95.44
Shareholders' Equity	179.05	147.85	238.39
<b>Per Share Data (Baht)</b>			
Par Value	0.50	0.50	0.50
Net Earnings (Loss)	(54.18)	(90.77)	(112.64)
Book Value	0.1109	0.2748	0.4431
<b>Financial Ratio (%)</b>			
Return of Equity	(32.13)	(43.07)	(70.25)
Net Profit	(80.86)	(23.13)	(33.78)
Return on Total Assets	(15.70)	(25.01)	(43.38)
Debt to Equity Ratio (Time)	0.86	1.22	0.40

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**MESSAGE FROM CHAIRMAN**

To Shareholders  
Dimet (Siam) Public Company Limited

In 2020, the Thai economy is likely to slow down and below the potential level for another year. Due to the coronavirus outbreak (COVID-19), tourism tends to recover slowly. As a result of the COVID-19 situation in a foreign country that tends to be protracted on the part of merchandise exports tends to shrink. Exports to ASEAN and the Middle East remained low in line with the economic trend of trading partners while exports to major industrialized countries and China began to gradually recover. While the stability of the Thai financial system is still at high risk due to the economic contraction from the COVID-19 outbreak as a result, the financial status of both the household and business sectors is fragile and there is a risk of default.

Nonetheless, year 2020 is another year. Board of Directors and Executives give importance to business operation growth together with keep up with changes in economic and society by turning back to manage cost in order to make use of investment funds as well as formulating strategies and business plans in the subsidiaries to be in the same direction to comply with the government's economic stimulation policy. Including studying new products in order to create more value for the company and subsidiaries.

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

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



(Mr. Somchai Apiwattanaporn)

Chairman



## NATURE OF BUSINESS

The Company products are divided into 3 main groups, Industrial Coatings, Architectural Coatings and Contractor service groups as follows.

### (1) Industrial Coatings Group

#### 1.1. Protective Coating

This Protective coating is special in engineering as used for steel structure to prevent corrosion from internal and external environments such as sun (UV), sea atmosphere, industrial environment, and chemical environment. Moreover, the coating could maintain its beauty appearance in industrial usage for long-lasting usage life. If categorized as in engineering usage, protective coatings are comprised of primer, intermediate coat and topcoat. Each layer has owned duties and different property as follows:

Primer	: Prevent rust and increase adhesion to steel surface such as Inorganic Zinc
Intermediate	: Enhance strength of coating, such as Epoxy Coating
Top coat	: Prevent steel surface exposure from external environments (such as UV, sea environment, or chemical environment, such as Polyurethane Coating

#### 1.2. Timber Coating

This Coating used to coat timber to enhance appearance and make it more durable in actual usage. The coating is usually applied multiple layers to obtain desired characteristics, such as smoothness, glossy, resistance to washing detergent, catering foods, sauce, etc.

#### 1.3. Industrial Coating

This Coating is a part in manufacture industrial in various factory. Each type of industrial coating shall have different characteristics due to specific needs for each industry.

### 2. Decorative Paints

These paints used for building, home, hotel, or office building to offer beauty and durability from various environment factors. Decorative paints usually consist of primer and top coat. Some coatings are flexible, cover hairline cracks, anti-fungus both indoor and outdoor and easily cleaned. Moreover, some building coating can reflect heat to conserve energy, and others are odorless for interior painting to prevent irritation to the residents.

Due to strong competition, Dimet have registered some own trade names for future marketing expansion.

### 3. Contractor service groups (Implement)

To serve both construction contractor and systems installation both interior and exterior.

Type of Revenue	Year 2020 (Ended 31 DEC 2020)		Year 2020 (Ended 30 JUN 2020)		Year 2019 (Ended 30 JUN 2019)	
	MB	%	MB	%	MB	%
1. Sales (Domestic)						
1) Industrial Coating Group <sup>1/</sup>	28.02	43.14	130.82	35.67	159.30	47.61
2) Architectural Coating Group	2.53	3.90	9.04	2.46	10.94	3.27
3) Contractor service groups (IMPLEMENT)	7.57	11.66	143.76	39.19	35.06	10.48
4) Others (other paints, OEM products and services)	25.75	41.08	75.66	20.63	124.87	37.32
Total domestic sales	63.87	99.77	359.28	98.83	330.17	98.68
2.Export sales					0.23	0.07
Total export sales	-	-	-	-	0.23	0.07
Total sales revenue	63.87	99.77	365.43	98.83	330.40	98.75
Other incomes <sup>2/</sup>	1.08	0.23	7.52	2.05	4.17	1.25
Total Revenue	64.95	100.00	366.80	100.00	334.57	100.00

#### Remark

<sup>1/</sup> Industrial Coatings Group – Protective Coatings, Industrial Coatings and Timber Coatings

<sup>2/</sup> Other revenues include sales commission, rental incomes and interest received

## RISK FACTOR

### Risk Management

Risk management is a necessary and important management process to enable organization to meet set targets especially present business conditions which constantly changes, fast and highly competitive. Company aware of importance of risk management for company performance, therefore, company appointed risk management committees under good governance to manage and control risk management. Risk management committees would consider and define risk management policies then assign to risk working parties to manage risks systematically and in the same directions. Together with defining rules including procedures and work instructions to manage risk managements covered all organizations. Defining inspections, performance measurement and evaluation, by risk working parties would conduct and report to risk management committees in company and organizational risk issues to risk management committees to consider and propose to board of directors to approve.

Company defines to manage its performance by setting management systems which is efficient, improved risk management constantly and continuously in order to conduct more efficient with taking constant change risk factors in organization both inside and outside company into consideration.

### Risk Management Framework

Company manages risks for the whole organization, complies to international standard as Board of directors, managers and all personnel in the organization by process of risk management was designed to defining events may occur and affect organization and enable risk to become acceptable risk level for organization in order to rationally convince to achieve defined organizational targets.

#### 1. Strategy Formulation

Company defines objectives and acceptable risk level (Risk Appetite) in managing risks clearly in order to managing risks in the same direction.

#### 2. Risk management structure and responsibilities

The Company's risk management structure is shown as below;

#### *Risk Management Responsibilities*

##### **Board of Directors**

enterprise-

The Board of Directors is responsible for monitoring the wide risk management as a whole.

##### **Audit Committee**

The Audit Committee is responsible for considering and verifying the effectiveness of the internal control, monitoring the risk management results, as well as evaluating the risk management outcomes implemented by the Risk Management and Business Continuity Working Group.

##### **Risk Management Working Parties**

To control risk management activities to achieve targets and enable confident and trust in business running in organization, Board of directors would appoint risk management working

parties which comprised of high level of managers of each field. Defining risks would have to pass the approval from risk management working parties, risk management committees and board of directors executively.

### **3. Organizational Risk Management Process**

The Company has set the risk management process to ensure the systematic steps and procedures and the entire operations leading to the same direction. The core process of the organization risk management consists of 8 steps as below;

- 1) Internal Environment
- 2) Objective Setting
- 3) Event Identification
- 4) Risk Assessment
- 5) Risk Response
- 6) Control Activities
- 7) Information and Communication
- 8) Monitoring

The risk management processes carried out within the organization Risk Management Committee It is imperative that the Board of Directors and the Board of Directors be communicated with regard to risk assessment and control of progress, monitoring to ensure that

- (1) Risk Owner has follows up assessment of situation, analyze and reasonable in term of risk management
- (2) Risks affecting the achievement of organizational objectives has been reported in progress Risk management and trends of risks to responsible to management and risk management working group. This risk is based on internal control system which is sufficient, appropriate and practically implemented to prevent. Or reduce the risk that may arise including constantly revising and revising internal controls to be in line with the changing circumstances and risks
- (3) The Risk Management Working Group coordinates the executives in charge of the risks to report the status of risks including the risk management process. To report to the Risk Management Committee for acknowledgment
- (4) The Risk Management Working Group monitors changes in the external and internal environment as well as changes in risks. That could happened these results in a review of risk management and prioritization
- (5) Risk Management Working Group The progress of risk management will be summarized and reported to the Risk Management Committee every quarter

**POTENTIAL RISK AND RISK MANAGEMENT STRATEGIES****1. Strategic Risk**

The Company has clearly set objectives and risk appetite in risk management so that the risk management is in the same direction

**1.1. Risk from manufacturing contract by using overseas technology**

Company acquires overseas technology supports from world class paint manufacturers performed their businesses some 100 years ago, VALSPAR and CARBOLINE INTERNATIONAL CORPORATION whose Company has agreement with, to support Company painting technology as follows;

1) Valspar Paint (Australia) Pty Ltd. ("VALSPAR") VALSPAR purchased all Watty! Business and maintain license for Company both manufacture and selling wood enamel and decorative paints for 3 years period by renew contract. Company could renew contract interval for 3 years. Presently, such contract is binding on the agreement from July 1<sup>st</sup>, 2016 to June 30<sup>th</sup>, 2018 and renewal for another 3 years until 30th June 2022.

2) Carboline International Corporation (CARBOLINE) CARBOLINE granted Licence to Company in manufacture and distributes anti-rust paints from CARBOLINE as there are five years contract binding from March 28, 2017 to March 27, 2022.

This manufacturing technology reliance from those two companies would be risk from lack of supports such manufacturing technology or contract termination or contract condition changes.

However, since the past years, Company research and develop anti-rust paint until such paint is suitable for Thailand's climate. To distribute paints, despite the paint quality and variety of colors including readiness of Company to deliver products and satisfied customer requirements. One of important factor is After Sale Service which Company has Technical Service Team to suggest proper instruction for use at site. This enables Company to serve customer quicker and market expansion. Company long time in the market facilitates Company to well familiarize and specialize with domestic market and enable advantages in Company marketing. From such specialization of paint distribution for domestic markets made VALSPAR and CARBOLINE relied on sale channels and as Company Marketing Arm to boost sell domestically.

Besides, Company obtained good relations with both companies all the times. Companies has gained supports and grants continuously technology license, would enable Company to be ready, experiences and specialize in manufacturing and distribute paints under both companies technology. Company received well respects from paint customer group throughout the year as well as creates good relationship with customer groups who use such paints from those two aforementioned companies together with continue paint qualification development. This makes Company paint products which employ these two aforementioned companies' technology has proper qualifications to suit the tasks and suitable Thailand's climates. Moreover, Company has various researches and development team, Company presently is able to copyright our own Brand Name and new regular register as new products arise. From this leverage us to

reduce reliance technology from those aforementioned companies technology and enable us to win respects in our products and brand names.

## **2. Risk from manufacturing**

### 2.1 Risk from production halt as a result of fire and natural disaster

As paint manufacturing require highly flammable chemicals such as resin, pigment, solvent and additive. Therefore if those chemicals leak or a spark occurs in the factory, the Company may risk manufacturing halt due to fire.

However, the Company is well-aware of the risk and has prevented those risk by provide training for employees in the Company to understand about the manufacturing procedures, guidelines and cautions. The Company also educates employees about causes of fire, such as chemical reaction, temperature that the chemical may ignite, avoiding chemical, hazardous chemical resulted from decomposition, etc. Moreover, the Company also provides training on fire prevention and suppression by inviting official from Public Disaster Prevention Center, Preaksa District, Muang District, SamutPrakarn Province to regularly educate employees. The Company also invested in explosion proof electricity system that could prevent electrical spark, which may cause fire. Thus the risk of fire is minimized, and the Company never has risk from fire incident occur.

### 2.2. Risk in supplying raw materials (Raw materials management)

Raw materials used in Company manufacturing are chemicals such as Resin, Pigment, Solvent and Additive come from different sources locally and overseas ordered mainly from domestic agents. Therefore, Company has risk in supply raw materials in case of manufacturer could not manufacture or distribute raw materials for Company as quantity, time and condition as defined by Company and effects of our operation and our growth.

However, Company protect this risk in supply raw materials by spreading more than one raw materials suppliers per raw material. Furthermore, Company built good relations with raw material suppliers and continue business since 35 years ago, therefore, opportunity of risk may occur is minimal and Company has never such bad incident happen before.

### 2.3. Risk from reliance to main management and experienced employees

Main management and personnel who have knowledge and understand in whole manufacturing process system including idea initiation in develop products to be quality is an important factor for entrepreneur in the manufacturing and distribution industry. It is a loss of main management and personnel who have knowledge and understand in whole manufacturing process system, research and development may affect in capacity of the Company's competitiveness.

However, as most of main management and research and development personnel have worked with Company for a long time, Company low rate of turnover in this department. Furthermore, prioritize of main management, manufacturing related and research and development personnel are shareholder and

Company's directors, therefore, Company convinces that risks of losing personnel is minimal. In addition, Company prevent such risk by providing training in order to develop knowledge and capability of personnel in the department to disseminate knowledge to the task force including promote and delegate employees to the higher position to support management and reduce especially reliance of single personnel.

### **3. Risk from management in financial**

#### 3.1. Risk from credit release to customer structure and debt collection

Risk from customer or contract parties unable to pay or reimburse or violate the contracted agreement which may affect Company operation and finance status as a whole. Company is aware of such risks, therefore, currently Company keep a closed follow up debt quality as well as improving credit criteria to be appropriately and strictly to comply with the current situation

Besides, Company emphasized on credit risk management system as a system development according to good finance system, to improve credit release consideration procedure including debt collection and credit risk control by developing procedure to support credit release approval for customer. Company should have management debt process to prevent and correct outstanding debt, in addition, Company has allowance for doubtful accounts by analyzing payment history and potential and risk of payment in the future forecast. For outstanding debtor more than 1 year, Company reserved 100% and consistently follow up this debtor including report of debtors with overdue payment for Company benefits in

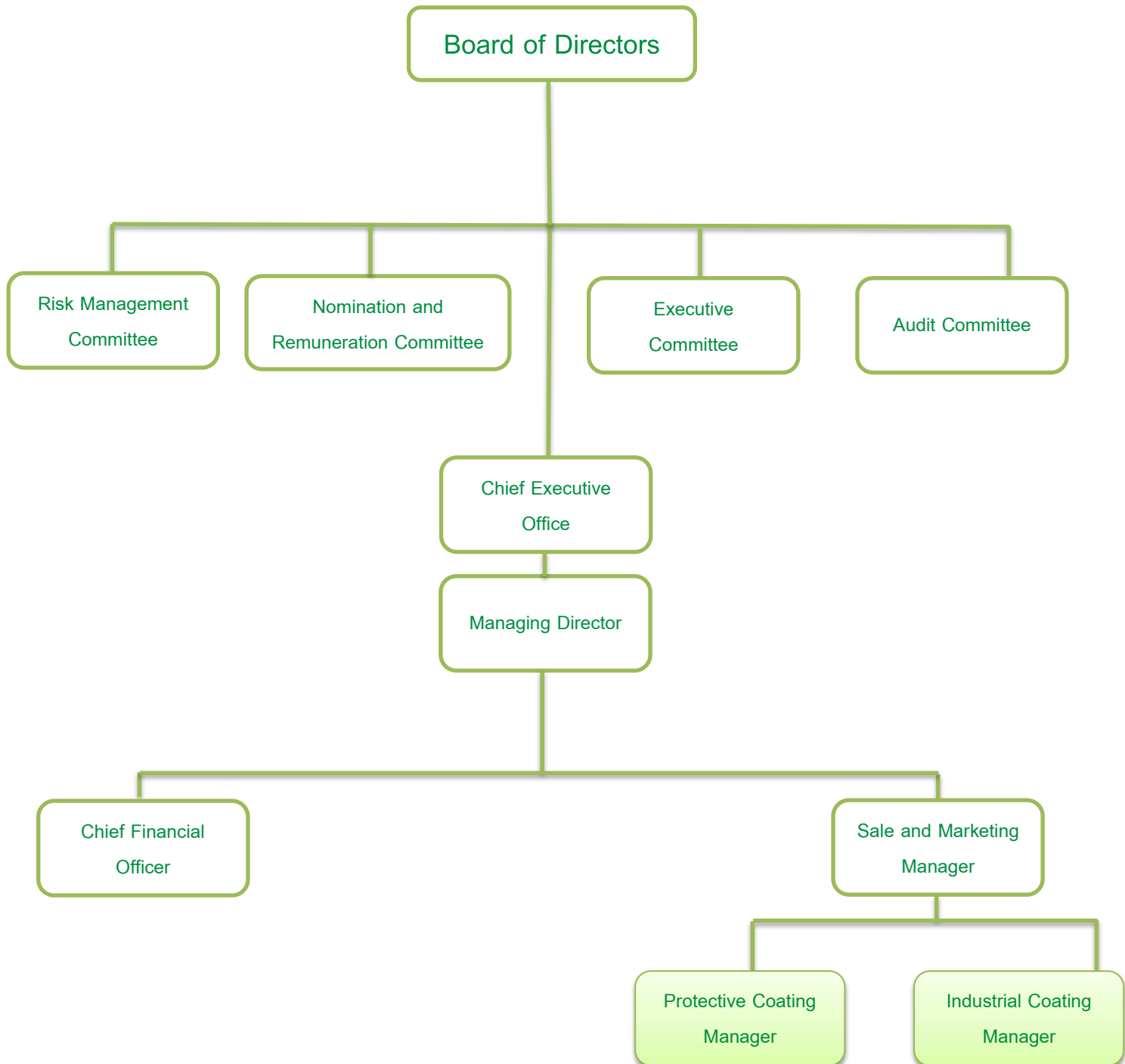
### **4. Risk from regulatory compliances oversight**

#### 4.1. Importance of regulatory compliance and risk management for corruption

Company had given importance to strictly and manage risk that caused by corruption. There is a anti-corruption committee which their main duties on policy definition including defining measures and preventive corruption measures in organization. In 2015, Company joined Thailand's private sector collective action coalition against corruption to demonstrate the intention and commitment to perform anti-corruption in every aspect.

Company conducted self-appraisal evaluation in anti-corruption measures and submitted such self-appraisal evaluation to Thailand's private sector collective action coalition against corruption (CAC) council. Chainman of Audit committee of CAC Council has inspected and proposed to CAC council for final consideration. Company was certified by CAC council on July 22, 2016 to be membership of CAC council and to be expired in 3 years. For official recognition Company was honor to be presented the certification on August 16, 2016 at Ballroom, Grand Hyatt Erawan Hotel, and in 2019, company submitted for renewal and achieved accreditation from CAC Councils as of August 5th, 2019. Such accreditations will last 3 years since accredited date.

## ORGANIZATION CHART





## CAPITAL STRUCTURE

### Company's securities

As at December 31, 2020 the company has registered capital of Baht 1,211,342,674.50 and Paid up Capital of Baht 807,561,783.00 by consists of 1,615,123,566 ordinary shares as par value of Baht 0.50

Name of shareholders as at December 31, 2020 as follows:

Names		Amount of Shares (shares)	Percentage %
1. Ua Withya Public Company Limited		403,764,740	24.999
2. Mr. Chinchai	Leenabanchong	266,777,770	16.517
3. Mr. Paowarith	Taweerutchana	126,829,600	7.583
4. Miss Kanrayawan	Tungsuthiwong	60,000,000	3.715
5. Mr. Thawat	Sathidwittya	44,064,100	2.728
6. Mr. Chanachai	Leenabanchong	33,000,000	2.043
7. Mr. Nirandorn	Thannoum	30,927,000	1.915
8. Miss Phattaree	Wongthongrin	30,000,000	1.857
9. Mr. Thavorn	Saeleedeelert	25,900,000	1.604
10. Minor Shareholders		593,860,356	37.039
<b>TOTAL</b>		<b>1,615,123,566</b>	<b>100.000</b>

### The issuance of other securities.

As at December 31, 2020 DIMET-W3 totaling of 933, 846 units

#### Information of the warrants to purchase common shares of the Company Securities (DIMET-W3)

Type of Securities	:	Warrant to purchase ordinary shares of Dimet (Siam) Public Company Limited No.3 ("warrant" or "DIMET-W3")
Type of warrant	:	Specified name and transferable
Date Listed	:	May 7, 2020 (Trading Day)
Secondary Market	:	Market For Alternative Investment
Number of shares issued	:	933,846 units
Offering Price	:	Baht 0.00
		Granted to existing shareholders at the ratio of 1 ordinary shares : 1 unit of warrant
Number of shares	:	268,953,447 units
Number of allotted shares	:	268,953,447 shares (par value of 0.50 per shares)

Issued Date of warrant : April 20, 2020  
 Life Time of warrant : Not exceed 2 Year counting from issued date of warrant  
 Expiration Date of warrant: February 18, 2022 (Last exercise date) thus warrant cease to be listed on the next day  
 Right of warrant : Exercise Ratio  
 1 unit of warrant has rights to purchase 1.8679 issued ordinary shares as exercise price of Baht 0.3479

*\*\*Exercise rates and prices may change according to term of right adjustment (please see terms and conditions for details) on the company's website or website of SET\*\**

Submission Period : First Exercise Date is on May 20, 2020 and entitled to exercise every 20<sup>th</sup> of May, August, November and February as last exercise date on February 18, 2022 thus in case exercise date is on company's holiday then shall be scheduled last business day to proceed exercise date each time

**Exercise Table DIMET-W3**

No.	Exercise Date
1	May 20, 2020
2	August 20, 2020
3	November 20, 2020
4	February 20, 2021
5	May 20, 2021
6	August 20, 2021
7	November 20, 2021
8	February 18, 2022

As at December 31, 2020 DIMET-W4 totaling of 806,533,480 units

**Information of the warrants to purchase common shares of the Company Securities (DIMET-W4)**

Type of Securities	:	Warrant to purchase ordinary shares of Dimet (Siam) Public Company Limited No.4 ("warrant" or "DIMET-W4")
Type of warrant	:	Specified name and transferable
Date Listed	:	March 31, 2021 (Trading Day)
Secondary Market	:	Market For Alternative Investment
Offering Price	:	Baht 0.00
		Granted to existing shareholders at the ratio of 1 ordinary shares : 1 unit of warrant
Number of shares	:	806,533,591 units
Number of allotted shares	:	806,533,591 shares (par value of 0.50 per shares
Issued Date of warrant	:	November 16, 2020
Life Time of warrant	:	Not exceed 3 Year counting from issued date of warrant
Expiration Date of warrant	:	September 29, 2023 (Last exercise date) thus warrant cease to be listed on the next day
Right of warrant	:	<u>Exercise Ratio</u> 1 unit of warrant has rights to purchase 1 issued ordinary shares as exercise price of Baht 0.50

*\*\*Exercise rates and prices may change according to term of right adjustment (please see terms and conditions for details) on the company's website or website of SET\*\**

Submission Period	:	First Exercise Date is on March 31, 2021 and entitled to exercise every last day of May, August, November and February as last exercise date on September 29, 2023 thus in case exercise date is on company's holiday then shall be scheduled last business day to proceed exercise date each time
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**Exercise Table DIMET-W4**

No.	Exercise Date
1	March 31, 2021
2	March 30, 2021
3	September 30, 2021
4	December 30, 2021
5	March 31, 2022
6	March 30, 2022
7	September 30, 2022
8	December 30, 2022
9	March 31, 2023
10	March 29, 2023
11	September 29, 2023

**Dividend Policy**

The Company has a policy of paying dividends to our shareholders each year not less than 40% of net profit after deduction of legal reserves. If no other necessities and the payment shall not affect the normal Company operation, the Board of Directors approved a dividend payment shall be presented for approval at the Annual General Meeting except for the interim dividend, the Board of Directors is authorized to pay dividends and report in the next shareholders meeting.

For subsidiaries, the Company did not set a dividend policy. The dividend of the subsidiary will be based on the performance of subsidiary. If the dividend is declared dividends must be appropriated statutory reserve at least 5 % of net profits to pay dividends. Until the legal reserve equals 10 % of the share capital of the Company and such payment shall not affect the normal operations of the Company significantly. By resolution of the Board of Directors approved the dividend that will be proposed for approval by the general meeting of shareholders, except as an interim dividend, the Board of Directors is authorized to pay dividends and report to the shareholders in the next meeting.

**Paying Dividends History when compare to net profit (separate) 2018 - 2020**

Transaction	Year 2020 (as July 1 – Dec 31, 2020)	Year 2020 (as June 30, 2020)	Year 2019 (as June 30, 2019)
Net Profit (Loss) Consolidated Financial statement (MB)	(37.09)	(84.02)	(112.25)
Dividend Payment (MB)	0.00	0.00	0.00

## MANAGEMENT STRUCTURE

The company management structure consists of 5 committees, Board of Directors, Audit Committee, Risk Management Committee, Executive Board Committee and the Nomination and Remuneration Committee as follows;

Year 2020, there are totaling of 13 Directors consists of

	Amount (people)			%
	Male	Female	TOTAL	
Director (as executive)	5	1	6	46.15
Director (as non-executive)	2	1	3	23.08
Independent Director	3	1	4	30.77
<b>TOTAL</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>100</b>

Board of Director consists of 4 Independent Directors or equal to 30.77 % of total number of Directors

### 1. Board of Directors.

As of December 31, 2020 the Board of Directors comprised of 13 Directors as follows;

Name – Surname		Position	Holds position
1. Mr. Somchai	Apiwattanaporn	Chairman / Independent Director	7 Months
2. Mr. Theerachai	Leenabanchong	Vice Chairman No.1	4 Year
3. Mr. Charlie	Jangvijitkul	Vice Chairman No.2	7 Months
4. Miss Wanna	Muangnon	Independent Director / Director	4 Year
5. Mr. Krissada	Surawathanawises	Independent Director / Director	7 Months
6. Mr. Teerawit	Charuwat	Director	7 Months
7. Mr. Supachai	Limnasiri	Director	7 Months
8. Mr. Monthon	Chatuwallopkul	Director	7 Months
9. Mr. Thitiporn	Kaveevitayavej	Director	7 Months
10. Miss Onchulee	Lawsmithikul	Director	3 Months
11. Miss Laphassarin	Kraiwongwanitrun	Director	4 Months
12. Mr. Jakkathan	Yothanan	Independent Director / Director	3 Months
13. Acting Sub. Lt. Matee	Ittirivichai	Director / Corporate Secretary	4 Months

**Report of holding securities by directors and company's management as of December 31, 2020**

Name of Directors / Management		Year 2020
		%
1. Mr. Somchai	Apiwattanaporn	-
2. Mr. Theerachai	Leenabanchong	0.031%
3. Mr. Charlie	Jangvijitkul	-
4. Miss Wanna	Muangnon	-
5. Mr. Krissada	Surawathanawises	-
6. Mr. Teerawit	Charuwat	-
7. Mr. Supachai	Limnasiri	-
8. Mr. Monthon	Chatuwallopkul	-
9. Mr. Thitiporn	Kaveevitayavej	-
10. Miss Onchulee	Lawsmithikul	-
11. Miss Laphassarin	Kraiwongwanitrung	-
12. Mr. Jakkathan	Yothanan	-
13. Acting Sub. Lt. Matee	Ittirivichai	0.0001%
14. Mr. Chokchai	Niamratana	-
15. Mr. Paiboon	Buddeewong	-
16. Miss Pureecha	Buranasiri	0.0001%

Authorized Director as at December 31, 2020

Mr. Charlie Jangvijitkul or Mr. Theerachai Leenabanchong or Miss Laphassarin Kraiwongwanitrungr or Mr. Thitiporn Kaveevityavej signed together with Mr. Theerachai Leenabanchong or Miss Onchulee Lawsmithikul or Mr. Monthon Chatuwatlopkul in totaling of two with company seal

Scopes of authority and duties of the Board of Directors

Boards of directors have duties to oversee business and Company's mission to be accorded to shareholders' approval and regulations Company has to comply with, including objectives, requirements, meeting resolution and board of directors' resolution. Board of directors must their judgment and careful in business decision and conduct their duties with responsibility, honesty and carefully to protect highest Company benefits.

1. The Board of Directors have duty and responsibility to manage Company according to the law, objectives, Company rules and resolution of the shareholders meeting follow the principles of Good Corporate Governance for listed Company according to stock exchange of Thailand.
2. The Board of Directors have duty and responsibility to manage Company according to the law, objectives, Company rules and resolution of the shareholders meeting with honesty and careful to protect Company benefits.
3. The Board of Directors has duties to approve the Company's goals, guidelines, policies, plan and budget and to oversee the management or anyone who has been delegated with the works to ensure that they act according to the policy determined by the Board of Directors
4. Consider and appoint persons possessing desirable qualifications and having no prohibited characteristics as stipulated in the Public Limited Company Act B.E. 2535 (including the amendments), the Securities and Exchange Act B.E. 2535 (including the amendments), as well as the announcements, rules, and/or related regulations to take up the directorship in case of vacancy in the Board of Directors for other reasons than retirement by rotation. Consider and endorse the appointment of directors to replace those who retire by rotation, as well as determine the directors' remuneration for further proposal in the shareholders' meeting for consideration and approval.
5. Consider defining management structure, The Board of Directors has authority to appoint Executive Board, Chief Executive Officer, Managing Director and sub-committee and/or other board advisor as appropriate. This including defining the scopes of duty and authority of Executive Board, Chief Executive Officer, Managing Director and sub-committee appointment. Hereby, delegation of such authority must not done in the way that authority which make executive board, managing director and subcommittee is able to build items of

conflict, advantage and disadvantage and conflict of interests in benefits with other Company (subsidiary and related) (if any), except such items approval compliance to policy and criteria which Board already considered and approved.

6. Consider and approve the financial expenditure in investment, other operations, loans or credits from a financial institution, as well as serving as a guarantor, for business-as-usual operations of the Company or subsidiaries, including companies with relevance to the Stock Exchange of Thailand and the Capital Market Supervisory Board.
7. Ensure that the Company and its subsidiary companies apply appropriate and efficient accounting system, as well as establish the internal control system and the internal audit system can be evaluated efficiently and sufficiently. To provide a proper assessment process of the Company of internal control system and subsidiaries as usually.
8. The Board of Directors has authority to define and change authorized directors.
9. Assign framework and policy for salary determination, salary adjustment, bonus determination, remuneration, and reward and recognition of employees in Company.
10. The Board of Directors must manage to the best interest of the shareholders, ensure that there is information disclosure, and prepare according to the required conditions and standards
11. The Board of Directors has a duty to ensure that the Company has internal audit system and efficient internal audit system by having the internal audit oversee the audit system and work with the Audit Committee.
12. The Board of Directors has a duty to prepare financial statements and provide accounting auditors to audit and/or review the financial statement before presenting to the shareholders
13. The Board of Directors has the duty to appraise individuals annually according to self-appraisal form of the Company and CEO appraisal form from The stock exchange of Thailand and maintain these files with chairman of audit committee.
14. Arrange Annual shareholders meeting is an annual meeting within 4 months since the end of financial year.
15. Approved for requirements consideration in authorized credit approval.
16. Arrange for review and correct Board of directors' requirements corresponds with current situation.
17. Provide appropriate channels of communication for each group of shareholders, and supervise the disclosure of information in order to ensure correctness, clearness, transparency, and credibility in line with the Company's disclosure of information and relevant regulations.



18. Appoint Company secretary to assist Board of Directors in operating procedures according to rules and related regulatory.
19. Monitor the Company's corporate performance to run efficiently, and protect any interests related to all stakeholders.
20. Review charters of Board of directors at least once annually
21. Any of the following proceedings by the Board of Directors, the Board must receive shareholders' resolution with the vote of no less than three-quarter (3/4) of the participated shareholders who are eligible to vote.
  - A. Sell or transfer all or crucial parts of business to other party.
  - B. Acquire or receive other Company or public Company to be part of The company.
  - C. Create, amend, or cancel contracts about renting all or crucial parts of business, assigning other person to manage the Company, or to form joint venture to share profit or loss with other person.
  - D. Add or amend the Company memorandum of association or Regulations.
  - E. Increase or decrease the Company's registered capital.
  - F. Terminate the Company.
  - G. Issue the Company's bond.
  - H. Merge with other Company

The director who has a stake or conflict of interest with the company or subsidiary in any matter. There is no right to vote on that matter.

## 2. Audit Committee

As at December 31, 2020 the audit committee consists of 3 independent directors with completed qualifications as specified by the Capital Market Supervisory Board and the Stock Exchange of Thailand.

Name – Surname		Position
1. Miss Wanna	Muangnon	Chairman of Audit Committee
2. Mr. Somchai	Apiwattanaporn	Audit Committee
3. Mr. Krissada	Surawathanawises	Audit Committee

### Scopes of authority and duties of the Audit Committee

The Audit Committee has duties and responsibilities according to scopes of duties as delegated as follows;

1. Review the Company's financial reports to ensure the accuracy and sufficiency of financial reports in accordance with the relevant financial reporting standards, and to cooperate with the external auditor and the management in preparing quarterly and annual financial reports.
2. The Audit Committee may also suggest the auditor to review or audit any transaction which is deemed important and necessary during the auditing process of the Company.
3. Review to have Company with appropriate and effective Internal Control and internal audit and consider the independent of internal audit unit including approval in appoint, move and lay off head of Internal audit.
4. Has the authority to access to all level of information of the Company, including inviting executives, management, department heads, employees, or other relevant parties to the meeting for clarifying information. This includes distributing and sharing related information in accordance to the duties subject to the scope of authority as assigned by the Board of Directors.
5. Review the Company's action to be consistent with the law concerning Securities and Stock Exchange, the regulation of the SET and relevant laws.
6. Consider and approve the annual budget, manpower and resources required for the internal audit department's duties and approve the annual internal audit plan including any material changes to such plan as well as ensure that the duties and assignment of the internal audit are in accordance with the approved annual internal audit plan and the International Standards for the Professional Practice of International Auditing, evaluate the quality of the internal audit performance annually
7. Consider, select, nominate, and dismiss an independent person to serve as an auditor of the Company, and propose the auditor's remuneration in consideration of reliability, sufficient resources, quantity of auditing work of the audit firm, and experience of the auditor to be assigned for audit of the Company, as well as attend in a meeting with the auditor in the absence of the management at least once a year.
8. Consider related items or an item which has conflict of interests; comply with laws and stock exchange to convince that such items are reasonable and at the highest benefits of Company.
9. Prepare audit committee report by disclosing them in Company Annual report which is signed by chairman of audit committee with at least the following details;
  - Provide opinion relates to precision, full, reliability of the Company financial report.
  - Provide opinion on adequacy of internal control within Company
  - Provide opinion on compliance to the laws of securities and stock exchange including its requirements or Company business related laws.
  - Provide opinion relates to appropriateness of Certified Public Accountant.
  - Provide opinion on items which may have conflict of interests.
  - Provide opinion number of audit committee and attend of meeting of each audit committee.

- Provide opinion or total observations which audit committee received from following the procedures and charters.
  - Other items which audit committee sees that shareholders and general investors should know under the scopes of duties and responsibility delegated from Board of directors.
10. Audit the informed matters from Certified Public Accountant. In case of finding any suspect behavior of board of director, manager or any personnel who is responsible in Company operation commit error or mistake mentioned in securities and stock exchange acts B.E 2535 and corrected by securities and stock exchange acts 4<sup>th</sup> Edition B.E. 2551 and 5<sup>th</sup> edition B.E. 2559. Report initial audit results to securities and Exchange Commission, Stock exchange of Thailand and Certified Public Accountant within 30 days since received information from Certified Public Accountant.
  11. Review and follow up important risk management continuously from risk management committee of directors.
  12. Provide opinion for planning and result from planning, budget and manpower of audit committee.
  13. Review charter for audit committee at least once a year.
  14. Prepare report of work conducted propose to board of directors at least once a year
  15. Prepare report meeting to explain or submit related documents.
  16. Audit committee is able to obtain suggestion from independent specialist as appropriate with Company expenses as per responsible scopes
  17. Other tasks given by board of directors' delegate with agreement from audit committee

### 3. Risk Management Committee

Risk Management Committee as December 31, 2020 consists of

Name – Surname		Position
1. Mr. Somchai	Apiwattanaporn	Chairman of Risk Management Committee
2. Mr. Charlie	Jangvijitkul	Risk Management Committee
3. Miss Wanna	Muangnon	Risk Management Committee
4. Mr. Krissada	Surawathanawises	Risk Management Committee
5. Mr. Monthon	Chatuwallopkul	Risk Management Committee

#### Scopes of authority and duties of the Risk Management Committee

1. Define policy and framework for Company risk management. This policy will cover all types of risks; strategy risk, finance risk, operation risk, and society risk including laws and any requirements,
2. Planning working strategies to comply with risk management policy by evaluation, audit and control Company risk to the acceptable level.

3. Support to coordinate in Company total risk management and review policy and risk management system for adequacy including efficiency of system and implement as per policy.
4. Oversee operation to commit to the risk management frameworks, review information disclosure risk management to the task force units and publics.
5. Report consistency to board of directors for things which requires improvement according to policy and defined strategy.
6. Conduct other assignment from Board of Directors
7. Risk management committee is able to hire external consultant for recommendation with Company expenses by agreement of board of directors.
8. Authorized to appoint risk management committee.

#### 4. Executive Committee

Executive Committee as December 31, 2020 consists of

Name – Surname		Position
1. Mr. Teerawit	Charuwat	Executive Chairman
2. Mr. Supachai	Limnasiri	Executive
3. Mr. Theerachai	Leenabanchong	Executive
4. Mr. Monthon	Chatuwallopkul	Executive
5. Mr. Thitiporn	Kaveevitayavej	Executive
6. Mr. Chokchai	Niamratana	Executive
7. Miss Laphassarin	Kraiwongwanitrun	Executive

#### Scopes of authority and duties of the Executive Board Committee

1. Determine the business policies, strategies, business plan, annual budget and Authority to manage Company business for Board of Directors to consideration and approval.
2. Plan and control Company business operations according to the Company's policies, strategies, business plan, approved annual budget from Board of Directors effectively and favorable conditions for business including consulting, suggesting and management to top level directors.
3. Consider to approve expenses for investments, business's operation for financial institution to open account, loan, pawn, advance payment guarantee, and other activity as normal business under defined credit line (details as shown in approval chart)
4. Study the possibility of investing in new projects and have the authority to consider and approve the investment or joint venture with an individual, entity, or other organization that the Executive Committee deems appropriate in order to operate in line with the Company"

- s objectives. This includes consideration and approval of expenditure for such investment, entering into a legal contract, and/or any operations related to the matter until it reaches the set financial limit and/or applicable laws and regulations, and/or the Company's Articles of Association.
5. Monitor the progress and performance of the investment projects of each business unit, and report the performance with problems or obstacles that may arise, and provide a solution or improvement to the Board of Directors for acknowledgement.
  6. Determine policies and consider organization structure by authorized managing director to conduct organization as per procedure and Company regulation and authorized directors' in hiring contract with employee level 2 downward. For employee level 1, Executive Board Committee has duty to propose to Board of Director for further consideration.
  7. Control and approve of Company business operation or appoint or delegation to any personnel or many personnel to conduct something on behalf of Executive Board Committee as Executive Board Committee sees as appropriate and Executive Board Committee is able to cancel, change or correct such authority.
  8. Consider as filter any work which propose to Any committee of Company prior to report directly to Board of directors
  9. Determine employee's benefits according to the prevailing environment.
  10. Consider and approve rules, regulations, management policies and business operations of the Company or any actions which bind the Company.
  11. Report the significant Company matters to the board of directors.
  12. Any work as per policy assigned and delegate from Board of Directors.
  13. Authorized to appoint head of consultant or consultant or consultant group of Executive Board Committee as appropriate and authorized to determine compensation, allowance, welfare, facilities and any other expenses of head of consultant or consultant or consultant group as appropriate.
  14. Executive Board Committee or Chairman of Executive Board Committee has authority to call for meeting according to meeting regulations as appropriate
  15. In case of Chairman of Executive Board Committee is not able to perform his duty, Chairman of Executive Board Committee appoints acting care taker to conduct his duty as a time, and such acting personnel has authority and duties as Chairman of Executive Board Committee.
  16. Review and consider approving Executive Board Committee's charter at least once an annual.

17. Invite executives, management, or employees to attend the Executive Committee's meeting, or provide relevant information to be considered in the Executive Committee's meeting.
18. Report to the Board of Directors all actions taken by the Executive Committee under its scope of authority, and responsibilities on a regular basis, including any other matters as deemed necessary and appropriate to be presented to the Board of Directors for acknowledgment
19. Consider and approve the work-related policies and scope of responsibility of the management in order to ensure that all acts taken by the management are conducted in a systematic manner.
20. Evaluate Chief Executive Producer, Managing director and Executive Directors' performance including each executive director to consider performance review, problem and obstacle annually to bring such evaluation results to develop and improve works in various aspects.

#### 5. Nomination and Remuneration Committee

Nomination and Remuneration Committee as December 31, 2020 consists of

Name – Surname		Position
1. Miss Wanna	Muangnon	Chairman of Nomination and Remuneration Committee
2. Mr. Theerachai	Leenabanchong	Nomination and Remuneration Committee
3. Mr. Monthon	Chatuwatlopkul	Nomination and Remuneration Committee

#### Scopes of authority and duties of Nomination and Remuneration Committee

1. Prepare policies, criteria and methods in recruiting board of directors, audit committee, subcommittee, chief executive officer, managing directors, senior manager and director by determining as per appropriateness of number structures and composition of committee including determine qualification of committee as appropriate according to size, types and business complexity to propose to Board of Directors and/or proposal for approval from shareholder meeting depends of the cases.
2. Consider recruiting and propose names of personnel who has the suitable qualification of knowledge, experiences and specialized in order to propose such person for holding position of Board of Directors, audit committee, subcommittee, chief executive officer managing director, senior manager and director by proposing their names to Board of directors consider to appoint and/or propose to shareholders meeting for consideration to further approval (depends on the case) including their qualifications adequately as they are qualified as defined in Company charter and related laws and no conflict with related laws

and related to business operation. Recruiting and remuneration committee shall submit adequate information about such personnel who is nominated for decision.

3. Take care of preparation of Succession Plan for inheritance of committee, directors or top management in case of managing director or top management retired, resigned or cannot conduct his duty. To continuously manage the operation, recruiting and Remuneration Committee shall report the progress of Succession Plan to Board of Directors as periodically at least once annually, This includes controls business has managed and developed personnel to gain suitable knowledge, skills, experiences and motivation.
4. Review Committee recruiting criteria and methods propose to Board of Directors prior to Board of Directors end of Tenure.
5. Considered Independency of each independent committee to ensure each independent committee has completed qualifications.
6. In case of Recruiting and Remuneration Committee propose Committee who is out of tenure and return to original position, Recruiting and Remuneration Committee shall consider performance such committee and propose his operation performance or Contribution to Company including history of committee meeting attendance and shareholders meeting for shareholders to consider.
7. Consider development plan for Board of Directors, subcommittees, chief executive officer managing director, senior manager and director format and preparation to develop both knowledge of existing team and new team to understand Company business, role, duty and other important development, i.e., economic and industrial situation which related to Company business.
8. Review the policies and criteria regarding the remuneration and benefits of the directors, chief executive officer, managing director and senior managements.
9. Provide suggestions to the Board of Directors in order to consider and approve the remuneration and benefits of the directors, which is proposed to the Board of Directors for consideration and approval prior to the shareholders' meeting for further approval.
10. Conduct other operation which delegated from Board of Directors with agreement of Recruiting and Remuneration Committee.

#### **6. Chief Executive Officer**

Chief Executive Officer mean Director/Executive Director as holds position who are in the position of Chief Executive Officer of the Company have the authority and responsibility for the management of the Company in order to achieve the Company's objectives. Or according to the resolution of the Board of Directors meeting As well as supervising the management and employees of the company within regulations set by the Board of Directors

Scopes of authority and duties of Managing Director

1. To manage and control the business which related to company's affairs.
2. Authorization in orders, regulations, notification, and memorandum in order to follows to the company's plans.
3. To propose policies, Strategic, business plans and annual budgets to The Board of Directors/ Executive Committee and responsible of performing the business tasks and plans as assigned from Board of Directors
4. To control of expenditure on budgets as assigned from Board of Directors.
5. To take responsible for the preparation of Financial Statement for inspection and/or review by the auditors and subsequent presentation to the Audit Committee and Board of Director respectively.
6. Organize the company's structure and management including employing, shifting, moving, set up the salaries, remuneration, considering on goodness, bonus, welfare and lay off the employees in Executive position within the company whom is not Executive Directors and excluding Chairman.
7. To consider and approve of purchasing, renovating and maintaining of hire and hire purchasing office stationary, or anything related to company's products within the limitation of budget as assigned from Board of Directors.
8. To consider and approve of hiring in term of hire purchasing which related to company's business within the limitation of budget as assigned from Board of Directors.
9. To consider and approve of repairing, destroying and writing off the company's exhausted asset within the limitation of budget as assigned from Board of Directors.
10. To consider and approve of sending employees to study, seminar, observe or to locally exhibit the company's products.
11. To consider and approve of sending employees to study, seminar, observe or to foreign exhibit the company's products
12. To consider other subjects as necessities of company business or as assigned by Board of Executive Committee and Board of Directors.
13. To responsible of determine targets, policies of managing company's business in term of human resources within the company and subsidiaries.
14. To support and assists to subsidiaries in order to increase competition in company's business.
15. To responsible of company business operation by not against the laws, rules, regulation, religion and company's regulation.
16. To have authority to consider and approve borrowing of fund, seeking credit lines or any other credit facilities related to Norman business operations of the company within the limitation of budget as assigned from Board of Directors.



17. To consider of investing and/or selling of investment in common shares and/or other equities which are listed in The Stock Exchange of Thailand this assigned from Board of Directors
18. To consider of foreign currency risks and interest rates.
19. To consider and approve the credit line and loan customers, the maximum authorized by the Board of Directors

#### Controlling Person

-None-

#### 7. Executive

Executive means an employee of the Company who holds management and / or positions with power and authority in the management of the Company and is the Executive as defined by the Securities and Exchange Commission is the Chief Executive Officer, Managing Director or first four executive positions after the Managing Director down (Top of the company) who hold a position equivalent to every fourth executive level position. And shall include persons holding managerial positions in accounting or finance who are department manager or above or equivalent

As at 31 December, 2020 consists of

Name – Surname		Position
1. Mr. Supachai	Limnasiri	Chief Executive Officer
2. Mr. Monthon	Chatuwallopkul	Managing Director
3. Mr. Chokchai	Niamratana	Managing Director (Sales and Marketing)
4. Mr. Paiboon	Buddeewong	Assistance to Manager (Accounting)
5. Miss Pureecha	Buranasiri	Investor Relation Manager

#### Corporate Secretary

The company has set corporate secretary which has duties on coordinate between Boards and Management in term of Law and any related rules for supporting good corporate governance. By this, the company will practice and follows regulations and announcement of The Stock Exchange of Thailand and Securities and Exchange Commission thus corporate secretary is Acting Sub. Lt. Matee Ittirivichai

#### Components and Features

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

**Summary of the number of meeting attendance in 2020 (July 1 – December 31, 2020)**

Board of Directors, Audit Committee, Executive Committee, Remuneration Committee and Risk Management Committee has set a regular meeting schedule for each faculty 1 year in advance and may make additional appointments as special meetings as needed. Each committee meets by meeting attendance. Summarized as follows

Meeting of each committee	Year 2020
	(July 1, 2020 – December 31, 2020)
Shareholders Meeting 2020	1
Extraordinary Meeting of Shareholders	1
Board of Director	3
Audit Committee	2
Executive Committee	3
Nomination and Remuneration Committee	1

## RELATED TRANSACTION

Company conducts transactions with related personnel, this item occurred as an transaction between subsidiaries and related company. In the case of subsidiaries, Company has committee and authorized committee who will co-sign. In case of related company, company enters as shareholders by occurred the transaction disclosed in remarks in audited financial budget by Certified Public Accountant and Audit Committee provided feedback related to appropriate of transaction made, is items occurred as per Company normal business, there are appropriate, defined price and other condition according to market price as same as defined price for personnel or other activity unrelated and no benefits transfer between company, subsidiary, related company and related personnel.

### Transaction between Company and subsidiary

(UNIT : BAHT)				
	Consolidated		Separate Financial Statement	
	31-12-2020	30-06-2020	31-12-2020	30-06-2020
Trade account receivable				
- Asian Corrosion Control Technology Co., Ltd	-	-	45,210,580	39,786,281
- IGEN ENERGY CO., LTD	-	-	4,040,258	4,040,258
- IGEN ENGINEERING CO., LTD	38,399,020	38,399,019	-	-
- SUNCOAT (THAILAND) CO., LTD	13,829,870	3,949,582	13,829,870	-
TOTAL	52,228,890	42,348,601	63,080,708	43,826,539
<u>Deducted</u> Credit Loss Allowance	(19,705)	-	(1,291,961)	-
NET	52,209,185	42,348,601	61,788,747	43,826,539
Other account receivable				
- Asian Corrosion Control Technology Co., Ltd	-	-	32,761,844	24,457,583
<u>Deducted</u> Credit Loss Allowance	-	-	(23,989,648)	-
NET	-	-	8,772,196	24,457,583
Accrued Interest				
- Asian Corrosion Control Technology Co., Ltd	-	-	129,718	129,718
- IGEN ENGINEERING CO., LTD	855,502	1,321,136	-	-
TOTAL	855,502	1,321,136	129,718	129,718
<u>Deducted</u> Credit Loss Allowance	(855,502)	-	-	-
NET	-	1,321,136	129,718	129,718
TOTAL TRADE ACCOUNT RECEIVABLE AND OTHER	52,209,185	43,669,737	70,690,661	68,413,840

(UNIT : BAHT)

	Consolidated		Separate Financial Statement	
	31-12-2020	30-06-2020	31-12-2020	30-06-2020
Short Term Loan to related companies				
- Asian Corrosion Control Technology Co., Ltd				
Brought forward	-	-	-	800,000
Increased during the period	-	-	-	7,500,000
Decreased during the period	-	-	-	(8,300,000)
Carry forward	-	-	-	-
- IGEN ENGINEERING CO., LTD				
Brought forward	15,630,574	-	-	-
Increased during the period	-	25,059,000	-	6,500,000
Decreased during the period	-	(9,428,426)	-	(6,500,000)
Carry forward	15,630,574	15,630,574	-	-
<u>Deducted</u> Credit Loss Allowance	(15,630,574)	-	-	-
NET	-	15,630,574	-	-
TOTAL	-	15,630,574	-	-
Trade account payable				
- Asian Corrosion Control Technology Co., Ltd	-	-	32,484,605	16,858,352
- SUNCOAT (THAILAND) CO., LTD	10,424,833	1,537,532	-	-
TOTAL	10,424,833	1,537,532	32,484,605	16,858,352
Other Trade account payable				
- Asian Corrosion Control Technology Co., Ltd	-	-	11,471,511	11,420,835
Accrued Interest				
- IGEN ENERGY CO., LTD	-	-	169,652	51,783
- IGEN ENGINEERING CO., LTD	97,190	9,897	97,190	9,897
- RAYONG WIRE INDUSTRIES PCL.	-	-	-	-
TOTAL	97,190	9,897	266,842	61,680
TOTAL TRADE ACCOUNT PAYABLE AND OTHER	10,522,023	1,547,429	44,222,958	28,340,867
LIABILITIES FROM AGREEMENT				
Accrued Income				
- IGEN ENERGY CO., LTD	-	-	4,173,063	4,173,063

(UNIT : BAHT)

	Consolidated		Separate Financial Statement	
	31-12-2020	30-06-2020	31-12-2020	30-06-2020
Short Term Loan to related companies				
- IGEN ENERGY CO., LTD				
Brought forward	-	-	6,700,000	-
Increased during the period	-	-	-	6,700,000
Decreased during the period	-	-	-	-
Carry forward	-	-	6,700,000	6,700,000
- IGEN ENGINEERING CO., LTD				
Brought forward	2,800,150	7,321,913	2,800,150	7,321,913
Increased during the period	-	-	-	-
Decreased during the period	(150)	(4,521,763)	(150)	(4,521,763)
Carry forward	2,800,000	2,800,150	2,800,000	2,800,150
- RAYONG WIRE INDUSTRIES PCL.				
Brought forward	-	-	-	-
Increased during the period	15,000,000	-	15,000,000	-
Decreased during the period	(15,000,000)	-	(15,000,000)	-
Carry forward	-	-	-	-
TOTAL	2,800,000	2,800,150	9,500,000	9,500,150

## **INTERNAL AUDIT CONTROL AND RISK MANAGEMENT**

### **Internal Control**

There is good system for internal control and very important in building confident that Company enable operation to achieve objective and help to assist risk management and reduce other damages from phenomenon which shall occur to Company and stakeholders. Therefore, Company established Audit Committee who conducts his duty efficiently and independently. To review internal control system for the best efficient, internal control system covers 5 principles corresponded with Risk Management Principles of Committee of Sponsoring Organizations of the Treadway Commission – Enterprise Risk Management (COSO-ERM) as follows;

#### **1) Control Environment**

Board of Directors, Executive Board Committee and top management jointly determine organization structure in management, roles of relates and authority in consider and approve all affairs to ensure that Company has system of internal control which promote objective achievement effectively and comply with relates regulations and standards. This includes manage efficiently achieve set vision and mission under good corporate governance.

Companies prepared “Code of Conduct” which covers business operation principles, conflict of interests and benefits and maintain data confidentiality, Company responsibility, Treatment of stakeholders, caring for business ethics implementation and complaints handling of good corporate governance and business ethics and anti-corruption policy in 2015. This document has been continuously updated according to laws, regulations, criteria and environment changes, review and latest updated and approved by Board of Directors at August 27<sup>th</sup>, 2018, in order to Board of Directors and subcommittee's roles and duties in all charters corresponded to good corporate governance for registered Company in 2017 or CG Code which SEC implemented in 2017.

In addition, to cultivate values of honesty and ethic, Company prepared communication on good management policy, management and employees ethics including business ethics and anti-corruption for employees at all levels through training, employee orientation for new employee in order to have Company employee aware of important of honesty to oneself and public.

For commit to promote, develop and maintain personnel who is knowledgeable and capabilities, Company set employee promotion process and appraisal with refers to ratio of salary increase including development and training plans for employee at all levels especially development of potential employees to become in succession plan.

#### **2) Risk Assessment**

Risk Management prepared Risk Assessment Matrix which shows Impact and Likelihood of occurring including risk follow up to cover Strategic Risk, Operational Risk, Financial Risk and Compliance

Risk regularly on every quarter. Risk Management Committee is appointed which comprised of each department manager to consider evaluation and management of risk to build awareness in occurring of risks which is major development steps. Furthermore, Risk Management Committee proposed to prepare follow up report every quarter in order to manage risks efficiently and keep up with changed situations, throughout 2018, risks in Company many aspects are managed in a satisfactory level.

### **3) Control Activities**

Company defined policies and procedures in writing and covers all processes appropriately including financial transactions, purchasing and general management as well as determinations of scopes, authorities, duties and levels. Clear approval in each levels according to organization structure and authorization by separating approval duties from account recording including control and oversee Assets from each other for mutually counterbalance and inspect.

This includes providing internal control through policies and steps of works in order to defined policies enable to actual practices and is able to manage risks according to Company set objectives by such control activity shall implement in all levels of organization.

### **4) Information & Communication**

Company prepared data used in operation by such data must be of high quality from internal and external organization to support operation and internal control to enable operations work according to set targets includes every employees must communicate accurately, suitably and adequately for their works.

For shareholders meeting, Board Of Directors meeting and Company Subcommittee meeting, Company provides shareholders, Committee, Management including stakeholders acknowledge accurate and adequate data for any decision, within suitable timeframes which Company could completely do continuously as well as defined such policies in the good corporate governance manual.

Furthermore, Company provides complaints handling mechanism through 2 main channels and procedures in case of whistle blower to personnel inside and outside company to notify data and clues which related to fraudulent or corruption to Company safely through Whistle-blowing channel which Company defined without exposure himself or afraid of any influence.

### **5) Monitoring Activities**

Company monitor and evaluate results of internal control to ensure that full internal control is suitably continued, monitor evaluation results continuously by each line manager to ensure the all composition of internal control is existed and do their duties appropriately and efficiently as well as protecting conflict of interests which may occur between Company and management, Committee or shareholder including protection of misuses of benefits in Assets, Data and Company opportunity and Transaction with related Company personnel inappropriately.

In the meeting, weekly and monthly Management monitor targets and control operation according to plans in annual budget plans which approved by Board of Directors and progress report or any change which is not according to Board of Directors' plans. If found any significant mistakes, Executive Board Committee must report to Board of Directors or Audit Committee or other Committee for reasons explanation and corrective actions immediately.

#### **Audit Committee and Certified Public Accountant's opinion of Company internal control system**

Management evaluation of Adequacy of internal control system prepared by Securities and Exchange Commission (SEC) and covers all 5 topics as discussed earlier of which such evaluation is reviewed by Audit Committee and proposed to Board of Directors as usual annually.

Internal auditor has no significant observation in mistakes of internal control or ability in Company and subsidiary assets protection from management or employee misuse or without authority and believe that Company financial statement report is accurate, reliable and comply to standard general accounting and according to standard financial statement report.

#### **Report of Audit Committee year 2020**

To shareholders

The Audit Committee consists of independent directors who have all the qualifications in accordance with the relevant rules. And a qualified person with experience Knowledge This is beneficial to the Company's operation, comprising 3 persons, namely Ms. Wanna Muangnon as the Chairman of the Audit Committee, Mr. Somchai Apiwattanaporn and Mr. Krissada Surawathanawises as the Audit Committee. Graduated in accounting and has sufficient knowledge and experience to review the reliability of financial statements.

Summary of the Audit Committee's Performance And the opinions on various matters to the Board of Directors' meeting in 2020 are as follows.

#### **Review on Financial Report**

The Audit Committee has reviewed the accuracy and reliability of the financial reports. Both quarterly financial statements and annual financial statements Which has been reviewed and audited by the auditor Which the auditor did not find any issues Or any significant flaw in these matters As well as from internal auditors' reports on important work processes. In addition, the auditors were invited to attend the meeting. To consider the scope, approach and annual audit plan Including to inquire about the accuracy and completeness of important accounting adjustments, accounting standards, sufficiency of information disclosure The effectiveness of the internal control system necessary for the preparation of financial statements. And the appropriateness of accounting records To ensure that the financial statements meet generally accepted accounting standards. To ensure that the auditors are independent in reporting problems



and obstacles in their duties or reporting incidents or irregularities seen to the independent committee. This is for the benefit of the users of the financial statements.

#### **Evaluation and review of internal control system**

Audit Committee reviewed internal control system from internal audit report from internal audit external and report from internal control audit internal, and also reviewed from internal control system evaluation under defined guideline by Securities and Exchange Commission SEC.

Audit Committee suggested the benefits related to internal audit report of Certified Public Accountant and internal control which considered for operation, fraudulent and reliability of financial budget report which Company shall bring suggestion of Audit Committee and Certified Public Accountant and internal control auditor to implement to increase Company work efficiency to ensure that work process has continuously good internal control.

#### **Review on related transaction**

Audit Committee reviewed sensible and maximum benefit to the Company in transaction between Company or transaction which has conflict of interest, to comply with laws and regulations of Securities and Exchange Commission SEC including suggestion which is benefits related to define the conditions of general trades by emphasize practices as per related criteria and to management to run fairly, does not caused transfer benefit and under principles which Board of Directors approval.

#### **Review of the process of receiving fraudulent clues including inappropriate data of financial budget report or other.**

Audit Committee reviewed of the process of receiving fraudulent clues to open opportunity and increase efficiency of complaints handling and whistle blower about the fraudulent including receiving of unsuitable data of financial budget or other topic quarterly.

In the previous year, Audit Committee did not receive complaint about fraudulent or unsuitable data of financial budget report or other topic at all

#### **Caring of operation follow up as per rules, regulation and policy.**

Audit Committee reviewed Company operation according to laws of Securities and Exchange Commission including laws related to Business and found no laws violation of Securities and Exchange Commission, requirements of stock Exchange of Thailand and laws related business. Besides, Audit Committee acknowledges the changes of rules and regulations and important policy relates to Company business this quarter, to ensure that Company is ready in operation including consultant in different aspects to inspect and suggest Company in Significant matters to be confident that Company is ready and well prepared of continuous changes

**Consideration to choose and propose to appoint Certified Public Accountant.**

Audit Committee considered the Independence, knowledge, Understanding in Company business, work quality and qualification of Certified Public Accountant as well as appropriate of internal audit fees by agreement to propose Certified Public Accountant from SP AUDIT COMPANY LIMITED as follows

- |     |              |              |   |
|-----|--------------|--------------|---|
| (1) | Miss Susan   | Eiamvanicha  | Certified Public Account No.4306 and/or |
| (2) | Mr. Suchart  | Panitcharoen | Certified Public Account No.4475 and/or |
| (3) | Miss Chuenta | Chommern     | Certified Public Account No.7570 and/or |
| (4) | Miss Wandee  | Eiamvanicha  | Certified Public Account No.8210 and/or |
| (5) | Mr. Kiatisak | Vanithanun   | Certified Public Account No.9922        |

Certified Public Accountant who initial signature in internal audit of financial budget report has complete qualification as per requirements and agreed by Securities and Exchange Commission

**Evaluation total and individual performance including charter reviewed according to duty and responsibility**

Audit Committee considered evaluation both group and individual by reviewing duties in Company regulations according to Company Audit Committee manual which prepared by Securities and Exchange Commission as well as charters of Company Audit Committee.

Audit Committee reviewed Audit Committee charters annually, by comparing scopes of duty and responsibility and manual of Audit Committee which prepared by Securities and Exchange Commission as well as charters of Audit Committee of other registered company and adapted for implementation as per duty and responsibility of Audit Committee including proposal to Committee to consider and approve audit committee charters.

**Summary of Total Opinion of Audit Committee for operation in all areas**

Audit Committee works as per duty and responsibility defined in charter of Audit Committee which is approved by Board of Directors with knowledge, capability, careful, prudence and independence as well as providing feedback and suggestions creatively to highest benefits for stakeholders by receiving good coordination from related department and personnel. Audit Committee provides feedback that financial budget report as per essence of standard accounting in linking. It is appropriated and maximum benefits to Company, adequate IT disclosure, full and reliable as well as adequacy and effective of internal control system including work as good corporate governance policy and complies with laws and related regulation by no significant mistake.

**Internal control Supervisor and Operation Supervisor** At present, company delegates Mr. Khomwuthi Pornnaradol is an internal audit supervisor. Have a duty to perform internal audit work. To achieve internal control objectives By the Executive Committee and the Audit Committee jointly consider the internal audit report In essence, sufficiently In order to have a system of work or work processes It is managed in a

systematic manner. And effective In this regard, the executives of all departments are involved in considering ways to improve / correct to have operational procedures in accordance with the Company's policy. And has an adequate internal control system. The Internal Audit Supervisor will directly report to the Audit Committee. The Audit Committee is of the view that the internal audit supervisor of the company is suitable to perform such duties efficiently.

Head of Operation Supervision company's delegated Miss Pureecha Buranasiri to serves as the supervisor of the compliance department to supervise the compliance with the rules of the government agency that oversees the Company's business operations

# Board of Director



Mr.Somchai Apiwattanaporn  
Chairman



Mr.Theerachai Leenabanchong  
Vice-Chairman No.1



Mr.Charlee Jungwittkul  
Vice-Chairman No.2



Mr.Krissada Surawatwiset  
Director



Mr.Theeravit Jaruwat  
Director



Mr.Monthon Chatuwatlopkul  
Managing Director  
Director



Miss Ornachulee Lorsmithikul  
Director



Mr.Supachai Limnasiri  
Chief Executive Officer  
Director



Acting Sub Lt  
Metee Ittirivichai  
Director



Mr.Jakkatarn Yothanan  
Director



Miss Wanna Muangnon  
Director



Mr.Thitiporn Kaweewittayavet  
Director



Miss Laphasarin Kraiwongwanitrun  
Director

## Board of Risk Management Committee



Mr.Somchai Apiwattanaporn  
Chairman of  
Risk Management Committee



Miss Wanna Muangnon  
Risk Management Committee



Mr.Monthon Chatuwatlopkul  
Risk Management Committee



Mr.Charlee Jungwittkul  
Risk Management Committee



Mr.Krissada Surawatwiset  
Risk Management Committee

## Board of Audit Committee



Miss Wanna Muangnon  
Chairman of Audit Committee



Mr.Krissada Surawatwiset  
Audit Committee



Mr.Somchai Apiwattanaporn  
Audit Committee



## Board of Executive



Mr. Supachai Limnasiri  
Executive



Mr. Theeravit Jaruwat  
Executive Chairman



Mr. Theerachai Leenabanchong  
Executive



Mr. Thitiporn Kaweewittayavet  
Executive



Mr. Monthon Chatuwallopkul  
Executive



Miss Laphasarin Kraiwongwanitrueng  
Executive



Mr. Chockchai Neumrath  
Executive

## Board of Nomination and Remuneration Committee



Mr. Theerachai Leenabanchong  
Nomination and Remuneration Committee



Miss Wanna Muangnon  
Chairman of Nomination  
and Remuneration Committee



Mr. Monthon Chatuwallopkul  
Nomination and Remuneration Committee

## Details of Directors and Corporate Secretary as at December 31, 2020

[illegible]

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
2.	Mr. Theerachai Leenabanchong <ul style="list-style-type: none"> <li>• Vice Chairman No.1</li> <li>• Executive</li> <li>• Nomination and Remuneration Committee</li> <li>• Authorized Director</li> </ul> Appointed Date: February, 2016  Thai Institution of Director (IOD) Director Accreditation Program (DAP) No. 104/2013  Global Business Leaders (GBL) Cornell University & Lead Business Institute, No.2	49	<u>Bachelor Degree</u> Business Administration (Marketing) Assumption University  <u>Master Degree</u> Business Administration Assumption University	-	0.031	2017 - Present     2013 – Present   2016 – Present   2020 – Present   2020 – Present   2020 – Present   2019 – Present	Ua Withya PCL. Vice Chairman Executive Chairman Chief Executive Officer Capital Engineering Network PCL. Vice Chairman Director / Executive Rayong Wire Industries PCL. Vice Chairman SkyTower Infar Inc Director Ultra Asia Investment Pte.Ltd. Director Ultra Network Pte.Ltd. Director Ultra Asia Singapore Pte.Ltd. Managing Director / Director



	Modern Managers Program: Chulalongkorn University (MMP) No.51					2017– Present	UWC (Cambodia) Co.Ltd. Director
						2017 – Present	Interglob Investment Co.Ltd. Director
						2016 – Present	WJC ENTERPRISE CO., LTD Director
						2015 – Present	ULTRA ASIA CO., LTD Director
						2015 – Present	EVERGREEN BIOMASS CO., LTD Director
						2015 – Present	PARADISE GREEN ENERGY CO., LTD Director

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
3.	Mr. Charlie Jangvijitkul  <ul style="list-style-type: none"> <li>Vice Chairman No.2</li> <li>Authorized Director</li> </ul> Appointed Date: May 7, 2020  Thai Institution of Director (IOD) Director Certification Program  IFRS workshop Federation of Accounting Profession  Executive Management Program Capital Market Academy No.15	61	<u>Bachelor Degree</u>  - Faculty of Law  Ramkhamhaeng University  - Science in Business Administration  <u>Master Degree</u>  - MBA of Marketing  Indiana University of Pennsylvania, USA  Doctor of Philosophy in Strategic Management	-	0.00	2019 -Present	Sugarcane Ecoware Co., Ltd - Chief Executive Officer

	<p>Capital Market Academy</p> <p>Top Executive Program in Commerce and Trade (TepCot 8)</p> <p>Thai Chamber of Commerce Mor.Sor 7</p> <p>Thailand National Defence College</p> <p>MahaNakhon 5 Course</p> <p>Mahanakorn College of Development</p>		<p>Bangkok University in cooperate with University of Nebraska, Lincoln, USA.</p>				
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NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
4.	Miss Wanna Muangnon <ul style="list-style-type: none"> <li>Independent Director</li> <li>Chairman of Audit Committee</li> <li>Chairman of Nomination and Remuneration Committee</li> <li>Risk Management Committee</li> </ul> <p>Appointed Date: March, 2016</p> <p>Thai Institution of Director (IOD)</p> <p>Audit Committee Program (ACP) No. 42/2013</p> <p>Director Accreditation Program (DAP) No.99/2012</p>	50	<u>Bachelor Degree</u> Accounting Chulalongkorn University  <u>Master Degree</u> Business Administration Chulalongkorn University  <u>Certificate</u> 1. Professional Controller Thammasat University	-	0.00	March 2016 – November 2018          July 1994 – Present          January 2018 - Present	Asian Commerce PCL. - Chairman          ACC-PLUS CO., LTD Managing Director          SIAM BIOMASS SUPPLY CO., LTD - Director

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
5.	Mr. Krissada Surawathanawises <ul style="list-style-type: none"> <li>• Independent Director</li> <li>• Audit Committee</li> <li>• Risk Management Committee</li> </ul> Appointed on May 7, 2020	38	<u>Bachelor Degree</u> - Material Engineering Kasetsart University  <u>Master Degree</u> - Science and Material Engineering Kasetsart University  <u>Doctor of Philosophy</u> Science and Material Engineering LEHIGH UNIVERSITY, Pennsylvania, USA	-	0.00	2015 - Present	<b>Kasetsart University</b> Lecturer at the Department of Materials Engineering

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
6.	Mr. Teerawit Charuwat <ul style="list-style-type: none"> <li>• Director</li> <li>• Executive Chairman</li> </ul> Appointed on May 7, 2020	63	<u>Bachelor Degree</u> Mechanical engineering Chulalongkorn University  <u>Master Degree</u> - Energy Management University of Pennsylvania - Business Administration Chulalongkorn University - Finance (Inter) Thammasat University	-	0.00	May 7, 2020 – Present   Year 2003- Present   Year 2017 – 2018   Year 2013 - 2016	The Central Intellectual Property and International Trade Court - Associate Judge   Demeter Corporation - Chief Executive Officer - Director   BLUE FINIX DIGITAL CO/, LTD - Director Hero Experience Co., Ltd - Director Ratchaburi Electricity Generating Company Limited - Director

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
7.	Mr. Thitiporn Kaveevityavej <ul style="list-style-type: none"> <li>• Director</li> <li>• Executive</li> <li>• Authorized Director</li> </ul> Appointed on May 7, 2020	43	<u>Bachelor Degree</u> Assumption University  <u>Master Degree</u> University of Wollongong	-	0.00	2019-Present   2014 - 2016	SN SERVICE SOLUTION CO., LTD Director (Business Department)  HASHMETA CO.,LTD Shareholder/GM SIAM MUSIC YAMAHA CO., LTD General Manager

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
8.	Mr. Monthon Chatuwallopkul <ul style="list-style-type: none"> <li>• Director</li> <li>• Executive</li> <li>• Managing Director</li> <li>• Nomination and Remuneration Committee</li> <li>• Risk Management Committee</li> <li>• Authorized Director</li> </ul> Appointed on May 7, 2020  Thai Institution of Director (IOD)  Directors Accreditation Program (DAP) No. 82/2010	53	<u>Master Degree</u> Accounting Thammasat University  <u>Bachelor Degree</u> Accounting Ramkhamhaeng University	-	0.00	2010 - Present	CAPITAL ENGINEERING NETWORK PCL Director Executive Asian Corrosion Control Technology Co., Ltd Director IGEN ENERGY CO., LTD Director SOLAR IGEN CO., LTD Director
						2015 - Present	Paradise Green Energy Co., Ltd Director
						2013 - Present	WJC ENTERPRISE CO., LTD Director
						2012 - Present	EVERGREEN BIOMASS CO., LTD Director
						2010 - Present	ENESOL CO., LTD Director



						2016 - 2020 2015 – 2020 2010 - 2020	UWC AMPHAN BIOMASS CO., LTD Director SATUEK BIOMASS CO., LTD Director UWC KOMEN BIOMASS CO., LTD Director ULTRA ASIA CO., LTD Director Ua Withya PCL Director Nomination and Remuneration Committee Executive Risk Management Committee Corporate Secretary
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NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
9.	Miss Onchulee Lawsmithikul <ul style="list-style-type: none"> <li>• Director</li> <li>• Authorized Director</li> </ul> Appointed on May 7, 2020  Thai Institution of Director (IOD)  Director Accreditation Program (DAP) No. 123/2016	53	<u>Bachelor Degree</u> Faculty of Commerce and Accountancy Chulalongkorn University  <u>Master Degree</u> Finance St.Louis University, USA	-	0.00	2019 - Present  2014 - Present  2019 - Present  2019 - Present  2019 - Present  2019 - Present  2019 - Present  2019 - Present	UA WITHYA PCL Director / Executive PAE (THAILAND) PCL Audit Committee SkyTower Infar Inc Director Ultra Asia Investment Pte.Ltd. Director Ultra Network Pte.Ltd. Director Ultra Asia Singapore Pte.Ltd. Managing Director / Director ULTRA ASIA CO., LTD Director PARADISE GREEN ENERGY CO., LTD Director

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
10.	Mr. Jakkathan Yothanan <ul style="list-style-type: none"> <li>• Director</li> <li>• Independent Director</li> </ul> Appointed Date : September 21, 2020  Thai Institution of Director (IOD)  Directors Accreditation Program (DAP) No. 79/2009	51	<b>Master of Economic Law</b> (Faculty of Law) Chulalongkorn University  <b>Bachelor of Political Science</b> (Public Administration) Ramkhamhaeng University	-	0.00	2008 – Present          2007 - Present	<b>Capital Engineering Network PCL</b> Independent Director Audit Committee Nomination and Remuneration Committee  <b>Puphar Inter Law Co., Ltd</b> Managing Director

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
11.	Acting Sub. Lt Matee Ittirivichai <ul style="list-style-type: none"> <li>• Director</li> <li>• Corporate Secretary</li> </ul> Appointed Date : August 31 ,2020	43	<b>Bachelor</b> General Management Bansomdejchaopraya Rajabhat University	-	0.0001	2017 - Present  2019 – Present	<b>EMC PUBLIC COMPANY LIMITED</b> Director / Corporate Secretary <b>Asian Corrosion Control Technology Co., Ltd</b> Director <b>RICHMAN PROPERTY CO., LTD</b> Director <b>SUDJA BANGSAN CONDOMINIUM</b> Director <b>NORTH PROPERTY</b> Director <b>IMPERIAL LAND CO., LTD</b> Director

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
12.	Mr. Supachai Limnasiri <ul style="list-style-type: none"> <li>● Chief Executive Officer</li> <li>● Director</li> </ul> Appointed Date : September 21 ,2020	61	<ul style="list-style-type: none"> <li>● Business and Administration (Marketing) California State University, Long Beach</li> <li>● General Business University of California, Los Angeles (UCLA) USA</li> </ul>	-	0.00		Sani Pro (Thailand) Co., Ltd Chairman Goodwheel Auto Co., Ltd Managing Director Gold Pack Marketing Co., Ltd Managing Director Thai Daewoo Motor Sales Co., Ltd Managing Director

NO.	Name / Position	Age	Education	Family Relation among Executive	Proportion of holding company's shares	Experiences during the past 5 years	
						Duration	Position / Name of company
13.	Miss Laphassarin Kraiwongwanitrungrung <ul style="list-style-type: none"> <li>• Director</li> <li>• Executive</li> <li>• Authorized Director</li> </ul> <p>Appointed Date : August 31 ,2020</p> <p>Thai Institution of Director (IOD) Directors Accreditation Program (DAP) No. 150/2018</p>	36	<b>ปริญญาตรี</b> คณะบริหารธุรกิจ มหาวิทยาลัยเทคโนโลยีราชมงคล กรุงเทพ  <b>ปริญญาโท</b> คณะบริหารธุรกิจ มหาวิทยาลัยรามคำแหง	-	0.00	2020 - Present  2019 - Present	Capital Engineering Network PCL. Director (Account and Finance)  Asian Corrosion Control Technology Co., Ltd Director IGEN ENERGY Director SOLAR IGEN CO., LTD Director WJC ENTERPRISE CO., LTD Director RAYONG WIRE INDUSTRIES PCL. Director Executive Nomination and Remuneration Committee

						2018 - Present	<b>ENESOL CO., LTD</b> Director <b>Laphasarin Business and Law Co., Ltd</b> Director
						2015 - Present	<b>PIPE LINE ENGINEERING</b> Director

## GENERAL INFORMATION

Company issuance name of shares	Dimet (Siam) Public Company Limited
Established Year	1982
Securities Symbol	DIMET
Registration No	0107550000165
Nature of Business	Manufacture of Alternative Electric Power Business and Manufacture of high quality paints products, which is used in petrochemical plant, oil refinery, power plant, off-shore platform in the Gulf of Thailand to prevent corrosion, architectural coating, timber finishes for furniture factories, industrial coating such as household gas cylinder.
Head office and plant	602, Moo2, Bangpu Industrial Estates, Soi1, Sukhumvit Road, TambolBangpu Mai, Muang District, Samutprakarn 10280
Office and plant phone no.	0-2323-2800-6
Office and plant fax no.	0-2323-2807
Website	<a href="http://www.dimetsiam.com">www.dimetsiam.com</a>
Registered Capital	Baht 1,211,342,674.50
Paid up Capital	Baht 807,561,783.00 as divided into 1,615,123,566 common shares at par value of Baht 0.50
Name of Subsidiary	<b>ASIAN CORROSION CONTROL TECHNOLOGY CO., LTD</b>
Registration No	0105531022203
Nature of Business	Paint business, contractor on project, design to install Cathodic Protection system for underground gas pipelines, underwater steel structures, etc. And corrosion protection with WAX TAPE system
Head office and plant	602, Moo2, Bangpu Industrial Estates, Soi1, Sukhumvit Road, TambolBangpu Mai, Muang District, Samutprakarn 10280
Office and plant phone no.	0-2323-2800-6
Office and plant fax no.	0-2323-2807
Registered Capital	Baht 4,000,000



Paid up Capital	Baht 4,000,000 as divided into 40,000 common shares at par value of Baht 100
Name of Subsidiary	<b>IGEN ENERGY COMPANY LIMITED</b>
Registration No	0105556069599
Nature of Business	Business selling electric power, renewable energy from wind and solar
Head office and plant	52 Thaniya Plaza Building, 27th Floor, Suriyawongse, Bangrak, Bangkok 10500
Office and plant phone no.	0-2652-5229
Office and plant fax no.	0-2652-5228
Registered Capital	Baht 100,000,000
Paid up Capital	Baht 39,910,000 as divided into 1,000,000 common shares at par value of Baht 39.91
Name of Subsidiary	<b>SOLAR IGEN COMPANY LIMITED</b>
Registration No	0105563169331
Nature of Business	Business selling electric power, renewable energy from wind and solar
Head office and plant	52 Thaniya Plaza Building, 27th Floor, Suriyawongse, Bangrak, Bangkok 10500
Office and plant phone no.	0-2652-5229
Office and plant fax no.	0-2652-5228
Registered Capital	Baht 1,000,000
Paid up Capital	Baht 250,000
Related company	<b>SUNCOAT (THAILAND) COMPANY LIMITED</b>
Registration No	0115548010718
Nature of Business	Expand business of heat resistance paint for automotive, motorcycle parts and electrical appliances
Head office and plant	888/18, Moo 19, Bangpleeyai, Bangplee, Samutprakarn 10540

Office and plant phone no.	0-2382-5370
Office and plant fax no.	0-2382-5371
Registered Capital	Baht 3,000,000
Paid up Capital	Baht 3,000,000 as divided into 30,000 common shares at par value of Baht 100
Related company	UA WITHYA PUBLIC COMPANY LIMITED
Registration No	0107548000129
Nature of Business	Manufacturing of high voltage transmission, Telecommunication Tower, Sub Station, General Steel Structure, Galvanizing Services, distribution of industrial products producing and distributing electricity from renewable energy
Head office and plant	247, Romklao Road, Saensaeb, Minburi, Bangkok 10510
Office and plant phone no.	0-2543-9020-8
Office and plant fax no.	0-2543-9029
Registered Capital	Baht 1,711,128,364.00
Paid up Capital	Baht 1,316,252,588.40
	IGEN ENGINEERING COMPANY LIMITED
Registration No	0105551028657
Nature of Business	Installation of high-voltage and low-voltage electrical equipment Sub-station construction work services
Head office and plant	52 Thaniya Plaza Building, 27th Floor, Suriyawongse, Bangrak, Bangkok 10500
Office and plant phone no.	0-2652-5229
Office and plant fax no.	0-2652-5228
Registered Capital	Baht 270,000,000
Paid up Capital	Baht 270,000,000 as divided into 2,700,000 common shares at par value of Baht 100

**MCTRIC PUBLIC COMPANY LIMITED**

Registration No	0107558000121
Nature of Business	Civil & Construction, Mechanical, Electrical and Plumbing services
Head office and plant	121/105 RS Tower 39 Fl., Ratchapisek Road, Dindaeng, Bangkok 10400
Office and plant phone no.	0-2652-5229
Office and plant fax no.	0-2652-5228
Registered Capital	Baht 450,000,000
Paid up Capital	Baht 300,000,000 as divided into 450,000,000 common shares, paid up of 300,000,000 shares at par value of Baht 1

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Contact Investor Relation	Miss Pureecha Buranasiri
	TEL: 0-2049-1041
	Email: pureecha@dimetsiam.com

**Certified public accountant: SP AUDIT COMPANY LIMITED as follows:**

(1)	Miss Susan	Eiamvanicha	Certified Public Account No.4306 and/or
(2)	Mr. Suchart	Panitcharoen	Certified Public Account No.4475 and/or
(3)	Miss Chuenta	Chommern	Certified Public Account No.7570 and/or
(4)	Miss Wandee	Eiamvanicha	Certified Public Account No.8210 and/or
(5)	Mr. Kiatisak	Vanithanun	Certified Public Account No.9922
TEL: 0-2-642-6174			

## CORPORATE GOVERNANCE

The Board of Directors attaches great importance to good corporate governance. By conducting business ethically, respecting rights and being responsible to shareholders and stakeholders. Benefit society And develop or reduce negative impact on the environment Which creates sustainable value for the company As a result, the company can compete. And have a good performance Taking into account the long-term effects and able to adapt under changing factors

The Board of Directors realizes the importance of taking part in developing corporate governance in accordance with the Good Corporate Governance Principles of 2017 (CG Code), which has 8 principles as follows:

- Principle 1:** Establish Clear Leadership Role and Responsibilities of Board
- Principle 2:** Define Objectives that Promote Sustainable value Creation
- Principle 3:** Strengthen Board Effectiveness
- Principle 4:** Ensure Effective CEO and People Management
- Principle 5:** Nature innovation and responsibility business
- Principle 6:** Strengthen Effective Risk Management and Internal Control
- Principle 7:** Ensure Disclosure and Financial Integrity
- Principle 8:** Ensure Engagement and Communication with shareholders

The Board of Directors has announced the business ethics, employee ethics and anti-corruption policy by adhering to business practices together with the sufficiency philosophy. The company holds the sufficient policy as a practice pattern for the company's directors, executives and employees. To ensure that the performance is correct, the company implement as follows:

### **Principle 1: Establish Clear Leadership Role and Responsibilities of Board**

The Board of Directors is aware of the roles, duties and responsibilities of overseeing the company to be well-organized. As a leader of the organization, we aim to the business operations of the company and subsidiaries must not only focus on conducting economic growth but also stress on the intention of creating a sustainable business and driving society at the same time. It would consist of social and environmental responsibility by established regulations with the objective of providing management. The operations of the Board of Directors are in accordance with the objectives and regulations of the company. Our responsibility must be clear under the management policy with transparency and can be verified with the following best practices as follows:

1. Perform duties honestly in accordance with the laws, objectives and regulations of the company as well as resolutions of the shareholders' meeting, all for the benefit of the company
2. Monitor the business operations of the company, devote time to attend the Board's meeting in order to give opinions and consider various activities regularly.

3. Report of securities acquisition and report of changes in securities holding of companies, their spouses and children who have not yet become legal age submitted to the Office of the Securities and Exchange Commission
4. When a director has a direct or indirect interest in the contract or in any business that the company has made during the fiscal year, they must inform the company
5. In case that the Director wishes to purchase the company's assets, sell the property to the company or do business with the company, no matter acting on their own behalf or on behalf of others it must be approved by the Board of Directors that must not violate the regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand or other related laws.
6. To offer the company securities, Directors should monitor and ensure that the financial status information and performance of the company are disclosed in actual and accurate without concealing any statement to the public.
7. When submitting documents to the registrar Department of Business Development, Ministry of Commerce, the directors must follow up to ensure the given data correctly according to the information contained in the book Registration or other documents of the company.

In each year, the Board of Directors meeting, in addition to assigning a mission, we formulate strategies of the operation policy in accordance with the mission in each year for the management to proceed further. Board of Directors jointly creating regulations for the company's Directors who can determine the authority and responsibility of the Board of Directors and sub-committees. The regulations of the Board of Directors stipulate that the directors must manage the operations of the company in accordance with the laws, regulations, resolution of the shareholders' meeting as well as the guidelines. Also, to set forth the approval process for important operations in accordance with the law including establishing regulations for approval and operations, authorized Director has the power to approve various matters of the company as specified.

Board of directors recognizes the importance of strengthening ethical values to be a corporate culture. Therefore, the company has prepared a Code of Conduct in writing to allow directors, executives, and employees to understand and be aware of the ethical standards that the company uses for business operations and for everyone in the organization to use as a framework for strict conduct in order to promote behaviors that demonstrate responsibility for their duties. It can enhance to shareholders, colleagues Stakeholders and society including avoiding any behaviors or that led to the risk of ethics and violation of the law.

In the year 2020, all directors, executives and employees of the company have strictly complied with the business ethics.

**Principle 2: Define Objectives that Promote Sustainable value Creation**

The Board of Directors has set objectives and company goals in order to perform the work efficiency and focused on the ability to respond to customer needs effectively. There is a continuous development of production processes and a focus on after-sales service as well as develop the knowledge and ability of the personnel. The management system throughout the company must be reliable and can be trusted by customers and society as a whole. According to Industrial standard requirements of ISO9001: 2015, the company has set targets for increasing sales and developing production processes including product quality. The company aim to continuously grow by planning operations to expand production capacity and increase product variety to meet the needs of customers, the company's management has the idea to improve efficiency of machinery.

The Board of Directors has jointly determined the company's strategy and annual work plan which must be consistent with the vision and mission. In formulating strategies and plans for each year, the Board of Directors will consider all aspects by analyzing various risk factors such as finance, strategy, and operations, etc., taking into account the society, environment and all groups of stakeholders.

The Board of Directors is aware of the importance of social responsibility and environment concern in parallel with the company's business operations. The company is participating in the improvement of the quality of life of communities around the factory with respect for human rights and fair treatment of labor; contribute to the sustainable communities and factories living together

In this regard, the Board of Directors has stipulated guidelines for the business operations of the company, leading to the sustainable growth goals by considering the balance of return in terms of quantity and quality. The company is encouraging all employees in the company, realizing that the business can grow strongly by the cooperation of employees. The company and all employees concern to the stakeholders, social and environmental responsibility in order to enable operations in all sectors to achieve common goals

The company has good corporate governance and gives the rights to all employees and all groups of stakeholders both internally and externally. Both individuals and groups Organizations such as employees, investors, customers, business partners, communities, society, environment, government agencies or regulators can communicate or report clues to the company. Whenever they are encountering matters that may constitute corruption both directly and indirectly Offense or business ethics or company policies or complaints about violation of rights as well as behavior that may be a problem and cause damage to the company or not being treated fairly, including suggestions regarding the company's business operations The company provides channels for reporting clues and complaints as follows

1. Notify via the company website: [www.dimetsiam.com](http://www.dimetsiam.com)
2. Notify via email of
  - 2.1. Corporate Secretary at [matee@dimetsiam.com](mailto:matee@dimetsiam.com)

3. Send the sealed post to

- 3.1. "Corporate Secretary" Acting Sub Lt. Matee Ittirivichai  
Dimet (Siam) Public Company Limited  
No.602, Moo 2, Soi 1 B, Sukhumvit Road, Bangpoomai,  
MuangSamutprakarn, Samutprakarn, 10280

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

The Board of Directors has assigned the managing director and / or the company secretary to be the person to consider the notification of clues and complaints and suggestions of interested parties to the Executive Committee and / or the Audit Committee and / or Risk Management Committee, conduct an investigation and report to the Board of Directors respectively. The whistle blower's data and various complaints will be kept as a company secret.

In 2020 (July 1, 2020 – December 31, 2020) the company had no case of giving or receiving a bribe for the business benefit of the company at all.

### **Principle 3: Strengthen Board Effectiveness**

Board of Directors realizes that they have importance roles on good governance for highest return to company; understanding and responsibilities are key words. Roles of Board of Director, Audit Committee, Remuneration Committee, Risk Management Committee and Management should be clearly separated as ensure on such activities are legitimate

In order to practice their duties effectively; Board need to revise their structure by selecting any person with appropriate ability to hold the position of director, consideration on remuneration of director and propose to shareholder meeting for approval. Guidelines for the implementation of operations in subsidiaries as follows

#### **1. Structure of the Board of Directors**

The Board of Directors consists of knowledgeable persons Capabilities and experience in many fields such as engineering, business administration, accounting, finance, etc. All directors have passed the director training program from the Thai Institute of Directors Association (IOD). Company policy with senior management Plan short-term and long-term operations Including setting financial policies Risk management And organization overview Has an important role to oversee, inspect and evaluate the company's operations Including the performance of senior management to be in accordance with the plan independently.

The structure of the company's board of directors in 2020 consists of 5 committees as follows:

1. Board of Directors
2. Audit Committee
3. Risk Management Committee

4. Executive Committee

5. Nomination and Remuneration Committee

The company has clearly specified and separated the power of each committee. By considering important decisions must pass the approval of each committee which has specific duties and propose matters to the Board of Directors for consideration or acknowledgment. In order to balance and review for transparency and fairness to all parties involved.

Articles of Association The Company is required to have a board of directors of not less than half of the total number of directors must have residency in the Kingdom. In 2020, the Board of Directors is 13 persons.

Board of Directors consists of 4 Independent Director of 30.77 % of whole Board thus Independent Director has responsible for review process of management, propose and comments to support any beneficial to shareholders and avoid any unfair treatment as affect beneficial to shareholders and all stakeholders; set and disclose policies in term of related transaction to make sure that shareholders have highest return

Year 2020 does not appear that company:

- Any acts that are serious contrary as against regulation from The Stock Exchange of Thailand and Securities and Exchange Commission
- Any acts against corruption or code of conduct
- In case there is resignation of director whom not hold executive position due to issue on corporate governance
- Negative reputation of company due to failure to oversee of Board

### **Responsibilities of Board of Directors**

In accordance to company's Article of Association; Director has responsibilities to decide, supervise business operation of company and comply with regulation which has specify authority and responsibilities as details on Board of Director and Sub Committee

### **2. Appointment and position term of the directors**

#### **Rules of the Appointment of the Board of Directors**

The director must have qualifications and experience as required by the company but not being under any of the prohibitions under the Public Limited Companies Act 1992, the Securities and Exchange Act 1992 and other related laws. The director must have sufficient time to dedicate their knowledge and ability to perform duties for the company. The company has criteria in selecting persons to be appointed as directors according to the articles of association of the company which is summarized as follows:

1. Directors are appointed, elected and dismissed by the shareholders' meeting, having a tenure in accordance with the Articles of Association when the term has ended, they can be re-elected to take



the position again except in the case that the position of a director is vacant without being an expiration of the term. The Board of Directors may consider to appoint the suitable persons to fill vacancies in accordance with the Articles of Association of the Company.

2. The nomination of persons for the shareholders' meeting to be elected as directors in place of those who are due to retire by rotation can be done since the company has not yet officially established the selection committee. In the selection process, the Board of Directors jointly considered the qualifications in various fields by considering the suitability of qualifications, experience, expertise in a variety of professions with a vision, have a clean working background and be able to freely express opinions including past performance as directors, the company proposed the nomination to the meeting of the board of directors to consider mutually agreeing before submitting to the shareholders' meeting for consideration
3. In the annual general meeting of shareholders, the directors must retire by one-third. If the number of directors cannot be divided into three parts, then to issue by the number nearest to one-third
4. In the election of directors, the voting method shall be selected individually and shareholders have the right to elect the persons nominated to be elected at that time that cannot divide the votes
5. The persons who receive the most votes in descending order was elected as a director equal to the number of directors to be elected at that time. The director who is due to retire by rotation may be re-elected.
6. Shareholders have votes equal to one share per one vote

#### **Term of position of Directors**

1. Board members are appointed from Annual General Meeting of Shareholders by term follow to company regulations (Period Term of 3 years follows Public Company Acts). After the term is due, Board members may be reelected. In addition, Board of Directors will recruit and screen appropriate person to be Directors with knowledge, abilities and experiences.
2. The company does not specify the age of directors and / or the maximum number of terms that will continue to hold the position. By believing that the age or duration of the position is not an obstacle, compared with their knowledge, ability and valuable experience that each person is ready to bring to benefit the company as trusted by the board of directors and shareholder and independent directors (mentioned in the form 56-1 item 8.1, Board of Directors)

3. The company does not specify the terms of the position of independent directors as well, since the meeting of shareholders approved the resolution to elect the directors and independent directors only.
4. The Board of Directors has information in considering the case of the election of independent directors whose term has expired, with the number of years in consideration for both the invitation letter and the annual report.

**Criteria for the selection of independent directors and the selection process**

The Board of Directors is responsible for selecting independent directors. As the Company has not yet formally appointed a Nomination Committee. The selection was made in accordance with the criteria and qualifications of the Stock Exchange and the Capital Market Supervisory Board. To propose to the Board of Directors and the shareholders' meeting

**Determination of the number of listed companies that directors will serve as directors**

- The company requires that each director to be a director of a listed company must not exceed 5 companies so that all directors have the intention and commitment to perform their duties as trusted from Board of Directors and shareholders
- Board of Directors has policies on formulate guideline for director or executive chairman in a group that has knowledge, ability and expertise in that business Also serve as a director subsidiary company

The company has disclosed names and details on holding position of each director in Form 56-1 and Annual Report

The Company also has a policy and practice for taking office directors in other companies of the Company's directors and executives. The company will consider sending competent directors or executives Expertise in that business Become a director of an affiliated company According to the investment ratio To supervise affiliates to comply with company policies For the best interest of the company, such as the preparation of accounts to keep up with the preparation of consolidated financial statements with the company for disclosure according to the accounting period. The period and important accounting policies are the same as the Company. Important disclosure in accordance with the guidelines of Securities Act Notification of the Capital Market Supervisory Board and announcement of the Stock Exchange of Thailand In the same manner as the criteria that the company practices such as connected transactions. Acquisition and disposal of assets supervise the appropriate internal control system. And productive corporate governance as announced by the company which covers the corporate governance policy

**Separation of roles and duties between the Board of Directors and the management**

The Chairman of the Board is the leader and supervisors of the Board of Directors' meetings to ensure independence. All directors are able to express opinions or make suggestions fully and support the management of the administration

The Chairman of the Board of Directors is not an independent director as we believe that they can perform their duties independently and give all directors freedom in managing the organization. The Company believes that the Chairman of the Board of Directors has always valued and understood the principles of good corporate governance. In the consideration and decision of the important matters, the approval of each committee must be approved by each committee for a balance and review as encourage strictly

In 2020, the Company has 7 Executive Directors, with the Chief Executive Officer. To be the leader in managing the work plan in accordance with the policy set by the Board of Directors. The Executive Committee has participated in setting policies and business goals of the organization together with the Board of Directors.

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

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

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

- **Audit Committee**

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

- **Nomination and Remuneration Committee**

Presently, the remuneration committee is to consider of every board of directors committee and executive management. The remuneration is compared with that in the similar industries and business growth is taken into consideration. The duration of this position equals to one year which will be assigned by each Annual Meeting of Board of Directors after Annual General Shareholders' Meeting by looking at the suitability of qualifications, experience, expertise, various professions, vision, virtue and have a flawless work history And can express their opinions independently Including their performance as a director of the company during the past. It was proposed to the Board of Directors meeting. To consider and give mutual approval before presenting to the shareholders' meeting Except in the event that the director position is vacant By not leaving by the term The Board of Directors may consider appointing a director to the vacant position in accordance with the Company's regulations

- **Executive Committee**

The Executive Committee who are knowledgeable and have various experiences and understanding of responsibilities and the company's business.

The Executive Committee is responsible for the Company's business operations as a committee. with the Company's directors And / or executives who are appointed and approved by the Board of Directors to serve as executive directors under the regulations set forth by the Board of Directors for a term of one year, appointed by the Board of Directors meeting. Every year after the annual general meeting of shareholders

- **Risk Management Committee**

The Risk Management Committee must have 3 members who have appropriate qualifications, qualifications, experience, expertise, various professions, vision, and virtue. And have a flawless work history and can express their opinions independently including their performance as a director of the company during the past. It was proposed to the Board of Directors meeting. To consider giving mutual consent before proposing to the shareholders' meeting, except in the event that the director position is vacant By not leaving by the term The Board of Directors may consider appointing a director to the vacant position in accordance with the Company's regulations

### **Board Meeting**

1. The Board of Directors has set a meeting not less than once a quarter by preparing a schedule for the Board of Directors meeting in advance annually with a clear agenda that the Company Secretary sends such schedule at the December meeting of every year

2. Board of Director has set the meeting not less than 1 time per quarter which has been schedule in advance for whole year by not less than one time per quarter as specify each committee meeting in advance with clear agendas

3. Considerations Chairman of the Board The chairperson of the meeting allowed the directors to express their opinions freely. Voting shall be made by a majority vote. In which one director has one vote and a director who has interests in each agenda. Must abstain or abstain from giving opinions Or not attending the meeting on that agenda According to the case, if the votes are equal The chairman of the meeting will have one more vote to decide

Year 2020, voting for each agenda need to have 2 in 3 directors of total director

4. The Board of Directors attaches great importance to the management of conflicts of interest of all stakeholders with prudence and fairness. To have complete disclosure of information In the event that any director of the Company has a vested interest in connection with the matter being considered interested directors must not take part in decision-making

5. Meeting of the Board of Directors if there are any questions or need additional information from related parties The Managing Director will invite relevant high level executives to clarify. And in case the directors want to know some information, they can contact the company secretary

6. The Board of Directors also allows non-executive directors to hold meetings among themselves as appropriate without the management to attend the meeting and propose to the Board of Directors for acknowledgment.

7. The Board of Directors has set a meeting of the Board of Directors 4 times a year according to the schedule given to all directors in advance. In case of urgency, the meeting can be called as necessary

At the end of the meeting company secretary prepares the minutes of the meeting and proposes it to the Board of Directors for approval in the first agenda of the next meeting. And the Chairman of the Board of Directors shall sign directors can express their opinions can request amendments to the minutes of the meeting before certification.

The certified meeting minutes are kept systematically at the company office. And stored in the original file document format together with supporting documents for the agenda. For the convenience of searching for references

In 2020 (July 1, 2020 – December 31, 2020) the meetings are as follows:

- The Board of Directors holds 3 meetings, which the number of meetings is appropriate and sufficient for the board's duties and business and all Company Directors attended the meeting not less than 80 percent of the meeting
- Audit Committee and the internal audit department have set a meeting with the auditor of the company on a quarterly basis. The meeting was conducted and invited representatives of the management to attend the meeting. In 2020, the Audit Committee has in totaling of 2 meeting
- Audit Committee Has had independent meetings with the management in which discussions with various suggestions and has reported its progress to the Board of Directors.

- The company has a policy and encourages non-executive directors to hold their own meetings independently, in which in 2020 there is no meeting

### **Remuneration of Directors and Executives**

The Remuneration Committee is responsible for determining the amount of remuneration for directors at an appropriate level. Based on experience, duties, scope and roles Participation And the responsibilities of each director By comparing with reference to the same industry and economic conditions Including the appropriateness of the number of the board to be presented to the Board of Directors for consideration and approval at the shareholders' meeting every year

Shareholders' meeting year 2020 held on October 30, 2020 has approved remuneration for directors not exceed 2 Million Baht by payment each time attended the meeting thus Remuneration Committee is responsible for determining the remuneration for the directors and sub-committees and propose to the Board of Directors for consideration and propose to the shareholders' meeting for approval every year

The Remuneration Committee determines the structure / composition of the remuneration. Appropriate to the duties, responsibilities and benefits received from each committee.

The Company does not have a policy to award any other compensation besides the remuneration as a director or employee, which is normally received from the Company. No shares, debentures or any other securities are given to the management of the company

Management compensation is based on the rules and policies considered from performance by role Duties and responsibilities of each person

During July 1, 2020 – December 31, 2020 there is one time meeting for remuneration committee

### **Leadership and Vision**

#### Leadership and Vision

The Board of Directors plays a role to meet the good corporate governance standards. In the following

- Define the company's vision, mission, strategy, goals, business plan and budget.
- Regularly supervise and monitor the performance of the management in accordance with the plan to achieve the goals.
- Ensuring that there is an adequate internal control system and monitoring it regularly by SP AUDIT Company Limited, who is the Company's auditor. Conduct an assessment and review of the Company's internal control system in the annual audit. And no major weaknesses or defects were found in the said system.
- Ensure that there is an appropriate risk management measure and follow up regularly So that the company gets the most benefit

**Roles, duties and responsibilities of the board**

Board of Directors be elected by shareholders to represent the shareholders. It is important to formulate management policy. In collaboration with executives to define vision, mission, strategy, business direction Action plan And the annual budget To provide executives and employees with the same objectives, including supervision and monitoring of operations in accordance with the business plan and budget placed effectively and efficiently

Year 2020 July 1, 2020 – December 31, 2020 Board of Directors has performed the duty of supervising the operations of the Company to be lawful. And regulations therefore did not appear that the Company had any action which is a violation of official regulations

**Corporate Secretary**

According to the Securities and Exchange Act (No. 4) 2008, the Board of Directors is required to appoint a company secretary. Responsible for performing actions as required by law on behalf of the Company or the Board of Directors; company secretary has an important role to coordinate effectively both internally and externally. The Board of Directors has therefore appointed Acting Sub Lt. Matee Ittirivichai as Company Secretary according to the resolution of the Board of Directors meeting.

**Development of Directors and Management**

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

- **Existing Directors and Executives**

The Company has play importance roles on supporting knowledge to existing Directors which has training course related to task of Directors which this training held by IOD including any related course on roles of director, related to business and encourage executives to have any knowledge in term of laws or any rules relating to Executives including training/ seminar which benefit to company and trainees.

- **Related person on Corporate Governance**

Corporate Secretary, Secretary of Audit Committee and Compliance and Investor Relation unit including any related person, the company has support and encourage to train/seminar any related courses by SEC/Stock Exchange of Thailand/Thai Listed Companies Association/ IOD and other institution regularly.

#### **Evaluation on Performance of Board**

The company has arranged for the committee to evaluate their own performance. By having the committee assesses overall performance of the board. Evaluate the performance of all sub-committees and assess individual committees so that they can jointly consider the performance and problems which results of the assessment thus committee will analyze and Find conclusions to determine measures for further improving the performance of the committee.

Criteria for evaluating the performance of the Board of Directors and sub-committees According to the recommendation of the SET which consists of 11 as follows

- Board structure and qualifications.
- Roles, duties and responsibilities of the Board.
- Board of Directors meeting
- Roles of Directors
- Relationship among management
- Director's self-development and management development.
- Process for evaluating the performance of the committee.
- Board of Directors and Sub-Committees Review the assessment form to be correct, complete and in accordance with the criteria.
- Secretary of the Board of Directors Submit the evaluation form to the evaluation committee through the Google document.
- Secretary of the Board of Directors Collect assessment results And prepare a summary report of the assessment and report to the Board of Directors
- The Board of Directors uses the assessment results to determine guidelines for further performance.

#### **Annual Evaluation of Audit Committee**

Audit Committee The performance appraisal was performed by a group assessment to serve as a framework for reviewing the performance of the audit committee's duties. That it has operated in accordance with the approved corporate governance policy and / or good practice To improve the performance of the Audit Committee in accordance with the established policies And to review the problems and obstacles arising in the past year The assessment is divided into 3 areas, which are

1. Structure and qualifications of the Audit Committee



2. Meeting of Audit Committee
3. Roles, duties and responsibilities of the Audit Committee

**Bring good corporate governance of listed companies to be use**

According to Securities and Exchange Commission (SEC) has issue Corporate Governance Code: CG Code) which will be used instead of regulatory principles for listed companies year 2012 of Stock Exchange of Thailand to apply or explain with appropriate practices as beneficial to company and in accordance to announcement from Securities and Exchange Commission

**Principle 4 : Ensure Effective CEO and People Management**

Board of Director realize that personnel who will enter into position of top management such as Chief Executive Officer, Managing Director of subsidiaries and Deputy To Managing Director - Is an important management position and driving the company towards the goal therefore one role of directors is supervision for nomination of such persons must be appropriate and clear. By considering on knowledge, ability, experiences, determine the compensation structure and have an appropriate assessment and develop people to be in line with directions and strategies.

- **Succession plan for the department's supervisor position**

The Board of Directors has given great importance succession to all senior management positions. In particular, leadership position of organization is Chief Executive Officer and Managing Director thus objective is to maintain confidence of investors, organizations and employees that Company's operations will be carried out in a timely manner. The Board of Directors prepares for personnel who will act as assignees in order to replace position of senior management and highest commander of all departments with following principles

1. Set a description of the top management position. Relevance to the goals and strategies of the organization including specifying the required qualifications, knowledge and skills
2. Selecting secondary executives with vision potential Knowledge and ability
3. Analyze individual qualifications to identify strengths and further development.

The company holds a meeting between executive committee, Senior management and secondary level executives (To be a successor) with Chairman of the Executive Committee on a monthly basis, which is the performance meeting of the company as part of supporting the succession plan

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

- **Succession plan for the department's supervisor position**

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

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

- **Orientation for new directors**

The company had orientation for new incoming Directors in order to acknowledge business policy including related information such as company's article of association, rules, and any regulations concerned with business operation. Moreover, this will be beneficial to new directors therefore the company has prepared guideline for directors as follows:

1. Guideline for Director
  - Securities and Exchange Commission ACT (No.4) 2008
  - Charter on Board of Directors
  - Certificate of registrations on public company limited
  - Certificate of Company Registration and Objective of company
  - Article of Association
  - Policy manual on good corporate governance
  - Policy manual on listed company directors of SEC
2. Other information
  - Company goals and vision
  - Annual report together with presentation to guide nature of business to new Directors

**Principle 5      Nurture innovation and Responsibility Business**

The company has pay attention to all stakeholders by having policies and practices as specify in “Code of Conduct and Employee Morality” and disseminated to director, executive and all level of employee adherence as guideline for dealing with stakeholders. To ensure that stakeholders are treated fairly. The company has disclose mentioned information under title of Corporate Governance Policy ([www.dimetsiam.com](http://www.dimetsiam.com))

**1. Shareholder**

The Company respects all rights of shareholders as defined by applicable laws, regulations, Code of Conduct and other related regulations as fair treated to all shareholders, commit to be good representative of shareholders to conduct the business and maximize satisfaction of shareholders, taking into account to growth of company's value in long run with reasonable return and fairness. There should be transparency in term of management, accurate accounting system, assist in maintaining asset of company, controlling in related transaction process, measure to prevent conflict of interest and secure on using information for self-benefit thus there are mechanism by make shareholders to be confident on receive right information (details on right of shareholders shown in Practice 1 Right of Shareholders and Practice 2 To treat shareholders equally)

In Year 2020, company has omitted dividend payment for year 2020 (July 1 – December 31,2020) the company has net loss of 37.09 Million Baht (Separate Financial Statement)

The company has informed business operation accurately every semester and disclosed when entering into related transaction under same conditions with external parties through SETSMART of The Stock Exchange of Thailand also company's website.

By this, every company shareholders has invited to 2020 Annual General Meeting of Shareholders and has rights to votes in every agendas by received information in many ways such as Invitation letter and social media.

**2. Employee**

Employee of company is importance and valuable resources and is essential to bring the organization's success therefore the company will support, promote training course and developing knowledge of employees in order for foundation to support critical business strategy continually together with build stable career and provide opportunities for growth potential of each person as well as employees are involved in setting strategic direction and development company. Paying respect to employees and basic human rights by returns with fairness, appropriate knowledge and each employee performance in accordance with providing welfare in order to encourage employees' quality of life and well-being:

It also recognizes importance of promoting development potential of all employees for knowledge, abilities to reserve for fluctuation of economy situation includes stability in the profession and provides an

opportunity for progression, according to each person's potential. Moreover, participating in define direction of operation as returns by fairness, reasonable with knowledge, abilities, responsibilities and performance of each employees

### **Compensation and welfare of employees**

The company provides fair compensation which based on knowledge, ability and responsibility, performance and provides welfare to promote quality of life and well-being thus subsidiaries has establish welfare committee to provide opportunities for employees to participate in welfare administration also support any activities and open up any channel for employees to communicate, suggest or claim any complaint on various matter in workplace through designate channels.

**Compensation of employees:** The Company has a policy of appropriate compensation to all levels of employees, both in the short term, in line with the Company's operating results each year. And compare with other companies with the same size and nature of business and in long run, performance and potential of employees are clearly measured and provide for growth in line with work including taking care of various benefits to employees appropriately

**Employee benefits:** The company has provident fund in order to care on benefits of employees and encourage long term saving in the future which includes as incentive to employees to work in company for long time by employees as a member of provident fund will received subsidy at the rate of 5 percent of wage every month also member need to accumulate same rate as well. In case employee has resigned from company, he/she will received contribution of fund including average net assets value of fund.

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

#### **1. Welfare to develop employee**

- Provide to support in term of internal and external education
- Provide seminar of knowledge related to work within and outside the company continuously

#### **2. Welfare to help for cost of living and the family**

- Provide hygienic canteen with reasonable price
- Provide form to employees (daily) and employees (monthly)
- Provide transportation to employees
- Provide expenses on travel costs, vehicle and fuel expense
- Provide lunch allowance
- Provide incentives of bonus, shift, experiences etc.
- Provide welfare on victim cases, in cases of death of parent and married couple of employee includes allowance for death

3. Welfare to encourage employee savings and stability in the future
  - Provide provident fund to save money in the future which members need to accumulate as 5 percent of wages and will receive the fund contribution from the company every month at the rate of 5 percent of the wage as well.
  - Provide gratuities to employees or commutation for maintain benefits from retirement
4. Provide health care
  - Annual health check up

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

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

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

In year 2020, all suggestion has been considered and corrective action in order to maintain good relationship with equally treatment among employees thus company has implement by a mechanism that does not affect employees who report the clues and will keep it secretly

### 3. Customers

The Board of Directors is important to create and maintain customers. Therefore, the Company has established a policy to operate its business with honesty and fairness based on fair return of both parties and deliver products and services at fair prices

The company has a policy to meet satisfaction of customers' leads to success of company's business in according to various conditions that have been agreed with the customer

- Provide advice including correct and sufficient information to customers responding to customer needs with speed and keep customers' confidentiality Including not using the customer's secrets to wrongfully use for their own benefit or to those involved
- Continuously develop products and services to meet customer needs. By inventing new innovations To continuously add value to products and services
- Focus on maintaining trade secrets. Without using it for one's own benefit or wrongful parties

- It is important to provide the customer with useful information with clear product labels, in addition to what the law requires.
- Arrange for an agency to service customers or consumers with complaints, inquiries and suggestions about the quality of products and services conveniently. With emphasis on real approach to customer needs Ready to act fairly towards customers or consumers

In 2020, no significant customer complaints appeared as for other complaints that company has analyzed cause to perform preventive corrections and monitor entire system and deployed to entire organization in order to prevent such defects from occurring again and from importance of the Managing Director on such matters By requiring relevant departments to report to the management every time. In order to fix various problems to be done well Ready to foster good relationships with each other Create satisfaction for existing and new customers Resulting in continuous orders for products

#### 4. Competitors

The company has a policy to treat competitors without violating the secrets or knowing the trade secrets of competitors by fraud, therefore set the policy principles as follows

- The company operates business in accordance with the competition framework that is honest and fair. Comply with the agreements with competitors under the framework of the law and business ethics of the company
- Not seeking confidential information of competitors through dishonest or inappropriate methods
- Do not destroy the reputation by accusing and defame competitors
- Support and promote free trade be fair, not monopolize or require customers of the company and subsidiaries to trade with the company

In year 2020, the company has no dispute with regard to competitors

#### 5. Partners

- The Company has played an importance role on focusing of practice equally and fairness which based on fair return on both sides. Its business partners must not bring discredit to the reputation of the company, or the law.
- No receive or consent to accept properties or other benefit apart from trade agreement
- Build relationship, good corporation and product development in order to strengthen capacity and business performance together with long run of joint business (win win solution)
- Products procurement is importance process of administrative expenses and product quality to reach highest benefit of company therefore criteria and evaluation system needed

- Encourage partners to participate in international standards related to Environmental

#### 6. Creditor

The Company has practices under the conditions strictly together with build relationship with creditor in order to create trusted to creditor under the agreements.

#### 7. Labor

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

#### 8. Human Rights

Encourage Executives and employees as citizen to exercise their rights on constitutional legal and other related laws thus including Executives and employees should not use their power to emphasize others to support any political activities either directly or indirectly.

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

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

#### 9. Political Rights

- Encourage Executives and employees as citizen to exercise their rights on constitutional legal and other related laws
- Executives and employees should not use their power to emphasize others to support any political activities either directly or indirectly.

#### 10. Government

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

## 11. Social and Community

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

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

## 12. Environment

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

- Encourage employee of consciousness about responsibility on Environmental throughout organization continuously by driven by both inside to outside and outside to inside
- Improvement and development process in term of machinery and technology continuously also have manage systematically both in production of goods and services in order to reduce environmental impact

### **Educating and training employees in environmental issues:**

The company has recognize the importance of campaign also raise awareness of executives and employees to care of environmental by enhance knowledge on environmental issue through exhibition, sign together with related document

### **To promote efficient use of resources:**

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

## **Practice 6: Strengthen Effective Risk Management and Internal Control**

The Board of Directors is aware of the roles and responsibilities of governance and has guidelines for practice as follows

1. To oversee the company to have an appropriate internal control system, the Audit Committee and the Office of Audit have important roles in the financial report



to be complete and accurate. Internal control systems and audit systems must be appropriate and effective.

2. Supervising the company to have an appropriate risk management system by establishing a clear policy for each year and assigning executives to consider risk Identification .Assess the chance of being born In order to prioritize the risk and appropriate risk management methods

In addition year 2020, the company has monitored and managed potential conflicts of interest between the Company and the management of the Board, including the prevention of inappropriate use and transactions with persons who have a relationship with the company The important summary can be summarized as follows:

#### **1. History of illegal acts of the company, Directors and Executives**

During the past year and in the year 2020, the company had no cases of actions contrary to rules and regulations, whether laws under the Securities and Exchange Act. Public Company Limited Act B.E. 2535 or various laws such as the company not submitting financial statements as scheduled There is no transaction that provides financial assistance to other companies. The company does not have a negative reputation. Due to the failure of the Board of Directors Subcommittee The company has no case in which the non-executive director resigned. Due to the issue of corporate governance of the company. In addition, the company does not have any actions that violate labor laws, employment, laws on trade competition. Or being executed Due to the company not announcing important information within the time specified by government agencies

**2. Assigning company directors and executives Must prepare a securities trading report Company securities holdings and their own interests and related persons**, including spouses and children who have not yet become sui juris By making various reports As according to the law relating to directors and executives, and report to the SEC as follows

With supervision measures and policies to comply with the rules as follows

- Report every change in the company's holding of securities when trading, transferring or accepting (Form 59-2)
- The display of names of persons in the information system of the names of directors and executives of securities issuing companies (Form 35-E1)

**3. Assigning company directors and executives must report their own interests and those of related parties** which is an interest related to the management of the company's business To report to the company every time there is a change With supervision measures and policies to comply with the rules as follows

- Conflict of interest when first becoming a director or a senior executive
- Report every interest When there is a change of stakeholder information
- Report of interest, regularly at the end of the year
- In the event that the directors vacate the office and continue to be a new director that committee member does not need to submit a new report form. If there is no change of stakeholder information
- Have directors and executives submit a report on interests. To the company secretary within 1 month from the date of election / appointment and within 15 days when there is a change and within 30 days. Annual report must be from the end of the year. The company secretary must send a copy of this interest report to the chairman of the board of directors. And the chairman of the audit committee within 7 working days from the date of receiving the report

In the year 2020, the company's directors and executives has conducted the preparation of the report of interest in the event of changes in the year is complete

#### **4. Monitoring of asset trading**

The company supervises the purchase and sale of assets to be in accordance with the Notification of the Capital Market Supervisory Board regarding Acquisition or Disposition of Assets. In doing such transactions, the stakeholder committee does not participate in the decision making for transparency and fair

#### **5. Conflict of interest**

The Board of Directors has clear guidelines for overseeing To eliminate conflicts of interest carefully with reasoning and for the best interest of the company and shareholders. Transactions that may have conflicts of interest. The company has informed and disclosed the resolution of the meeting regarding the said transaction in accordance with the rules of the Stock Exchange of Thailand. In which the interested directors leave the meeting room and do not vote on that agenda. For independence in decision making and immediate disclosure for transparency

#### **6. Prevention of conflict of interest**

1. The company has a clear and transparent shareholding structure, therefore does not cause any conflict of interest to any party. By revealing the shareholding structure of the company in the annual report in detail Including disclosure of securities holding of the Board of Directors and executives in full
2. Inter-company transactions The Board of Directors proceeded with prudence, reasonableness, and considered the highest benefit of the company. And acted fairly The price is determined in accordance with the market price and in accordance with normal business practices and fair trading conditions, as if

- entering into transactions with third parties. By establishing a transparent operating system for the said matter And comply with the rules of the Stock Exchange of Thailand By establishing it as a policy for good corporate governance And stipulated in the ethics that must treat the company and shareholders
3. The company has disclosed information to create equality in receiving information such as Connected transaction The company has complied with the announcement of the Board of Governors of the Stock Exchange of Thailand regarding the disclosure of information and the operations of listed companies in connected transactions, and in the event that there is a connected transaction that is subject to disclosure or request for approval from the shareholders. The company has complied with the procedures of the Stock Exchange of Thailand and the regulations of the Office of the SEC. Before making the transaction, the company disclosed details and reasons of the transaction to shareholders first every time.
  4. The company requires that the directors having vested interests have to leave the meeting room and / or abstain from voting on that agenda so that the directors without any conflict of interest can express their opinions fully and have freedom to vote. The company secretary will inform the meeting that, in the agenda, which directors have interests? At the end of the meeting, the names of the connected persons and the pricing of the transaction were disclosed. And directors with different opinions from the opinions of the Board of Directors (if any) to the Stock Exchange of Thailand According to the time limit and published on the company's website in another way for transparency. As well as being recorded in the minutes of the meeting which can be inspected

In the year 2020, the company had inter-company transactions in the form of providing financial assistance to only its subsidiaries, and the company has measures to control the connected transactions. And limit financial assistance to companies that are not subsidiaries and do not engage in connected transactions in violation. Or fail to comply with the rules of the Stock Exchange of Thailand and the SEC and disclose the related transactions which are done fairly at the market price and in the normal course of business of the year 2020 in the annual report and Form 56-1.

As for cross-shareholding between them The Company does not have cross shareholding between them.

## **7. Internal control and audit systems**

### **• Internal Control System**

The Board of Directors realizes the importance and provides internal control system for operation in term of Financial follows the policies and rules by appointed Internal Audit to be responsible for checking

the operation system of internal control as planned to report Audit Committee and Board of Directors. Moreover, they are independently to perform their duties. The Board of Directors shall review the appropriateness and adequacy of the internal control system in five aspects according to the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) is the internal control, risk assessment, operational control, information and communication technology and tracking systems one time per year.

- **Internal Audit**

In 2020, the Audit Committee has performed its duties completely and adequately as assigned by the Board of Directors. There is an internal audit unit to assist in achieving its mission. The internal auditors are qualified persons to perform their duties appropriately. The results of the evaluation of the internal control system were reported on issues that needed to be corrected to the auditors and related departments. Including appropriate recommendations as the management deems necessary for the business operation of the Company and presented to the Board of Directors. To consider at the Board of Directors' meetings every quarter

Internal Audit will report the estimation and review on Internal Control System to Audit Committee quarterly and year 2020 there are 2 times of Audit Committee meeting and report to Board of Directors quarterly. By this, Audit Committee has reports comments on adequacy of internal control system and risk management system in Annual Report in the title of "Corporate Governance report of Audit Committee"

**Policies and practices on anti-corruption and erotic payments/bribes to get business:**

The company has policies on anti-corruption by making "anti-bribery and anti-corruption policy" and practical on "business ethic" coupled with stakeholder to directors, executive and employees to get involve and practice honestly

The company has support on anti-corruption in all forms by prohibiting directors, executives and employees to accept and support all forms of corruption either directly or indirectly along with practice in accordance to related regulations, announcement of Law and rules

As the company has prepared a self-assessment form for anti-corruption measures, proposed to the Private Sector Collective Action Coalition Against Corruption Council (CAC) to certify that the company is a member of Private Sector Collective Action Coalition Against Corruption which is in the process of being considered by the Sub-Committee

**Training and Communication**

Year 2020; company has training and give knowledge to employees on policies and guidelines on anti-corruption including related information such as business ethic, gift and entertaining- every level of employees can access through various policies via internal communication system – company news board as well as communicating on anti-corruption among partners, business partners which include business agents through appropriate channels in order to acknowledge and practice together.

**Guidelines for supervision and control to prevent and monitor fraud risks**

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

1. Arrange reviews on internal control and risk management which cover every importance system such as procurement system, sales system and accounting system. By this, in order to prevent and follow risk from anti-corruption includes proposals regarding appropriate improvement guidelines
2. Provide communication channel for give any clues, violation of laws, regulations, article of association or any practice among anti-corruption (policies on protecting person who gives clues and keep a secret. There are measures to check and determine disciplinary action of relevant law firm the company will notify operation results to acknowledge in writing
3. Chief of the relevant department is responsible for following up, adjust or improve and errors and report to supervisor respectively

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

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

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

1. Provide communication channel for give any clues or complaint by investigating and penalties in order to protect clerk which published on company website and announce to all level of employees
2. Audit Committee required sup reviewing opportunity to commit fraud in business in accordance to company anti-corruption policy and Code of Conduct as well as review risk management to be reasonable and effectively then report to Board of Directors quarterly thus function of internal audit is independently and not limit scope of work
3. Directors, Executive and every employees follow strictly and condition of employment if anyone violate then will punished according to company regulations and law (if any)

**Policies and guidelines for giving or receiving gifts or other benefits**

1. The company has policies on receiving gifts or other benefits from those involve in business with company, executives and employees thus they may receive gifts as

conventional without affecting any business decision which can be disclose and transparently

2. Such gift shall not be in cash or cash equivalent (eg; gift card/voucher)
3. In case cannot refuse and have to receive gift then need to report to supervisor and record all details on gift and send such gifts to Human Resource Department to be use as gift to employees or donate for charity as appropriate

#### **Whistle Blowing or complaint**

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

1. Through company's website [www.dimetsiam.com](http://www.dimetsiam.com)
2. Through Email / Telephone
  - Corporate Secretary  
TEL: 0-2323-2800-6 E-mail: [matee@dimetsiam.com](mailto:matee@dimetsiam.com)
3. Through via post
  - "Corporate Secretary"
  - Acting Sub. Lt Matee Ittirivichai  
No.602, Moo 2, Bangpoo Industrial Estate, Soi 1 B, Sukhumvit Road,  
Bangpoomai, MuangSamutprakran, Samutprakarn
4. Through via Facsimile: 0-2323-2807

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

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

Year 2020 (July 1, 2020 – December 31, 2020) in the past company and its subsidiaries has no complaint on giving or receiving bribes for beneficial to company

#### **Whistle Blowing**

1. The company requires those who receive information related to performance of duties or reporting corruption to organization, keep personal information such as name, address

- which can specify complainant secretly, do not disclose any information to anyone who is not involved except as disclosed under statutory duty
2. The company will keep relevant information confidential and take into account for safety of complainant by setting measure to protect employees complaints including collaboration in scrutiny will be protected from unfair practices as due to cause of complaints such as interfering with performance/change job/lay off
  3. The company will listen and handle all complaints in equitable manner; transparency and fair by set mechanism that does not affect employees who report the clues and that information will be keep it secretly
  4. The company has open up to stakeholder to feedback comments, complaints through provided channel of company such as Annual General Meeting of Shareholders, opportunity day thus questions, comments, suggestions and complaints will be forwarded to relevant agencies to make modification to meet need all stakeholders.

Year 2020 (July 1, 2020 – December 31, 2020) business operation of company did not appear to have been operating by regulator as did not announce important events within specified time frame which includes not appear that company violated labor law, employment, consumer, trade competition, environment and stakeholders.

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

**Policies that are suppression of violation of intellectual property:**

The company policies are based on ethics and morality therefore the company does not involved in suppression of violations of intellectual property but innovate their business by supporting their employee in term of production process, products and services as well as we can do with our customers, partners and government continuously in order for innovative quality products to serve customers' needs.

In year 2020 (July 1, 2020 – December 31, 2020), company and its subsidiaries has no infringement of intellectual property and commercial piracy

**Practice 7: Ensure Disclosure and Financial Integrity**

Board of Directors has realized on quality and disclosing information equitably, transparency and fairness and discloses information related to company both financial status and non-financial status or any

information which may affect trading price for shareholders and those who are interested to acknowledge information correctly, completed, on time, equally and same quality.

The company has disclosed information with easily to access and more channels in both Thai and English version through the channels of the Stock Exchange of Thailand and through the company's website [www.dimetsiam.com](http://www.dimetsiam.com) to stakeholders to ensure all parties are as follows:

**1. Corporate Governance:** The Company has corporate governance in accordance with good corporate governance for listed companies of The Stock Exchange of Thailand in 5 conditions are Equitable Treatment of Shareholders, Role of stakeholders, Disclosure and Transparency and Responsibilities of the Board includes policy and practices in term of anti-corruption through company website [www.dimetsiam.com](http://www.dimetsiam.com)

In the year 2020 (July 1, 2020 – December 31, 2020) the company has reported the results of the implementation of the corporate governance policy which is in line with the principles of good corporate governance for companies, listed companies of the Stock Exchange of Thailand By disseminating on the Annual Report Form (Form 56-1), Annual Report (Form 56-2) and the Company's website [www.dimetsiam.com](http://www.dimetsiam.com)

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

- **Information which disclosed in Form 56-1 and annual report of company.** By this,the company has prepared and disclosed in accordance with rules from The Stock Exchange of Thailand and Securities and Exchange Commission for beneficial of shareholders to be considered thus with up to date information by publishing through its company's website [www.dimetsiam.com](http://www.dimetsiam.com)

Year 2020, The Company has not been implemented from Securities and Exchange Commission or The Stock Exchange of Thailand due to non-disclosure requirements.

- **In term of Annual Financial and Quarterly Financial** as The Board of Director has play importance role on preparation of financial report correctly follows accounting standards, record accounting with caution, use discretion to estimate on making financial report to reflex on actual business operation, prepare of Financial Statement and pass examine by auditor with approval from Audit Committee also has passed examination procedure and informed to The Stock Exchange of Thailand and The Securities and Exchange Commission. Moreover, disclosed to shareholders or investors before the end of the specified period which information can be used in order to make decision making for investment.

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



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

In year 2020 (July 1, 2020 – December 31, 2020), Financial of company has certified with unconditional and no notice from company's auditor, company has disclose financial statement to The Stock Exchange of Thailand and Securities and Exchange Commission.

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

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

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

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

- Report on changes in holding company's securities when trading (Form 59-2)
- Information of Company's directors and executives (Form 35-E1)

In year 2020 – Director and Executive including their spouse, underage child as making report on trading securities, holding of company's securities in case there any changes together with conclusion in annual report in title of "Shareholding Structure and Management" and Form 56-1 in title of "8. Management Structure"

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

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

In year 2020, Directors and Executives has submitted the report of vested interest in case there are any changes

**7. Supervision on the use of inside information** The company has measures to control the use of inside information by specifying in the business ethics regarding conflicts of interest and keeping confidential information that must be treated to the shareholders' company and Stakeholders. The company stipulated in the employee ethics Directors, executives and employees must perform their duties with honesty, responsibility, discipline. They must have a good conscience for the public and for oneself, not to use the position of duty to improperly seek benefits for oneself and / or others and protect the interests and assets of the company by not using the information and assets of the company for the benefit of themselves and / or others. They do not act in a way that encourages others to do business competing with the company and its subsidiaries. The company also imposes a penalty for violation of the use of inside information of the company for personal benefit in the company's regulations. With penalties ranging from verbal warnings to dismissal

In addition, the rules and regulations regarding the work of the company are stipulated in the said matter. By imposing disciplinary action the directors, executives and employees have complied with the regulations.

In 2020 (July 1, 2020 – December 31, 2020), the directors, executives and employees of the company have strictly complied with the policy and regulations as a result; there was no misconduct due to the company's internal information

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

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

In year 2020 (July 1, 2020 – December 31, 2020), Chairman has play importance roles on attending to Executive, Chief Executive and High Level of position in every division meeting every year by main idea suggestion, aggressive tactics and philosophy together with exchange opinion independently to support executive management and achieve business goals

#### **Channel for dissemination of company information**

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

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

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

- Acting Sub Lt. Matee Ittirivichai  
Corporate Secretary  
TEL: 0-2323-2800-6 FAX: 0-2323-2807  
E-mail :[matee@dimetsiam.com](mailto:matee@dimetsiam.com)

2. Importance information as public on company's website is as follow:

- Shareholding Structure
- Organization Chart
- Article of Association
- Good Governance
- Anti – Corruption Policies
- Code of Conduct
- Employees Ethics
- Report Committees
- Social Responsibility Report
- Annual Report (56-2) and Form 56-1
- Financial Statement (Quarterly)

#### **Practice 8: Ensure Engagement and Communication with Shareholders**

The Board of Directors is aware of the basic rights of shareholders. Both as an investor and as the owner of the company And taking into account the highest benefits for shareholders equally. By paying attention and respecting the rights to ownership rights of shareholders By not allowing benefits to any group of stakeholders And looking after information Of the company completely as according to the truth For the shareholders to be confident that Shareholders are involved in decision-making on important matters of the company, such as acknowledging the operating results. Management policy Or entering into connected transactions correctly, completely and in truth Through various communication channels such as the

company website [www.dimetsiam.com](http://www.dimetsiam.com) in both Thai and English And through the website of the Stock Exchange of Thailand [www.set.or.th](http://www.set.or.th) The Board of Directors has guidelines for the company to perform as follows

1. Company appointed to the company The Thailand Securities Depository Co., Ltd. acts as the share registrar of the company to facilitate the shareholders in carrying out the work of the company's securities registrar.

2. In determining the date of the shareholders' meeting, the company will not schedule the meeting on public holidays. Commercial bank holidays The appropriate time will be determined between 08:30 am - 5:00 pm and the meeting place will be in Bangkok.

The company has a policy to promote and facilitate the shareholders. Including institutional investors in attending the shareholders' meeting The Company selects the meeting venue which has access to and sufficient public transportation system to enable shareholders to travel to attend the meeting with ease. The company has operated in accordance with the policy and rules on treatment of shareholders.

3. The company gives importance to all matters, all issues specified in the law. And may have an effect on the business direction of the company The company will clearly specify the agenda of the meeting of shareholders for acknowledgment and approval. In each agenda proposed in the notice of the meeting There is a background in which the objectives, reasons, and opinions of the Board of Directors are clearly stated in each agenda. Along with supporting documents For the shareholders to consider in detail In the annual general meeting of shareholders, important agenda such as

- **Agenda related to Directors** : separate matters for election of directors and remuneration for each agenda
- **Appointment of Director:** companies allow shareholders to elect directors to the right person. The basic information of the person who is nominated for the election of directors together with specify the position in other companies. If a company is defined by the operator which has the same nature and in competition with the business of the company. Number of participant the Board of Directors meetings by consideration from Boards which are suitable for a wide range of professional qualifications, experience and expertise with a moral vision, an unblemished track record, independently including performance as directors in the past.
- **Remuneration for Directors:** Remuneration Committee has considered on amount of compensation and allocated by consideration of time attended the meeting as refine details of appropriate reasons and compare with same kind of reference from industry and economic conditions in accordance with policies and criteria for determining the remuneration. By this, company has proposed remuneration to shareholders meeting for approval annually which can be divided into compensation as money is the meeting

- allowances and no pay for other benefits and disclose remuneration individually in annual report as title of "Shareholding Structure and Management"
- **To appoint company's auditor and Auditor fees:** Details on the name of Auditor Company, independence Relationship with the company, number of years served, compares the remuneration of the auditor during the current year by passed and other fee of services from accounting office as auditor belong to both company and subsidiaries. By this, it passed consideration from company's Audit Committee
  - **Dividend Payment:** The detail of this has shown in allocation of profit, Dividend Payment under The Company's dividend policy and comparison of dividend payment during the year together with schedule of record date and close registration book for shareholders to be allocated for dividend payment
4. In every shareholder's meeting, the company has delivered a notice of shareholders' meeting with supporting documents for the meeting in complete details of each agenda along with explanations and reasons and opinions of the board. The company has publicized the meeting invitation letter with relevant documents Both Thai and English in advance of the meeting date so that the shareholders have more time to consider on the company website [www.dimetsiam.com](http://www.dimetsiam.com)
5. The company has determined the annual general meeting of shareholders once a year and suitable locations. Within not more than 4 months (120 days) from the end of the fiscal year, the company sent a meeting invitation letter with meeting documents that contained sufficient, complete details showing the background and opinions of the Board of Directors in every agenda by preparing both Thai and English And have complied with the AGM Checklist meeting guidelines with details in the following matters:
- Date, time and location of the shareholders' meeting
  - Copy of the minutes of the shareholders' meeting Last time
  - Annual report with financial statements
  - Copy of the minutes of the shareholders' meeting Last time
  - Annual report with financial statements
  - Meeting agenda each agenda will be presented to the shareholders for consideration such as to directors in place of those who are due to retire by rotation, such as name, age, educational background. Training courses Current and past work history number of listed companies and general companies that hold the position of directors' job expertise Attendance history of that year. Year of being a director Company shareholding Illegal record in the past 5 years History of transactions that may cause conflicts in the past year Information for consideration of the election in case of being an independent director

- Agenda for remuneration of directors and sub-committee Comprised of compensation data for the Board of Directors And sub-committees Credit limit requested The actual amount used in the previous year, comparing 2 years, policy and criteria for compensation Both in monetary Other compensation and other benefits And the opinion of the compensation committee
- Agenda for the appointment of auditor and determination of auditor remuneration Contains the auditor's information Compensation for 2 years and opinion of the audit committee
- Articles of Association, specifically for the shareholders' meeting
- Documents and evidence that the attendees must present before attending the meeting. Proxy method for registration And voting at the shareholders' meeting
- Information about the independent directors nominated by the Company to be proxies from shareholders
- Definition of independent committee
- Map of the place of the meeting
- Proxy Form A. (General type which is simple, not complicated) and Proxy Form B. (Designs that specify various items Which are clearly specified in the proxy form) which is the form in which the shareholders can specify the voting direction And is the type specified by the Ministry of Commerce so that shareholders who are unable to attend the meeting by themselves can appoint independent directors or any other persons as specified as proxies, or choose only one type of proxy, which can download 3 types of proxies on the company website [www.dimetsiam.com](http://www.dimetsiam.com). The company has announced the guidelines for the said distribution through the news system of the Stock Exchange of Thailand. For institutional investors or foreign investors and appointed a custodian in Thailand to be the custodian of shares The company is the coordinator of the documents and evidence that must be presented before attending the meeting in advance. In order to facilitate registration on the meeting day Faster

6. Shareholders' meeting

- The company has notified the resolutions of the Board of Directors, schedule of the 2020 Annual General Meeting of Shareholders, along with agendas and meeting details in both Thai and English. Through the system of the Stock Exchange of Thailand so that shareholders can allocate time to attend the meeting.

- The company has notified the resolutions of the Board of Directors, schedule of Extraordinary Meeting of Shareholders No.2, along with agendas and meeting details in both Thai and English. Through the system of the Stock Exchange of Thailand so that shareholders can allocate time to attend the meeting
- 7.
- The company has published newspaper advertisements announcement for 2020 Annual General Meeting of Shareholders for 3 consecutive days (October 26-28, 2020) in order to inform the shareholders meeting in advance enough. For preparation before attending the meeting
  - The company has published newspaper advertisements announcement for Extraordinary Meeting of Shareholders No.2/2020 for 3 consecutive days (September 16-18, 2020) in order to inform the shareholders meeting in advance enough. For preparation before attending the meeting
- 8.
- If shareholders are unable to attend the meeting, the company has sent a proxy in accordance with the form of the Ministry of Commerce along with the invitation letter to the shareholders' meeting. For the shareholders wishing to appoint a proxy to attend instead by choosing to appoint either a person as a proxy or one of the company's independent directors to attend the meeting on their behalf in order to protect the rights of shareholders.
- 9.
- The voting rights in the meeting are according to the number of shares held by the shareholders, with one share equal to one vote (the company's shares are all ordinary shares) and no shares have special privileges to limit the rights of shareholders. Other persons shall vote openly. By collecting ballots (which has a barcode). The staff will record the votes by scanning the barcode
- 10.
- In every shareholders' meeting Documents and evidence that the shareholders or their representatives must present before attending the meeting The method of proxy registration, as determined by the company, is a guideline as required by law and regulatory agencies. Such as the Stock Exchange of Thailand or the SEC
- 11.
- The company has increased the means of publicizing the shareholders' meeting. Along with supporting documents that have the same information as the company sent to shareholders Including meeting attendance rules and meeting regulations In the form of all documents, both Thai and English, on the company website ([www.dimetsiam.com](http://www.dimetsiam.com)) at least 30 days in advance of the meeting date in order to give the shareholders sufficient time to consider important agendas. The information is complete and sufficient.
- 12.
- The company grants the Thailand Securities Depository Company Limited (TSD), the company's registrar, to deliver the notice of the shareholders' meeting, together with supporting documents, at least 14 days in advance of the meeting.

In case of foreign shareholders or institutional type The company has sent the invitation letter together with meeting documents in English together with Thai. To encourage all types of shareholders, including institutional investors, to attend the meeting

13. In the shareholders' meeting The company has set up a legal meeting procedure and considering the convenience Rights and equality of shareholders By registering to attend the meeting The company arranged to register by barcode system at least 1 hour before the meeting and continued until the meeting was finished. In which company registration is provided
  - Prepare sufficient personnel for registration to attend the meeting
  - Prepare stamp duty for affixing the proxy without charge for service to the shareholders who gave the proxy to others on their behalf.
  - Prepare voting cards for every meeting agenda. For every shareholder to use in voting
14. At each shareholder meeting Prior to the commencement of the meeting according to the agenda, the company secretary is responsible for informing the number and proportion of shareholders attending the meeting and clarifying how to vote. And methods for counting votes of shareholders who have to vote in each agenda according to the law and the Company's Articles of Association and introduce the Board of Directors. Various committees' High-level executives who attended the meeting to the shareholders It also introduces the Company's Certified Public Accountant for the year 2020 and an independent legal advisor. From a law firm attend the meeting and act as an inspector at the shareholders' meeting. In order to make the meeting transparent Legitimate and Articles of Association thus there were representatives of shareholder rights protection from the Thai Investors Association to observe as well. After that, the Chairman of the Board, acting as the chairman of the meeting opened the meeting.
15. The Board of Directors attaches importance to the shareholders' meeting which is considered as a duty to attend every meeting except illness or important mission then shareholders can ask questions of the various sub-committee chairmen. In related matters
16. The Company conducts the shareholders' meeting according to the agenda as stated in the meeting invitation letter. Not adding agenda or changing important information without prior notice to shareholders. The Board of Directors provides an opportunity for shareholders to fully express their opinions on each agenda item, to inquire on various matters. About the business operations of the company and its subsidiaries



If there is a shareholder wishing to add an agenda during the meeting to consider matters other than those specified in the invitation letter. Must be approved by the shareholders' meeting with not less than one-third of the shareholders who attend the meeting and have the right to vote.

17. The company arranges the use of voting cards in every agenda that requires a resolution. For transparency and accountability By voting method for each agenda The company secretary asked the meeting whether any shareholders or proxies disapproved or abstained. The shareholders or proxies who disagree or abstain shall raise their hands. And voting on the voting card together with signing and the staff will record the votes by scanning the barcode on the ballot. Including collecting voting cards

The shareholders, who grant proxies to the independent directors, the company will proceed with the vote to agree, disagree or abstain. According to the wishes of the shareholders

For the details of the voting results of each agenda The company has counted the Barcode system as a vote counting tool. The voting results were displayed on the screen for shareholders to acknowledge at the same time. For accuracy and speed, results can be announced immediately after consideration of each agenda.

18. Shareholders have the right to know information equally The company disseminates information in both Thai and English through the company's website. [www.dimetsiam.com](http://www.dimetsiam.com) and Via the website of the Stock Exchange of Thailand [www.set.or.th](http://www.set.or.th) In some cases, although not within the criteria required by law to be disclosed But if the company deems it necessary for the shareholders to be informed, the company will disclose that information By disclosing accurate, complete, timely and transparent information as follows

- The company disclosed the shareholding structure of the company Including the list of the top 10 shareholders of the company at the list of shareholders (Record Date) for the current annual general meeting before the date of the meeting Number of shares held by minority shareholders
- Information about connected transactions Trading important assets
- Minutes of the shareholders' meeting within 14 days from the date of the meeting of shareholders and published on the company website to be a channel for shareholders to be informed and able to verify information Without having to wait for the next meeting

- Performance information Management policy Related party transactions and Trading of important assets and other information That is necessary for shareholders' decisions To give shareholders confidence and confidence that the operational structure is transparent And verifiable Ready to operate efficiently To create sustainable growth Creating returns for shareholders at an appropriate and continuous rate
19. The company has provided a channel for shareholders. Whether they are a major shareholder Minority Institutional investor or foreign shareholders For inquiries about the company directly from the Company Secretary via E-mail: [matee@dimetsiam.com](mailto:matee@dimetsiam.com)
  20. Every annual general meeting of shareholders In the agenda for election of directors to replace those who retired by rotation The Company provides an opportunity for shareholders to vote for individual director elections in order to truly give shareholders the right to elect the desired director. The Company encloses details of each director proposed for election that contains sufficient information that the shareholders can use to consider.
  21. At every annual general meeting of shareholders The Company also gives shareholders the right to approve the remuneration of the Board of Directors and Sub-Committees. The details of the remuneration of the Board of Directors and the sub-committees contain sufficient information that shareholders can use in their consideration.
  22. At every annual general meeting of shareholders The company has set an agenda for the appointment of auditors and the determination of auditors' remuneration. By proposing for shareholders to approve It contains details of the auditors proposed for appointment. Including details of the auditors' remuneration that has sufficient information that the shareholders can use to consider.
  23. During the meeting The Board of Directors provides opportunities for shareholders to express opinions, suggestions or raise questions on various agendas. Prior to voting, the chairman of the meeting gave shareholders an opportunity to ask questions or express their opinions.
  24. The Company has prepared the minutes of the 2020 Annual General Meeting of Shareholders on October 30, 2020 and the Extraordinary General Meeting of Shareholders No. 2/2020 on September 30, 2020 after the termination of the Annual General Meeting of Shareholders. Meeting notes Voting for each agenda With questions or opinions of the shareholders in full accordance with the facts appearing in the shareholders meeting To the director and manager of the Stock Exchange of

Thailand within 14 days from the meeting date And published through the company's website [www.dimetsiam.com](http://www.dimetsiam.com) Both Thai and English languages, along with submitting the minutes of the shareholders' meeting to the Ministry of Commerce within the period specified by law. For shareholders who cannot attend the meeting The company took pictures of the meeting atmosphere. It was published on the company's website to inform shareholders of meeting details.

25. After every general meeting of shareholders The company will prepare the minutes of the ordinary general meeting of shareholders that have been recorded correctly and completely according to the meeting. The data was recorded in the minutes of the meeting. Which the essence consists of
- Steps and procedures for voting on each agenda
  - Name list of the Board of Directors Subcommittee The top executives of the company that attended the meeting and did not attend the meeting, including the leave reason, the auditor, the legal advisor Representative of minority shareholders
  - The resolution of each meeting on the agenda of voting results which consists of agree, disagree, abstain and invalid ballot.
  - Questions of shareholders Including first-last name And answers from company directors and executives
26. Voting in each agenda will be made openly, there are ballots for every agenda distributed to shareholders For the vote counting process to be carried out efficiently and quickly. The company will count the votes only for those who disagree and / or abstaining only. It will be deducted from the total number of votes in attendance and the rest will be considered as agreed votes. Therefore, if any agenda is disapproved by shareholders or abstaining, such shareholders will sign the ballot and raise the voting card received at the time of registration. The said voting card will contain the name of the meeting attendee. The number of shares held or assigned by proxy and the Barcode will be recorded by the Barcode system and kept the ballot as evidence. For transparency and accountability At the same time, the voting results will be displayed on the screen in the meeting room immediately. All shareholders can know the votes in each agenda of how many people agree, disagree, and abstain from voting except for the election of individual directors will collect ballots from all shareholders proxies attending the meeting and certify.

Except for the election of company directors individually Voting cards will be collected from all shareholders / proxies who attended the meeting and certified

In 2020, the company has used ballot papers in every agenda. This includes important agenda items which are agenda on election of the Company's directors The opportunity for shareholders to

select directors individually. And kept the ballot cards at the office For transparency and accountability after the meeting was completed

27. The company has a policy to pay dividends to all shareholders at an equal rate

In the case that the shareholders approve the payment of dividends, the company has notified the resolutions of the meeting including details of dividend payment to shareholders through the news system of the Stock Exchange of Thailand. and coordinate with the company registrar Thailand Securities Depository Co., Ltd. to ensure that shareholders receive correct and complete returns as per their rights.

28. The company grants shareholders the right to attend the meeting after the meeting has started. With the right to vote in the agenda, it was counted as a quorum starting from the agenda item that was attended and voted onwards.

29. Company looking after shareholders by being aware of information, operational results and management policies on a regular and timely basis In addition to the disclosure of information through the news system of the Stock Exchange of Thailand. The company also brought important information including news which is current on the company's website [www.dimetsiam.com](http://www.dimetsiam.com)

30. The company is committed to conduct the equality for all shareholders and all groups whether it is a major shareholder or minority shareholders, Institutional investors or foreign shareholders. This is a matter that the company values and determines tools to support equality regardless of gender, age, race, nationality, religion, belief, social status, disability or political views. Therefore stipulates a process that facilitates shareholders to attend the meeting without too much hassle and give the opportunity without restriction

31. The Board of Directors recognizes and respects the rights of ownership of shareholders and no action is taken to violate or infringe the rights of shareholders by acting to look after the interests of shareholders fairly, as well as support and encourage all groups of shareholders. Despite being a major shareholder, minority shareholders or institutional shareholders have exercised their rights including basic rights of shareholders, the company provides the right to sufficient and timely access to information and the right to attend meetings to determine the direction of operations and make decisions on matters that has a significant impact on the company.

32. The Company allows shareholders to submit questions related to the agenda of the Annual General Meeting of Shareholders in advance of the shareholders' meeting date. And deliver procedures for the aforementioned matters together with the invitation letter to the shareholders' meeting via the following channels
33. Website
- [www.dimetsiam.com](http://www.dimetsiam.com)
  - E-mail :[matee@dimetsiam.com](mailto:matee@dimetsiam.com)
  - Registered mail to  
Acting Sub Lt. Matee Ittirivichai  
602, Moo 2, Sukhumvit Road, Bangpoomai, MuangSamutprakarn, Samutprakarn

In the year 2020, there was no shareholder sending questions in advance.

34. The company has distributed its shares as follows:

- The company has no policy of cross-shareholding in the group of companies

The company attaches great importance to good corporate governance by seeing that the said principles benefit the company in the development of the organization and by evaluating the performance of each CG Code in order to ensure that the operations are in normal practices, as appropriate for the company's business. (Most of the information is linked from CG to CG Code). Some topics are being studied to be adapted to suit the company context has approved the implementation of the Good Corporate Governance Principles for Listed Companies 2017 (CG Code) according to the business context of the company by the rules and regulations of the Office of the SEC in effect.

Year 2020, The Company has practices in accordance to suggestion of IOD by considering the suitability of the company but there are still some things that company does not fulfill all the requirements, namely

1. **The company should give a chance to shareholders to propose agenda or send question related to company in advance**  
Board of Directors has acknowledge and have comments that company has schedule agendas for shareholder meeting completely in accordance to company's Article of Association and give a chance to shareholders to send some question related to agenda in the meeting (as mentioned in invitation letter to shareholder meeting)
2. **The company should give a chance to shareholders to propose name of director before date of shareholders meeting**

The company has acknowledged and has commented; that company has recruit people into position of Directors. Presently, is appropriate for the business of the company without any actions that are in conflict with the equitable treatment of shareholders

3. **Companies should prepare social responsibility reports** which may be reported as part of the annual report Or create a sustainable development report separately in accordance with the Global Reporting Initiative (GRI) framework.

4. **The company should disclose details of the remuneration of the managing director** The Board of Directors has acknowledged and is of the opinion that currently, the company has no policy to provide any remuneration other than the remuneration as directors or employees received from the company as usual.

5. **Director should clearly specify the term of office of independent directors in the corporate governance policy**

The Board of Directors has acknowledged and jointly considered carefully and opined that The independent director of the company is a person who has all the qualifications in accordance with the qualifications of an independent director of the company and requirements of the Capital Market Supervisory Board A competent person Having independent opinions and expressions, as well as being able to perform duties as an independent director. There is a balance management. It is transparent, auditable, adherent to management under good corporate governance and approved by shareholders to elect Company Directors and Independent Directors only.

6. **The company should set a policy regarding the minimum quorum at the time that the board of directors will pass a resolution in the meeting of the board that there must be at least 2 in 3 of the total number of directors.**

The Board of Directors has acknowledged and is of the opinion that The company complies with the regulations of the company. In the meeting of the board of directors, the presence of not less than half of the total number of directors is required to constitute a quorum.

7. **The committee should arrange for the evaluation of the whole committee. And every sub-committee by revealing the process and criteria for evaluation**

The Board of Directors has acknowledged and is of the opinion that The Board of Directors has been considered by the meeting of the Board of Directors which considered various qualifications including knowledge, ability and experience and in accordance with the regulations of the company and the regulations of the Stock Exchange of Thailand and the Office of the SEC. Each director has strictly complied with the regulations of the Board of Directors and the Audit Committee Charter. Therefore, it is ensured that the performance of

each committee in accordance with the principles of good corporate governance. Although there has not been an evaluation of the entire committee.

**8. Board should arrange for an individual performance evaluation by disclosing the process and criteria for assessment**

The company has acknowledged and has commented; Board has considered various fields such as knowledge, abilities and experiences in accordance to rules of company and regulation from The Stock Exchange of Thailand and Securities and Exchange Commission. Each director has practice according to company's regulation and charters strictly therefore ensuring that the work of each committee is in accordance with the principles of good corporate governance although there is no evaluation of the performance of the entire individually.

**9. Chairman should be independent director and should not be the same person of top management**

The Board of Directors acknowledged and opined that The shareholders' meeting under Section 100 passed a resolution to appoint Mr. Somchai Apiwattanaporn as Chairman and authorized director. The Company believes that the Chairman of the Board of Directors has performed his duties with strict understanding of good corporate governance principles

**10. The Remuneration Committee should hold a meeting at least 2 times a year**

The Board of Directors has acknowledged and gave the opinion that Compensation Committee Meeting has been organized appropriately for the company's business

**11. The Board of Directors has appointed the Nomination Committee**

The Board of Directors has acknowledged and gave the opinion that Director Selection Process. The Board of Directors jointly considered persons with various qualifications in various field suitable for the company's business operations.

**12. The board should consider to appoint the CG Committee**

The Board of Directors has acknowledged and gave the opinion that the company has a company secretary who is able to fully perform the duties and has complied with good corporate governance principles in accordance with the principles of CG

**Compliance with other good corporate governance principles**

**The process on Anti-Corruption**

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

In year 2020, Audit Committee has set up risk report on corruption in every quarter, showing no irregularities

The company has communicated and publicized on compliance with business ethics. And policies against corruption and corruption in various channels as follow

- New orientation to new employees
- Company's website [www.dimetsiam.com](http://www.dimetsiam.com)
- Publicize through Brochures / Public Relation Board

In the process of expanding partners of company and its subsidiaries to a wider society in conducting business with transparency

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

Year 2020 Thai Institute of Director jointly with Securities and Exchange Commission and Stock Exchange of Thailand announce survey results regarding corporate governance of listed companies for year 2019 in totaling of 725 companies by evaluating from 2019 Annual Report and information which revealed to public thus company The Company received “very good” survey results.



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## SOCIAL RESPONSIBILITIES

Dimet (Siam) Public Company Limited is aware that we are part of society and could operate business together with social responsibility and environment which will take us to firm growth and sustainable development. Company established working team to enable working policy and operation policy for social responsibility since 2012. Company set up the policy and operation for social responsibility as follows;

### **Social Responsibility Policy**

DIMET (Siam) Co., Ltd. (Thailand) is a Paints manufacturer and distributor. The Company has commitment to proceed with the responsibility for the consequences in the future which arise from the operation of the organization. The principles of our business are transparency, honest and fair by consider to the interests of the stakeholders, ethical, moral respect for human political right and do not empower either party.

The Company is committed to developing and manufacturing products which are environmentally friendly by using the environmental raw material. The Company realize to the awareness of employees, customers, suppliers, the environment and the communities affected by the organization by law compliance and other requirements according to international practice. The Company also focuses on the attitudes and culture so that employees have a responsibility to society which stays together.

## Discussion and analysis of financial status and operating results

### Overviews of Past Performance

The company operates business of manufacturing and distributing high quality paint products for industrial use and steel frame work. Used in construction projects such as petrochemical plants, oil refineries, power plants instead of drilling for oil and gas in the Gulf of Thailand. To prevent iron rust Including building paints, wood coatings, furniture paints And industrial paints such as gas spray paint etc. and provides construction services, the Company has 2 subsidiaries operating paint business. Painting contractor project work And design to install a cathodic protection system for underground gas pipelines Steel structures underwater and corrosion protection with Wax Tape system

From July 1, 2020, the Group has adopted the Financial Reporting Standards No. 9 Financial Instruments by establishing accounting practices for the classification and measurement of financial assets and financial liabilities. Accounting for expected credit losses And hedge accounting By revising the impact of the first application of this standard as an adjustment to retained earnings. (Or other elements of shareholders' equity, as appropriate), the change had an increase in retained loss in the consolidated financial statements of 22.29 million baht.

The operating results for the period ended 31 December 2020 of Dimet (Siam) Public Company Limited “the Company” and its subsidiaries There was an operating loss of 52.25 million baht, an increase of 37.44 million baht compared to the same period of the previous year, which had a loss of 15.08 million baht, details as follows:

### Performance Analysis

#### 1. Revenue

Revenue as ended December 31, 2020	6 months period					
	2020 (JUL - DEC)	%	2020 JUL 2019 – JUN 2020	%	Increase (decrease)	%
Revenue from sales and services	63.88	98.34%	162.66	99.22%	(98.78)	-60.73%
Other Revenue	1.08	1.66%	1.28	0.78%	(0.20)	-15.63%
<b>TOTAL REVENUE</b>	<b>64.96</b>	<b>100.00%</b>	<b>163.94</b>	<b>100.00%</b>	<b>(98.98)</b>	<b>-60.38%</b>
Cost of sales and services	52.78	81.25%	128.76	78.54%	(75.98)	-59.01%
<b>TOTAL COST OF SALES</b>	<b>52.78</b>	<b>81.25%</b>	<b>128.76</b>	<b>78.54%</b>	<b>(75.98)</b>	<b>-59.01%</b>
<b>Gross Profit (Loss)</b>	<b>12.18</b>	<b>18.75%</b>	<b>35.18</b>	<b>21.46%</b>	<b>(23.00)</b>	<b>-65.38%</b>

For the 6-month periods from July 1, 2020 - December 31, 2020, the Company and its subsidiaries had total revenues of 64.95 million baht, a decrease of 98.98 million baht or a 60.38 percent decrease compared to the same period of the previous year. With total income of 163.94 million baht, with details as follows:

- Revenue from sales and services of 63.88 million baht, a decrease of 98.78 million baht or 60.73% compared to the same period of the previous year. With income of 162.66 million baht
- Other income amounted to 1.08 million baht, a decrease of 0.20 million baht or a decrease of 15.63 percent from the same period of the previous year. This has other income of 1.28 million baht due to income from interest received from loans to related companies.

## 2. Gross Profit

For the six-month period ended December 31, 2020, the Company and its subsidiaries had a gross profit of 12.18 million baht or 18.75 percent of total income, a decrease when compared to the same period of the previous year. With a gross profit of 35.15 million baht due to the impact of the coronavirus disease epidemic in 2019, resulting in lower sales

Revenue and Expenses as ended December 31, 2020	6 months period					
	2020 (JUL - DEC)	% Per revenue	2020 JUL 2019 – JUN 2020	% Per revenue	เพิ่ม (ลด)	%
Cost of sales and services	52.78	81.25%	128.76	78.54%	(75.98)	-59.01%
Distribution Cost	10.19	15.69%	19.15	11.68%	(8.96)	-46.79%
Administrative Expenses	21.42	32.97%	30.90	18.85%	(9.48)	-30.68%
Doubtful Debts	21.59	33.24%	-	-	21.59	-
Loss on impairment of assets	4.94	7.60%	-	-	4.94	-
Financial Cost	4.70	7.24%	0.20	0.12%	4.50	2,250.00%
<b>TOTAL EXPENSES</b>	<b>115.62</b>	<b>177.99%</b>	<b>179.01</b>	<b>109.19%</b>	<b>(63.39)</b>	<b>-35.41%</b>

For the 6-month period ended 31 December 2020 the Company and its subsidiaries Total expenses were 115.62 million baht, a decrease of 63.39 million baht from the same period of the previous year as had total expenses of 179.01 million baht or a 35.41 percent decrease with the following reasons:

Cost of sales and services decreased by 75.98 million baht or decreased 59.01% compared to the same period of the previous year. The cost of sales and services was 128.76 million baht due to the lower revenue from construction services

- Cost of sales and services decreased by 75.98 million baht or decreased 59.01% compared to the same period of the previous year. The cost of sales and services was 128.76 million baht due to the lower revenue from construction services.
- Cost of distribution decreased 8.96 million baht or decreased 46.79% compared to the same period of the previous year. The distribution cost was 19.15 million baht due to lower sales and service income.
- Cost of distribution decreased 8.96 million baht or decreased 46.79% compared to the same period of the previous year. The distribution cost was 19.15 million baht due to lower sales and service income.
- Administrative expenses amounted to 21.42 million baht, a decrease of 9.48 million baht or a decrease of 30.68 percent compared to the same period of the previous year, which amounted to 30.90 million baht due to the management structure change and cost reduction
- Doubtful debt in a subsidiary, in the 6-month period of Baht 21.59 million in the previous year, there is no transaction. From the provision of loans in related companies
- Loss from impairment of assets of Baht 4.94 million in the previous year, no items. Since the recognition of impairment of assets
- Financial costs of 4.70 million baht, an increase of 4.50 million baht or an increase of 2,250.00 percent when compared to the same period of the previous year, which amounted to 0.20 million baht due to the increase in liabilities.

#### Financial Status

##### 1. Assets

As of December 31, 2020, the Company and its subsidiaries It has total assets of 333.38 million baht, an increase of 1.26 million baht when compared to 30 June 2020, which has total assets of 335.14 million baht as a result of

- Current assets of 216.79 million baht, an increase of 58.30 million baht when compared to 30 June 2020, which is 158.49 million baht thus most current assets increased from the adjustment of non-current assets to foreclosed assets by 24.17 million baht. And cash and cash equivalents increased by 62.54 million baht while other trade accounts receivable decreased 13.89 million baht, inventories decreased 4.50 million baht and loans to related companies. Set an allowance for doubtful accounts

amounting to Baht 15.63 million due to lower sales revenue. Was set to be impaired And has been set aside for doubtful debts

- Non-current assets of 117.09 million baht, a decrease of 59.56 million baht when compared to 30 June 2020 which is 176.66 million baht. Most non-current assets decreased from the recognition of foreclosed assets and impairment.

## **2. Liabilities**

As of December 31, 2020, the company had total liabilities of 154.84 million baht, a decrease of 32.46 million baht when compared to that of June 30, 2020, which was 187.30 million baht, by using cash received from capital increase to pay trade accounts payable and borrowings. From financial institutions totaling 44.46 million baht

## **3. Shareholders' Equity**

As of December 31, 2020, the Company has shareholders' equity of 179.05 million baht, an increase of 31.20 million baht when compared to 30 June 2020, which is 147.85 million baht due to the Company's operating loss and impact from Use of financial reporting standards

## Corporate Governance Report from Audit Committee

### To Shareholders

Audit Committee of Capital Engineering Network Public Company Limited has consists of 3 people is fully qualified and experienced. Year 2020 (July 1, 2020 – December 31, 2020) there are 2 times of Audit Committee meetings as name of audit committees attends the meetings as follows.

			Attended
Miss Wanna	Muangnon	Chairman of Audit Committee	1/2
Mr. Somchai	Apiwattanaporn	Audit Committee	2/2
Mr. Krissada	Surawathanawises	Audit Committee	2/2

Audit Committee has practices under duties and responsibilities as assigned by Board of Directors in order to ensure that company has adequate corporate governance which in accordance to good corporate governance of Securities and Exchange Commission and The Stock Exchange of Thailand thus Audit Committee has held the meeting for consideration and commendation on critical issues with management team, auditors, internal auditors and report those practical includes any suggestion to Board of Directors quarterly in order to proceed with matters that the Board of Directors deems appropriate which can summarized as follows:

### To review Financial Report

- Audit Committee has reviewed information of financial statement each quarter and 2019 annual report as passed reviewed from auditors. By this, executives and auditors has consulted this reviewed on rectitude, completely before comment on report of financial statement, adjustable of accounts as affected financial statement which includes enough information to be disclosed and remarks from auditors.
- Audit Committee agreed with the report of the Company's finance and accounting executives that such financial reports has been prepared in all material respects in accordance with the legal requirements and financial reporting standards. Reliable and timely Selection of accounting policies that are reasonable, including adequate and complete disclosure of significant information in the notes to the financial statements. It is beneficial to users of financial statements

**The adequacy of internal control system and Internal Audit****Risk Management and Corporate Governance**

- The Audit Committee has reviewed the Company to have an efficient and effective internal control system. It is considered from the internal audit summary report and the internal auditors' follow-up on a quarterly basis and provided useful recommendations for the internal control system to be more effective. As well as reviewing the Company's internal control system according to the 2013 COSO assessment form of the Securities and Exchange Commission of Thailand, there were no issues or defects that could significantly affect the Company.
- The Audit Committee oversees the internal audit work by reviewing the scope of work and Responsibility Independence To ensure that the internal audit activity is carried out In addition, it has considered and approved the annual audit plan of the internal auditors, prepared at the level of And key risks of the company The audit plan is adjusted accordingly. With changing risks as well as monitoring the progress of the performance according to the internal audit plan Audit Committee It is of the view that the Company's internal audit system is independent, sufficient and efficient, and has good coordination with the management and the auditors. And to support the performance of The audit committee as well
- The Audit Committee has reviewed the Company to have an appropriate and effective risk management system by reviewing important risk factors of the Company as shown in the annual report.
- The Audit Committee has reviewed the Company to operate its business with transparency. And virtue by adhering to Responsible to society and all groups of stakeholders in accordance with good corporate governance and ethics as well as policies and practices for various groups of stakeholders of the Company.

**Practice in accordance to Regulation**

- Audit Committee has reviewed the Company on the compliance with the law on securities and exchange. Rules of the Securities and Exchange Commission SET's regulations The Capital Market Supervisory Board and any other laws relating to the Company's business operations, including obligations that the Company has with third parties The Audit Committee did not find any material issues regarding practices that would violate the law and such requirements.

**Maintaining the quality of the audit committee**

- The Audit Committee reports the performance of the Audit Committee to the Board of Directors on a regular basis every quarter.

**External Auditor**

- Audit Committee considered comparing the proposed audit fee for the year 2021 to determine the suitability of such remuneration. The Audit Committee agreed to propose to the Board of Directors for approval from the shareholders' meeting appointing Ms. Susan Eiamvanicha, Certified Public Accountant No. 4306 and / or Mr. Suchart Panitcharoen, Auditor. Certified Public Accountant No. 4475 and / or Ms. Chuenta Chumming, Certified Public Accountant No. 7570 and / or Ms. Wandee Eiamvanicha, Certified Public Accountant No. 8210 and / or Mr. Kiatisak Vanithanun Certified Public Accountant No. 9922 of SP Audit Company Limited ("SP AUDIT") is the Company's auditor for the year 2021 and approved the audit fee for the 2021 financial statements and the audit fee for financial statements. Company quarterly and consolidated financial statements For a total amount of 1,020,000.- Baht

**Overall comments and observations**

- From the performance of the Audit Committee in 2020, it is believed that the Company has accurate and reliable financial accounting and reporting systems. There is adequate and appropriate internal control. Have effective risk management Have good corporate governance including compliance with the laws and regulations related to the business of the company
- In performing its work, the Audit Committee has used knowledge, competence, along with prudence and sufficient independence, and there are no restrictions on obtaining information, resources and cooperation from both management and personnel. Employees and related persons as well as provide comments and suggestions. Creatively and honestly For the benefit of all stakeholders equally

In the name of Audit Committee



Miss Wanna Muangnon

Chairman of Audit Committee



## **Report on Responsibilities of the Board of Directors on Financial Reporting**

Board of Directors has realized on duties and responsibilities as holding position of directors in listed company to be responsible to financial statement of Capital Engineering Network Public Company Limited thus financial statement have been prepared in accordance with Thai Financial Reporting Standards (TFRS) by considering to select appropriate accounting policies and practice regularly along with careful discretion and reasonable estimates in preparation ,important information has been disclosed sufficiently in Notes to the financial statements as well as providing an explanation and analysis of company's financial status and operating results for benefit of shareholders and general investors. However, the aforementioned financial statements have been audited from Independent auditor

Apart from this, Board of Directors has encouraged company to practice in accordance to good corporate governance as well as providing Risk Management System and efficient and effective internal control system. To ensure that recording on account is accurate, complete, and sufficient to maintain company's assets including Anti-Corruption or abnormally significant operation

In this regard, the Audit Committee which consists of Independent Director of responsible for the quality of financial statements and internal control system thus opinion of audit committee has appeared in audit committee report as shown in annual report and annual registration statement

From Management Structure and Internal Control System and reviews from Certified Public Accountant, it is reasonable confident to believe that the Financial Statement of the company as of December 31, 2020 shows operating results, cash flow with reasonable accuracy accounting to basic accounting principles.



(Mr. Somchai Apiwattanaporn)

Chairman

DIMET (SIAM) PUBLIC COMPANY LIMITED

FINANCIAL STATMENTS

December 31, 2020

**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Dimet (Siam) Public Company Limited

**Qualified Opinion**

I have audited the accompanying consolidated and separate financial statements of Dimet (Siam) Public Company Limited and its subsidiaries (the Group) and of Dimet (Siam) Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2020, and the related consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the period from July 1, 2020 to December 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Dimet (Siam) Public Company Limited and its subsidiaries and of Dimet (Siam) Public Company Limited as at December 31, 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the period from July 1, 2020 to December 31, 2020 in accordance with Thai Financial Reporting Standards.

**Basis for Qualified Opinion**

The previous auditor was unable to audit sufficient appropriate audit evidences for the advisory and attorney expenses of Baht 32.01 million recognized in the consolidated and separate statements of comprehensive income for the year ended on June 30, 2020 and for the other accounts payable account of Baht 12.27 million presented in the consolidated and separate statements of financial position as at June 30, 2020 in order to conclude that service fees were occurrence and appropriate. Thus, the previous auditor made a qualified opinion on the consolidated and separate financial statements for the year ended on June 30, 2020. My opinion on the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the period from July 1, 2020 to December 31, 2020 is also qualified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures. At present, the managements have suspended the payout and has assigned a lawyer to prosecute the counterparties and relevant persons to the court in order to investigate documents and to have an order to compensate for damage to the Company, which are under consideration by the Court as described in the note to financial statements no. 23 . Moreover, I was unable to audit sufficient appropriate audit evidences for such other accounts payable account of Baht 12.27 million presented in the consolidated and separate statements of financial position as at December 31, 2020 in order to conclude that service fees were occurrence and appropriate as well. Thus, I cannot conclude that there are any necessary adjustments to such other accounts payable. If there is a need for adjustment, it will affect the retained earnings as at December 31, 2020 and June 30, 2020.



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

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, I have determined the matters described below to be the key audit matters to be communicated in my report.

#### Business combination

For the year ended June 30, 2020, the Group entered into an agreement to purchase 100% of the ordinary shares of IGEN Energy Company Limited, with a contract value of Baht 40 million. In December 2020, the Group had retrospectively adjusted the financial statements for the year ended June 30, 2020 in accordance with the result of the fair value valuation for the identifiable assets acquired and liabilities assumed prepared by an independent appraiser within one year from the acquisition date according to the requirement of the financial reporting standard (Notes to financial statements no. 3 and 18). I pay more attention to the fair value valuation for the identifiable assets acquired and liabilities assumed because in the fair value valuation process of the identifiable acquired and liabilities assumed must use the management's critical judgment and have more complex calculation method based on the assumptions established.

#### Key audit procedures

I have understood the independent appraisal's fair value valuation report regarding the identification of assets acquired and liabilities assumed at the acquisition date, the fair value valuation method applied and the unobservable input used to fair value accounting estimate.

I have assessed the reasonableness for identifying assets acquired and liabilities assumed, in particular for identifying intangible assets acquired in a business combination and have assessed the suitability for the fair value estimate method and inputs used to fair value accounting estimate. I pay attention to verify the future cash flows prepared based on key assumptions.

I have reviewed the adequacy of the disclosure of information relating to a business combination.

Fair value of investment in equity instruments

As at December 31, 2020, the Company had investment in unlisted equity instruments of Baht 62.47 million which the Company's investment in unlisted equity instruments are measured in the statement of financial position at fair value through profit or loss (Notes to financial statements no. 4.4 and 17). I focus on the management's fair value accounting estimate because that fair value accounting estimate involve management's judgments and the amounts of the investment in unlisted equity instruments are significant to the financial statements.

Key audit procedures

I have reviewed that the Company's accounting policy used was appropriate and in accordance with the requirement of Thai Financial Reporting Standards.

I have evaluated the design and implementation of internal controls regarding the preparation process, review and approvals related to the fair value accounting estimate.

I have assessed the suitability for the fair value estimate method and inputs used to fair value accounting estimate. I have audited sufficient appropriate evidences about to reliability of the key assumptions used to make the fair value accounting estimate. Apart from this, I recalculated the mathematical accuracy fair value estimate.

I have reviewed the adequacy of the fair value accounting estimate disclosures.

**Other Matter**

The consolidated and separate financial statements for the year ended June 30, 2020 of Dimet (Siam) Public Company Limited and its subsidiaries and of Dimet (Siam) Public Company Limited were audited by other auditor and who expressed 1 ) a qualified opinion on the consolidated statement of financial position as at June 30, 2020 because it was unable to obtain sufficient appropriate audit evidence regarding to cash at bank that included in the consolidated statement of financial position as at June 30, 2020 amounting to Baht 6.50 million by unable to confirm a subsidiary's cash at bank and audit credit bureau letter. This is due to such subsidiary is on process of registered changes of authority directors. However, during the current period, I have obtained sufficient appropriate audit evidence for the said bank account and have concluded that no adjustments are necessary to the amount of the bank account presented in the consolidated statement of financial position as at June 30, 2020 as mentioned above and 2 ) a qualified opinion on the consolidated and separate financial statements for the year ended June 30, 2020 because it was unable to obtain sufficient appropriate audit evidence regarding the professional and consulting expense included in the consolidated and separate statement of comprehensive income for the year ended June 30, 2020 totaling to Baht 32.01 million and the other payable presented in the consolidated and separate statement of financial position as at June 30, 2020 amounting to Baht 12.27 million, in her report dated August 31, 2020.



**Other Information**

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

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

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

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

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


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

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

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

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

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I have required to draw attention in my auditor's report to the related disclosures in the consolidated and Separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

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

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

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

SP Audit Company Limited



(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

February 24, 2021



## DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
			Restated and reclassified		Restated and reclassified
<u>ASSETS</u>					
Current Assets					
Cash and cash equivalents		72,011,295	9,474,363	68,179,910	2,073,498
Trade and other current receivable - related parties	8.1,9	52,209,185	43,669,737	70,690,661	68,413,840
Trade and other current receivable - third parties	10	33,102,318	46,994,319	11,829,872	20,598,335
Contract assets - third parties	11	4,169,914	4,159,155	-	-
Work in progress under service contracts		-	733,918	-	-
Inventories	12	31,132,897	35,638,455	3,471,146	8,957,903
Short-term loans to related parties	8.1,13	-	15,630,574	-	-
Short-term loans to third parties	14	-	2,189,040	-	-
Non-current assets or disposal asset group					
classified as held for sales	15	24,166,565	-	-	-
Total current assets		216,792,174	158,489,561	154,171,589	100,043,576
Non-current assets					
Deposits at banks pledged as collateral	16	3,909,764	13,515,278	-	7,803,714
Other non-current financial assets	17	62,467,360	77,491,360	62,167,360	77,191,360
Investment in subsidiaries	18	-	-	52,500,000	52,500,000
Property, plants and equipment	19	37,306,809	76,099,368	2,692,052	6,605,363
Right-of-use assets	20	7,313,212	-	3,102,830	-
Intangible assets	21	161,115	889,000	108,750	832,451
Deferred tax assets	30	-	848,852	-	-
Other non-current assets		5,932,278	7,810,101	5,581,957	7,207,248
Total non-current assets		117,090,538	176,653,959	126,152,949	152,140,136
Total assets		333,882,712	335,143,520	280,324,538	252,183,712

## DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
			Restated and reclassified		Restated and reclassified
<u>LIABILITIES AND EQUITY</u>					
Current liabilities					
Short-term loan from financial institution	22	-	16,871,757	-	16,871,757
Trade and other current payable - related parties	8.1	10,522,023	1,547,429	44,222,958	28,340,867
Trade and other current payable - third parties	23	46,828,177	72,425,555	25,189,601	40,382,120
Contract liabilities - related parties	8.1, 24	-	-	4,173,063	4,173,063
Contract liabilities - third parties		424,930	857,473	324,930	-
Short-term loan from related parties	8.1	2,800,000	2,800,150	9,500,000	9,500,150
Short-term loan from third parties	25	45,000,000	43,002,740	-	-
Provision for employee termination	26	13,925,714	13,856,370	13,925,714	13,856,370
Current portion of					
- Long-term loan from financial institution	27	-	25,031,000	-	-
- Lease liabilities	28	1,327,896	1,546,259	467,928	412,565
Liabilities included in disposal asset group					
classified as held for sales	15	23,661,444	-	-	-
Total current liabilities		144,490,184	177,938,733	97,804,194	113,536,892
Non-current liabilities					
Lease liabilities	28	5,455,438	6,359,539	2,097,966	2,312,054
Employee benefit obligation	29	4,251,641	2,946,318	1,326,806	248,465
Deferred tax liabilities	30	560,881	51,052	439,744	-
Other non-current liabilities		77,349	-	-	-
Total non-current liabilities		10,345,309	9,356,909	3,864,516	2,560,519
Total liabilities		154,835,493	187,295,642	101,668,710	116,097,411

## DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
			Restated and reclassified		Restated and reclassified
Equity					
Share capital	31				
Authorized share capital					
2,422,685,349 ordinary shares, at par value of Baht 0.50		1,211,342,675	-	1,211,342,675	-
1,613,722,797 ordinary shares, at par value of Baht 0.50		-	806,861,399	-	806,861,399
Issued and paid up share capital					
1,615,123,566 ordinary shares, at par value of Baht 0.50		807,561,783	-	807,561,783	-
538,374,522 ordinary shares, at par value of Baht 0.50		-	269,187,261	-	269,187,261
Premium on ordinary shares		154,863,095	154,863,095	154,863,095	154,863,095
Discount on ordinary shares		(430,699,618)	-	(430,699,618)	-
Surplus from change in proportion of investment					
in subsidiary company		548,303	548,303	-	-
Retained earnings (Deficits)					
Appropriated					
Statutory reserve	32	3,030,000	3,030,000	3,030,000	3,030,000
Unappropriated		(356,256,344)	(279,780,781)	(356,099,432)	(290,994,055)
Total shareholders' equity		179,047,219	147,847,878	178,655,828	136,086,301
Total liabilities and shareholder's equity		333,882,712	335,143,520	280,324,538	252,183,712

**DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD FROM JULY 1, 2020 TO DECEMBER 31, 2020**

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		For the period from July 1, 2020 to December 31, 2020	For the year period ended June 30, 2020	For the period from July 1, 2020 to December 31, 2020	For the year period ended June 30, 2020
			Restated and reclassified		Restated and reclassified
Revenues					
Revenue from sales and services		63,531,189	293,136,170	35,536,214	146,381,711
Revenues from construction work		347,154	66,148,202	-	-
Gain on bargain purchase of investment in subsidiary		-	3,185,211	-	-
Other income		1,075,954	4,331,983	256,823	4,596,616
Total revenues		64,954,297	366,801,566	35,793,037	150,978,327
Expenses					
Cost of goods sales		51,996,096	224,926,060	32,233,438	116,507,422
Cost of construction work		786,586	62,645,332	-	-
Cost of distribution		10,192,901	30,185,220	3,004,559	17,413,521
Administrative expenses		47,955,002	132,589,675	35,176,189	117,499,872
Finance cost		4,965,373	3,977,400	954,936	2,346,920
Total expenses		115,895,958	454,323,687	71,369,122	253,767,735
Loss before income tax expenses		(50,941,661)	(87,522,121)	(35,576,085)	(102,789,408)
Income tax expenses	33	(1,579,621)	(2,743,351)	(439,744)	-
Loss for the period		(52,521,282)	(90,265,472)	(36,015,829)	(102,789,408)
Other comprehensive income					
Items may not be classified into profit or loss in the future					
Actuarial losses		(1,659,296)	(507,525)	(1,071,866)	(632,925)
Total comprehensive loss for the period		(54,180,578)	(90,772,997)	(37,087,695)	(103,422,333)
Basic loss per share attributable to the company	34	(0.0579)	(0.1677)	(0.0397)	(0.1910)
Loss per dilute share attributable to the company		(0.0579)	(0.1677)	(0.0397)	(0.1910)



DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD FROM JULY 1, 2020 TO DECEMBER 31, 2020

		Parent's Shareholders' Equity						(Unit : Baht)
	Notes	Issued and paid-up share capital	Premium on share capital	Discount on ordinary share	Surplus from change in proportion of investment in subsidiary company	Retained (deficits) earnings		Total
						Appropriated legal reserve	Unappropriated	
as at July 1, 2019		268,953,447	154,862,636	-	548,303	3,030,000	(189,007,784)	238,386,602
from shareholders' equity for the year								
from increment of capital	31	233,462	-	-	-	-	-	233,462
from ordinary shares from exercise of warrants	31	352	459	-	-	-	-	811
from year		-	-	-	-	-	(90,265,472)	(90,265,472)
from losses		-	-	-	-	-	(507,525)	(507,525)
as at June 30, 2020 (as restated)		269,187,261	154,863,095	-	548,303	3,030,000	(279,780,781)	147,847,878
from effects of changes in accounting policies								
from the adoption of new financial reporting standard	5.1	-	-	-	-	-	(22,294,985)	(22,294,985)
as at July 1, 2020 (as restated)		269,187,261	154,863,095	-	548,303	3,030,000	(302,075,766)	125,552,893
from shareholders' equity for period								
from increment of capital	31	538,374,522	-	(430,699,618)	-	-	-	107,674,904
from period		-	-	-	-	-	(52,521,282)	(52,521,282)
from losses		-	-	-	-	-	(1,659,296)	(1,659,296)
as at December 31, 2020		807,561,783	154,863,095	(430,699,618)	548,303	3,030,000	(356,256,344)	179,047,219

## DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## SEPARATE STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIOD FROM JULY 1, 2020 TO DECEMBER 31, 2020

(Unit : Baht)

	Notes	Issued and	Premium on	Discount on	Retained earnings		Total
		paid-up share capital	share capital	ordinary share	Statutory reserve	Unappropriated	
Balance as at July 1, 2019		268,953,447	154,862,636	-	3,030,000	(187,571,722)	239,274,361
Changes in shareholders' equity for period							
Increase from increment of capital	31	233,462	-	-	-	-	233,462
Issuance of ordinary shares from exercise of warrants	31	352	459	-	-	-	811
Loss for the year		-	-	-	-	(102,789,408)	(102,789,408)
Actuarial losses		-	-	-	-	(632,925)	(632,925)
Balance as at June 30, 2020 (as restated)		269,187,261	154,863,095	-	3,030,000	(290,994,055)	136,086,301
Cumulative effects of changes in accounting policies							
due to the adoption of new financial reporting standard	5.1	-	-	-	-	(28,017,682)	(28,017,682)
Balance as at July 1, 2020 (as restated)		269,187,261	154,863,095	-	3,030,000	(319,011,737)	108,068,619
Changes in shareholders' equity for period							
Increase from increment of capital	31	538,374,522	-	(430,699,618)	-	-	107,674,904
Loss for period		-	-	-	-	(36,015,829)	(36,015,829)
Actuarial losses		-	-	-	-	(1,071,866)	(1,071,866)
Balance as at December 31, 2020		807,561,783	154,863,095	(430,699,618)	3,030,000	(356,099,432)	178,655,828

**DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD FROM JULY 1, 2020 TO DECEMBER 31, 2020**

(Unit : Baht)

	Consolidated		Separate financial statements	
	For the period	For the year	For the period	For the year
	from July 1, 2020 to	period ended	from July 1, 2020 to	period ended
Notes	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
		Restated and reclassified		Restated and reclassified
Cash flow from operations Activities				
Loss before income tax expenses	(50,941,661)	(87,522,121)	(35,576,085)	(102,789,408)
Adjustments to reconcile loss before income tax expenses				
for cash received (used) from operations				
Allowance for expected credit loss	33,314,862	7,964,457	9,479,745	7,925,244
Unrealized gain on exchange rate	-	222,641	-	222,641
Loss on decline in value of inventories	4,133,987	648,944	2,595,523	491,125
Written off withholding tax	1,851,251	-	1,629,053	-
Amortization of front-end fee	32,649	-	-	-
Depreciation and amortization	2,099,209	4,768,914	834,182	2,907,416
(Gain) loss on disposal and written-off assets	1,510,905	(659,380)	700,000	(659,380)
Loss from impairment on assets	4,941,122	-	-	-
Allowance for impairment of long - term investment and investment in subsidiary	-	41,140,000	-	43,700,000
Gain on bargain purchase of investment in subsidiary	-	(3,989,211)	-	-
Provisions for employee benefits	126,441	416,070	6,475	141,188
Loss from provision for employee termination	69,345	13,856,370	69,345	13,856,370
Reversal of employee retirement benefits obligation	(480,415)	(2,581,330)	-	(4,702,869)
Interest income	(638,383)	(910,697)	(18,350)	(580,537)
Interest expenses	4,965,373	3,977,400	954,936	2,346,920
Profit (loss) from operating activities before changes in operating assets and liabilities	984,685	(22,667,943)	(19,325,176)	(37,141,290)
Increase in trade and other receivables - related parties	(9,860,582)	(24,527,624)	(27,558,430)	(27,466,959)
(Increase) decrease in trade and other receivables - third parties	(7,950,409)	28,483,144	11,576,494	45,073,308
(Increase) decrease in contract assets - third parties	(10,759)	21,922,259	-	-
(Increase) Decrease in inventories	1,105,488	5,796,980	2,891,234	32,618,345

**DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD FROM JULY 1, 2020 TO DECEMBER 31, 2020**

(Unit : Baht)

	Consolidated		Separate financial statements	
	For the period	For the year	For the period	For the year
	from July 1,2020 to	period ended	from July 1,2020 to	period ended
Notes	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
		Restated and reclassified		Restated and reclassified
Cash flow from operations Activities (continued)				
(Increase) decrease in other non-current assets	(97,029)	(623,467)	(3,429)	4,000
Increase (decrease) in trade and other current payables - related parties	8,887,301	(16,914,679)	15,676,928	17,531,651
Decrease in trade and other current payables - third parties	(25,854,822)	(35,956,448)	(15,019,177)	(779,582)
Increase in contract liabilities - related parties	-	-	-	4,173,063
Increase in contract liabilities - third parties	424,930	-	324,930	-
Increase in other non-current liabilities	77,349	-	-	-
Cash generated from operation	(32,293,848)	(44,487,778)	(31,436,626)	34,012,536
Cash received from interest	641,508	403,398	18,350	603,784
Cash paid for interest expense	(3,381,475)	(4,689,956)	(856,825)	(1,152,747)
Cash paid for income tax	(1,269,962)	(3,242,297)	(333)	(959,210)
Net cash provided by (used in) operating activities	(36,303,777)	(52,016,633)	(32,275,434)	32,504,363
Cash flow from investing activities				
Decrease in short-term loans to related parties	-	(6,500,000)	-	(5,700,000)
Cash received from business combination	-	26,866,448	-	-
Cash paid for investing in investment in subsidiary	-	-	-	(54,750,000)
Cash paid for purchase of plant and equipment				
and payable for purchase of assets	(23,114)	(21,155,599)	-	(727,600)
Cash paid for purchase of intangible assets	-	(42,500)	-	(42,500)
Increase (decrease) in fixed deposits pledged as collateral	9,605,514	(11,595,093)	7,803,714	(5,883,529)
Net cash provided by (used in) investing activities	9,582,400	(12,426,744)	7,803,714	(67,103,629)



## DIMET (SIAM) PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE PERIOD FROM JULY 1, 2020 TO DECEMBER 31, 2020

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		For the period	For the year	For the period	For the year
		from July 1, 2020 to	period ended	from July 1, 2020 to	period ended
		December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
			Restated and reclassified		Restated and reclassified
Cash flow from financing activities					
Cash received from share capital increment		107,674,904	233,462	107,674,904	233,462
Proceeds from exercise of warrants		-	811	-	811
Increase (decrease) in bank overdrafts and short-term loans from financial institutions		(16,871,757)	16,871,757	(16,871,757)	16,871,757
Increase in short-term loan from third parties		1,997,259	45,000,000	-	-
Decrease in short-term loans from related parties		-	(4,521,763)	-	2,178,237
Repayment of long-term loans from banks		(1,734,252)	-	-	-
Repayment of lease liabilities		(1,338,049)	(1,499,025)	(158,725)	(470,469)
Repayment of interest - lease liabilities		(469,796)	(188,447)	(66,290)	(40,245)
Net cash provided by financing activities		89,258,309	55,896,795	90,578,132	18,773,553
Net increase (decrease) in cash and cash equivalent		62,536,932	(8,546,582)	66,106,412	(15,825,713)
Cash and cash equivalent at the beginning of the period		9,474,363	18,020,945	2,073,498	17,899,211
Cash and cash equivalent at the ended of the period	35.1	72,011,295	9,474,363	68,179,910	2,073,498

**DIMET (SIAM) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM JULY 1, 2020 TO DECEMBER 31, 2020**

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1. General information

Dimet (Siam) Public Company Limited (“the Company”) is a public limited company and is incorporated in Thailand. The Company is listed on the Market for Alternative Investment (MAI). The address of the Company’s registered office is 602 Moo 2, Bangpoo Industrial Estate Soi 1, Muang Samutprakran, Samut Prakarn.

The principal activities of the Company and its subsidiary (“the Group”) involve the manufacture and distribution of paints, sale of construction materials, provision of construction service, distribution of electricity from renewable energy and power plant maintenance services.

Change of accounting period

At the Annual General Meeting of Shareholders held on October 30, 2020, the shareholders passed a resolution to amend Article of Association Re: accounting period “From July 1 - June 30 of each year to January 1 - December 31 of each year” The annual balance closing of first fiscal year after the change of fiscal year will start from July 1, 2020 to December 31, 2020 and the next fiscal year will be start from January 1 - December 31, 2021. The Reason of changing the fiscal year was to comply with fiscal year of the subsidiaries and associate.

The change in accounting period results that the consolidated and separate statement of comprehensive income, consolidated and separate statements of changes in shareholders’ equity and consolidated and separate statements of cash flows for the period from July 1, 2020 to December 31, 2020 covers a period of six months only. While the comparative information covers a period of twelve months. Thus, there are a limitation on the financial performance comparison.

### Coronavirus disease 2019 Pandemic

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

## 2. Basis of preparation of financial statements

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

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

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

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



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

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

TFRS No. 3 Business Combinations

TFRS No. 7 Financial Instruments : Disclosures

TFRS No. 9 Financial Instruments

TFRS No. 11 Joint Arrangements

TFRS No. 16 Leases

TAS No. 12 Income Taxes

TAS No. 19 Employee Benefits

TAS No. 23 Borrowing Costs

TAS No. 28 Investments in Associates and Joint Ventures

TAS No. 32 Financial Instruments : Presentation

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

TFRIC No. 19 Extinguishing Financial Liabilities with Equity Instruments

TFRIC No. 23 Uncertainty over Income Tax Treatments

Guide on Accounting : Financial Instruments and Disclosures for Insurance Business

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

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

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

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

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

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Choose to measure a non-listed equity instrument investment at fair value as of July 1, 2020.

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

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

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

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



### 3. Principles of consolidation financial statement

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

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

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

The consolidated financial statements as at December 31, 2020 and June 30, 2020 have been prepared by including the financial statements of Dimet (Siam) Public Company Limited and its subsidiaries after eliminate the significant related party balances and transactions. The percentage directly and indirectly owned by the Company as follows:-

Name of subsidiary	Nature of business	Incorporated in	Percentage of shareholding	
			December 31, 2020	June 30, 2020
Asian Corrosion Control Technology Co.,Ltd.	Manufacture and sale of paints and provision of painting service	Thailand	100.00	100.00
IGEN Energy Co.,Ltd.	Construction Services	Thailand	100.00	100.00
Solar IGEN Co.,Ltd. *	Production and distribution of electricity from renewable energy.	Thailand	100.00	-

\* The Company indirectly holds the shares through IGEN Energy Co.,Ltd.

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

The Group recognizes any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets.

#### 4. Accounting policies

##### 4.1 Cash and cash equivalents

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

##### 4.2 Inventories

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

Cost of inventories are calculated using the first-in, first-out (FIFO) method.

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

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

##### 4.3 Investment in subsidiary

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

##### 4.4 Property, plant and equipment

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

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

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

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

	<u>Years</u>
Buildings and building improvements	20
Machinery and equipment	6.6
Furniture, fixtures and office equipment	6.6
Vehicle	5

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

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

#### 4.5 Leases

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

Where the Group is the lessee

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



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

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

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

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

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

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

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

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

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

*Accounting policies adopted before June 30, 2020*

Where the Group is the lessee

Leases of equipment where the Company assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the estimated present value of the underlying lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are recorded as long-term liabilities. The finance charge is charged to the statement of profit or loss over the lease period. Assets under finance lease agreements are depreciated over its useful lives.

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of profit or loss on a straight-line basis over the lease period. When an operating lease is terminated before the lease period has expired, penalty is recognized as an expense in the period in which termination takes place.



#### 4.6 Intangible assets

Intangible assets in type of computer software, which have finite useful lives, are stated at cost less accumulated amortization and impairment losses (if any). Amortization is calculated using the straight-line method to allocate the cost over their estimated useful lives 6.6 - 10 years.

#### 4.7 Impairment of assets

The carrying amounts of the Group's assets and also intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

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

#### 4.8 Provisions

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

#### 4.9 Revenue recognition

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

The Group recognizes revenue from provision of the construction service identified as a single performance obligation satisfied over time according to the amount of the transaction price based on the progress towards complete satisfaction of that performance obligation.

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

The Group measures the progress towards complete satisfaction of the performance obligation with the input method for revenue from construction and revenue from design and procure equipment on the basis of the costs incurred (excluding from the measure of progress any goods or services for which the Group does not transfer control to a customer) relative to the total expected costs for the satisfaction of that performance obligation.

#### 4.10 Retirement benefit costs

##### Defined contribution plan

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

##### Defined benefit plan

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

#### 4.11 Foreign currency transactions

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

#### 4.12 Borrowing costs

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

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

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

#### 4.13 Income tax

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

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



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

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

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

#### 4.14 Financial assets

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

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

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

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

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

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

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

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

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

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

#### 4.15 Impairment of financial assets

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

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

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

*Accounting policies adopt before June 30, 2020*

Trade and other accounts receivable

A receivable is recognized when the Group has an unconditional right to receive consideration. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset measures.

Trade accounts receivable and contract assets are presented at the net realizable value. The Group record allowances for doubtful accounts from accounts receivable which might be uncollectible. Allowance for doubtful accounts is provided for on the basis of collection experience and payment ability of the debtors at the end of year.

General investment

Investments in non-marketable equity securities, which the Company holds as general investments, are valued at cost.

A test for impairment is carried out when there is an indication that an investment might be impaired. If the carrying amount of the investment is higher than its recoverable amount, impairment loss is charged to the statement of profit or loss.



#### 4.16 Financial liabilities

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

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

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

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

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

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

##### Plant and equipment

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

##### Employment benefits

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

## 5. Change in accounting policy

### 5.1 Accounting for financial instruments

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

The Group elects to apply this Standard by recognition the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application on the transition for classification and measurement of financial assets and financial liabilities and the loss allowance for expected credit loss.

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

	(Unit : Baht)	
	Consolidated statement of financial position	Separate statement of financial position
	As at	
	July 1, 2020	
Decrease in trade and other current receivable - related parties	-	(5,679,191)
Decrease in trade and other current receivable - third parties	(7,079,269)	(7,314,491)
Decrease in other non-current financial assets	(15,024,000)	(15,024,000)
Increase in long-term loan from financial institution	(191,716)	-
Increase in deficits	22,294,985	28,017,682

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

(Unit : Baht)

Consolidated statement of financial position			
	Previous (TAS 105)	New (TFRS 9)	
	Carrying amounts according to previous accounting principles		Carrying amounts
	<u>June 30, 2020</u>	<u>Measurement categories</u>	<u>July 1, 2020</u>
<u>Financial assets</u>			
Cash and cash equivalents	11,276,163	Amortized cost	11,276,163
Trade and other current receivable - related parties	43,669,737	Amortized cost	43,669,737
Trade and other current receivable - third parties	45,921,870	Amortized cost	38,842,601
Contract assets - third parties	9,452,698	Amortized cost	9,452,698
Short - term loans to related parties	15,630,574	Amortized cost	15,630,574
Short - term loans to third parties	2,293,902	Amortized cost	2,293,902
Deposits at banks pledged as collateral	11,713,478	Amortized cost	11,713,478
Other non - current financial assets	77,491,360	Fair value through PL	62,467,360
<u>Financial liabilities</u>			
Short - term loan from financial institution	16,871,757	Amortized cost	16,871,757
Trade and other current payables - related parties	1,537,532	Amortized cost	1,537,532
Trade and other current payables - third parties	68,896,732	Amortized cost	68,896,732
Contract liabilities - third parties	5,062,858	Amortized cost	5,062,858
Short - term loans from - related parties	2,810,047	Amortized cost	2,810,047
Short - term loans from - third parties	43,002,740	Amortized cost	43,002,740
Long - term loan from financial institution	25,031,000	Amortized cost	25,222,716

(Unit : Baht)

Separate statement of financial position			
	Previous (TAS 105)	New (TFRS 9)	
	Carrying amounts according to previous accounting principles		Carrying amounts
	<u>June 30, 2020</u>	<u>Measurement categories</u>	<u>July 1, 2020</u>
<u>Financial assets</u>			
Cash and cash equivalents	2,073,498	Amortized cost	2,073,498
Trade and other current receivable - related parties	68,413,840	Amortized cost	62,734,649
Trade and other current receivable - third parties	20,598,335	Amortized cost	13,283,844
Deposits at banks pledged as collateral	7,803,714	Amortized cost	7,803,714
Other non - current financial assets	77,191,360	Fair value through PL	62,167,360



(Unit : Baht)

Separate statement of financial position			
	Previous (TAS 105)	New (TFRS 9)	
	Carrying amounts according to previous accounting principles		Carrying amounts
	June 30, 2020	Measurement categories	July 1, 2020
<u>Financial liabilities</u>			
Short - term loan from financial institution	16,871,757	Amortized cost	16,871,757
Trade and other current payables - related parties	28,315,583	Amortized cost	28,315,583
Trade and other current payables - third parties	40,407,404	Amortized cost	40,407,404
Contract liabilities - third parties	4,173,063	Amortized cost	4,173,063
Short - term loans from - related parties	9,500,150	Amortized cost	9,500,150

The reconciliation of the allowance for doubtful accounts and impairment allowance as at June 30, 2020, determined in accordance with the previous accounting standard to the loss allowances as at July 1, 2020, determined in accordance with the new financial reporting standard, are as follows:

Consolidated statement of financial position				Separate statement of financial position		
Allowance for doubtful accounts / impairment allowance		Increase (decrease)	Loss allowance	Allowance for doubtful accounts / impairment allowance	Increase (decrease)	Loss allowance
As at			As at	As at		As at
June 30, 2020			July 1, 2020	June 30, 2020		July 1, 2020
Trade and other current receivable - related parties	-	-	-	-	5,679,191	5,679,191
Trade and other current receivable - third parties	22,654,055	7,314,491	29,968,546	21,959,101	7,314,491	29,273,592

## 5.2 Accounting for leases

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

leases accounting for a lesser does not changed. Thus, the lessor will continue to classify leases as either finance leases or operating leases and account for those two types of leases differently.

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

The change of accounting policy has impacted on the comprehensive income statements as at July 1, 2020 as follows :-

	(Unit : Baht)	
	Consolidated	Separate
	statement of	statement of
	financial position	financial position
	As at	
	July 1, 2020	
(Decrease) in property, plant and equipment	(8,021,449)	(3,324,701)
Increase in right-of-use assets - third parties	8,021,449	3,324,701

The difference between the operating lease commitments as at June 30, 2020 and the lease liabilities as at July 1, 2020 consists of:-

	(Unit : Baht)	
	Consolidated	Separate financial
		statement
Operating lease commitments as at June 30, 2020	-	-
Effect from discounted operating obligation *	-	-
Lease liabilities as at July 1, 2020 previously recognized as operating lease	-	-
Fancial lease liabilities previously recognized as at June 30, 2020	7,905,798	2,724,619
Lease liabilities as at July 1, 2020	7,905,798	2,724,619

\* The weighted average incremental borrowing rate applied to lease liabilities as at July 1, 2020 is 4.59 – 9.72%.

## 6. Change in accounting estimates

For the period from July 1, 2020 to December 31, 2020, the Group reviews useful life of vehicles from four years to five years to suit the useful life of the asset and review the estimation of the residual value of vehicles by increasing the residual value of such assets. The Group estimates the residual value of such assets so as to comply with value the group will receive from such asset disposal when the useful life of such assets is terminated. The group adopts the prospective treatment for such change. The change in accounting estimate effects that the depreciation for the period from July 1, 2020 to December 31, 2020 and for the year ended on December 31, 2021, decreases in the amount of Baht 0.43 million and Baht 0.47 million, respectively.

## 7. Correction of error

For the period from July 1, 2020 to December 31, 2020, the Group discovered that the Group, in the consolidated financial statements for the year ended June 30, 2020, over recorded contract assets – third parties and an under recorded trade and other current payable – third parties, which were not to comply in financial reporting standards.

The amount of adjustments affecting the financial statements from such adjustments as follows:

	(Unit : Baht)
	Consolidated statement of
	financial position
	As at
	<u>July 1, 2020</u>
Decrease in contract assets- third parties	(5,293,543)
Increase in trade and other current payables - third parties	(956,912)
Increase in deficits	(6,250,455)
	(Unit : Baht)
	Consolidated statement of
	comprehensive income
	<u>For the year ended June 30, 2020</u>
Decrease in revenue from sales and services	(4,591,485)
Decrease in revenues from construction work	(1,559,532)
Increase in finance cost	(99,438)
Increase in comprehensive loss	(6,250,455)
Increase in basic loss per share (unit)	(0.0116)



## 8. Related parties transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Ua Withya Public Company Limited is a major shareholder (The principal shareholder of Ua Withya Public Company Limited is Capital Engineering Network Public Company Limited and The principal shareholder of Capital Engineering Network Public Company Limited is Leenabanchong family), holding 24.99% (June 30, 2020 : 24.96%) of the issued and paid up share capital of the Company. Transactions related to companies in which the Leenabanchong family is the principal shareholders or directors are recognized as related parties to the Company.

The Company has transactions with related persons and companies for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 as follows:-

### 8.1 Inter-assets and liabilities

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Trade receivable				
- Asian Corrosion Control Technology Company Limited	-	-	45,210,580	39,786,281
- IGEN Energy Company Limited	-	-	4,040,258	4,040,258
- IGEN Engineering Company Limited	38,399,020	38,399,019	-	-
- Suncoat (Thailand) Company Limited	13,829,870	3,949,582	13,829,870	-
Total	52,228,890	42,348,601	63,080,708	43,826,539
<u>Less</u> Allowance for expected credit loss	(19,705)	-	(1,291,961)	-
Net	52,209,185	42,348,601	61,788,747	43,826,539
Other receivable				
- Asian Corrosion Control Technology Company Limited	-	-	32,761,844	24,457,583
<u>Less</u> Allowance for expected credit loss	-	-	(23,989,648)	-
Net	-	-	8,772,196	24,457,583

(Unit : Baht)

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Accrued interest income				
- Asian Corrosion Contral Technology Company Limited	-	-	129,718	129,718
- IGEN Engineering Company Limited	855,502	1,321,136	-	-
Total	855,502	1,321,136	129,718	129,718
<u>Less</u> Allowance for expected credit loss	(855,502)	-	-	-
Net	-	1,321,136	129,718	129,718
Total Trade and other current receivable	52,209,185	43,669,737	70,690,661	68,413,840
Short - term loans to related parties				
- Asian Corrosion Contral Technology Company Limited				
Opening balance	-	-	-	800,000
Increase during the period	-	-	-	7,500,000
Decrease during the period	-	-	-	(8,300,000)
Ending balance	-	-	-	-
- IGEN Engineering Company Limited				
Opening balance	15,630,574	-	-	-
Increase during the period	-	25,059,000	-	6,500,000
Decrease during the period	-	(9,428,426)	-	(6,500,000)
Ending balance	15,630,574	15,630,574	-	-
<u>Less</u> Allowance for expected credit loss	(15,630,574)	-	-	-
Net	-	15,630,574	-	-
Total	-	15,630,574	-	-
Trade payable				
- Asian Corrosion Contral Technology Company Limited	-	-	32,484,605	16,858,352
- Suncoat (Thailand) Company Limited	10,424,833	1,537,532	-	-
Total	10,424,833	1,537,532	32,484,605	16,858,352
Other payable				
- Asian Corrosion Contral Technology Company Limited	-	-	11,471,511	11,420,835
Accrued interest				
- IGEN Energy Company Limited	-	-	169,652	51,783
- IGEN Engineering Company Limited	97,190	9,897	97,190	9,897
- Rayong Wire Industries Public Company Limited	-	-	-	-
Total	97,190	9,897	266,842	61,680
Total Trade and other current payable	10,522,023	1,547,429	44,222,958	28,340,867



(Unit : Baht)

	Consolidated		Separate financial statement	
	December 31, <u>2020</u>	June 30, <u>2020</u>	December 31, <u>2020</u>	June 30, <u>2020</u>
Contract liabilities				
Accrued income				
- IGEN Energy Company Limited	-	-	4,173,063	4,173,063
Short - term loans from related parties				
- IGEN Energy Company Limited				
Opening balance	-	-	6,700,000	-
Increase during the period	-	-	-	6,700,000
Decrease during the period	-	-	-	-
Ending balance	-	-	6,700,000	6,700,000
- IGEN Engineering Company Limited				
Opening balance	2,800,150	7,321,913	2,800,150	7,321,913
Increase during the period	-	-	-	-
Decrease during the period	(150)	(4,521,763)	(150)	(4,521,763)
Ending balance	2,800,000	2,800,150	2,800,000	2,800,150
- Rayong Wire Industries Public Company Limited				
Opening balance	-	-	-	-
Increase during the period	15,000,000	-	15,000,000	-
Decrease during the period	(15,000,000)	-	(15,000,000)	-
Ending balance	-	-	-	-
Total	2,800,000	2,800,150	9,500,000	9,500,150

As at December 31, 2020 and June 30, 2020, short-term loans from related parties are loan agreements and promissory notes, maturity 3 months to 6 months carries interest rate 4.250 - 6.375% per annum.

The Company entered into an agreement to purchase common shares of IGEN Energy Company Limited, with a contract value of Baht 40 million from IGEN Engineering Co., Ltd. ("Seller") on June 26, 2019 as discussed in Note 18. The purchase transaction was completed on December 13, 2019. The agreement mentioned that the Company shall issue Promissory Note with amount equally to purchasing amount to seller for settlement. Later, the Company entered in the set off memorandum with seller which the Company would settle the accounts receivable and loans to and accrued interest income with the purchasing amount. After the settlement, the Company had a net liabilities and issued a Promissory Note to offset the net amount which presented in "Short-term loans from related party and accrued interest expense".

8.2 Inter-revenue and expenses

(Unit : Baht)

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Revenue from sales				
- Asian Corrosion Contral Technology Company Limited	-	-	5,069,439	54,555,970
- IGEN Energy Company Limited	-	-	-	35,293,340
- IGEN Engineering Company Limited	-	9,666,254	-	9,666,254
- Suncoat (Thailand) Company Limited	26,678,410	25,300,790	19,688,784	25,300,790
Total	26,678,410	34,967,044	24,758,223	124,816,354
Other income				
- Asian Corrosion Contral Technology Company Limited	-	-	360,533	225,314
Interest income				
- Asian Corrosion Contral Technology Company Limited	-	-	-	232,679
- IGEN Engineering Company Limited	-	647,701	-	186,627
Total	-	647,701	-	419,306
Cost of goods sales				
- Asian Corrosion Contral Technology Company Limited	-	-	22,745,675	15,756,417
- Suncoat (Thailand) Company Limited	18,012,000	10,305,384	-	10,305,384
Total	18,012,000	10,305,384	22,745,675	26,061,801
Management fee				
- Asian Corrosion Contral Technology Company Limited	-	-	-	9,079,016
Interest expenses				
- IGEN Energy Company Limited	-	-	143,153	26,499
- IGEN Engineering Company Limited	59,961	175,012	59,961	175,012
- Rayong Wire Industries Public Company Limited	144,590	-	144,590	-
Total	204,551	175,012	347,704	201,511

8.3 Management benefit expenses

(Unit : Baht)

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Short-term employee benefits	5,032,100	4,305,794	4,032,100	1,325,794
Post-employment benefits	-	76,577	-	-
Total	5,032,100	4,382,371	4,032,100	1,325,794

#### 8.4 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Revenue from sale and services	At normal business price, same as other entities
Revenue from construction services	At agreed contract price
Revenue from management fee	At agreed contract price
Rental income	At agreed contract price
Other income	At agreed contract price
Purchase of goods	At agreed contract price
Management fee	At agreed contract price
Consultant fee	At agreed contract price
Loan to related parties	Interest rate at 7% and 7.25% per annum
Loan from related parties	Interest rate at MLR-1% per annum

#### 8.5 Relationship

<u>Name of Companies</u>	<u>Nature of relationship</u>
Asian Corrosion Contral Technology Company Limited	Subsidiary company
IGEN Energy Company Limited	Subsidiary company (since December 13, 2019)
Solar IGEN Co.,Ltd.	Subsidiary company by indirectly holding
IGEN Engineering Company Limited	Shares held by the Company
Suncoat (Thailand) Company Limited	Shares held by the Company
McTric Public Company Limited	Shares held by the Company
Ua Withya Public Company Limited	Major shareholder and common directorship
Rayong Wire Industries Public Company Limited	Major shareholder and common directorship
UWC Komen Biomass Company Limited	Common shareholder and directorship (At August 21, 2020)
UWC Amphan Biomass Company Limited	Common shareholder and directorship (At August 21, 2020)
WJC Enterprise Company Limited	Common shareholder and directorship
Capital Engineering Network Public Company Limited	Common shareholder and directorship

#### 8.6 Obligation

The Company has an office and warehouse rental agreement and office service agreement with a subsidiary for a period of 2 years from July 1, 2018 to June 30, 2020. The monthly rental income is Baht 5,000 for the office and warehouse rental, Baht 13,000 for the office services, and Baht 1,000 for insurance services. During the year ended June 30, 2020, the Company cancelled the rental and service agreement with subsidiary.

As at December 31, 2020, the Company has entered into 2 service agreements with an associate for a period of 9 months, the Company has an obligation to pay a monthly service fee of Baht 30,000 - 48,000.



9. Trade and Other current receivable - related parties

Consisted of :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Trade receivable				
Within credit term	13,829,870	42,348,601	14,018,091	3,584,938
Overdue 1 - 3 Months	-	-	4,236,434	31,110,529
Overdue 3 - 6 Months	38,399,020	-	1,147,815	9,131,072
Overdue 6 - 12 Months	-	-	42,141,638	-
Overdue over 12 Months	-	-	1,536,730	-
Total	52,228,890	42,348,601	63,080,708	43,826,539
Other receivable	-	-	692,212	467,936
Receivable from sale of assets	-	-	23,989,648	23,989,648
Advanced payment	-	-	8,079,984	-
Accrued interest income	-	1,321,136	129,718	129,717
<u>Less</u> Allowance for expected credit loss	(19,705)	-	(25,281,609)	-
Total	52,209,185	43,669,737	70,690,661	68,413,840

The movement of allowance for expected credit loss other current receivable - related parties for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 is as follows :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Opening balance as previously reported	-	-	-	-
Impact of changes in accounting policy (Note 5.1)	-	-	(5,679,191)	-
Opening balance as restated	-	-	(5,679,191)	-
Allowance increased during the year	(19,705)	-	(25,281,609)	-
Reversal during the year	-	-	5,679,191	-
Ending balance	(19,705)	-	(25,281,609)	-

10. Trade and other current receivable - third parties

Consisted of:-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Trade receivables	43,016,251	55,592,067	27,241,041	35,261,419
<u>Less</u> Allowance for expected credit loss	(20,060,169)	(22,654,055)	(19,150,918)	(21,959,101)
Net	22,956,082	32,938,012	8,090,123	13,302,318
Other receivables	2,904,780	3,185,676	2,899,229	3,161,550
Revenue Department receivable	986,030	2,298,564	55,854	522,510
Suspend input vat	1,258,528	2,003,729	1,165,022	1,513,627
Deposit	3,575,600	4,029,027	-	-
Advance payment	127,000	97,500	22,000	19,500
Prepaid expense	1,891,945	2,336,949	195,291	2,078,830
Accrued income	-	104,862	-	-
Total	10,743,883	14,056,307	4,337,396	7,296,017
<u>Less</u> Allowance for expected credit loss	(597,647)	-	(597,647)	-
Net	10,146,236	14,056,307	3,739,749	7,296,017
Total trade and other current receivables	33,102,318	46,994,319	11,829,872	20,598,335

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

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Within credit term	12,660,557	14,230,424	5,568,676	1,071,313
Overdue 1 month to 3 months	7,507,266	7,073,768	1,690,264	2,758,665
Overdue 3 months to 6 months	1,957,077	5,708,108	-	3,590,869
Overdue 6 months to 12 months	5,144,491	11,846,395	4,969,407	11,762,941
Overdue over 12 months	15,746,860	16,733,372	15,012,694	16,077,631
Total	43,016,251	55,592,067	27,241,041	35,261,419
<u>Less</u> Allowance for expected credit loss	(20,060,169)	(22,654,055)	(19,150,918)	(21,959,101)
Net	22,956,082	32,938,012	8,090,123	13,302,318

The movement of allowance for expected credit loss trade receivables - third parties for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 is as follows :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Opening balance as previously reported	(22,654,055)	(14,689,598)	(21,959,101)	(14,033,857)
Impact of changes in accounting policy (Note 5.1)	(7,314,491)	-	(7,314,491)	-
Opening balance as restated	(29,968,546)	(14,689,598)	(29,273,592)	(14,033,857)
Allowance increased during the period	(1,731,470)	(7,964,457)	(1,517,173)	(7,925,244)
Transfer-to expense	11,639,847	-	11,639,847	-
Decreased during the period	-	-	-	-
Ending balance	(20,060,169)	(22,654,055)	(19,150,918)	(21,959,101)

#### 11. Contract assets - third parties

Consisted of:-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Accrued service income	4,169,914	4,159,155	-	-

#### 12. Inventories

Consisted of:-

	Consolidated					
	December 31, 2020			June 30, 2020		
	Cost	Allowance for diminution in value of inventories	Net	Cost	Allowance for diminution in value of inventories	Net
Finished goods	27,445,065	(18,739,160)	8,705,905	29,167,447	(15,023,260)	14,144,187
Work in progress	5,810,176	(4,495,312)	1,314,864	5,386,743	(4,307,191)	1,079,552
Raw materials	29,461,701	(9,727,335)	19,734,366	28,313,132	(9,479,735)	18,833,397
Materials, parts and consumables	2,458,780	(1,081,018)	1,377,762	2,679,971	(1,098,652)	1,581,319
Total	65,175,722	(34,042,825)	31,132,897	65,547,293	(29,908,838)	35,638,455



(Unit : Baht)

	Separate financial statement					
	December 31, 2020			June 30, 2020		
	Cost	Allowance for diminution in value of inventories	Net	Cost	Allowance for diminution in value of inventories	Net
Finished goods	19,597,826	(17,164,799)	2,433,027	21,514,291	(14,748,970)	6,765,321
Work in progress	4,459,055	(4,308,807)	150,248	4,576,780	(4,160,005)	416,775
Raw materials	10,393,486	(9,525,554)	867,932	11,173,100	(9,477,028)	1,696,072
Materials, parts and consumables	1,100,956	(1,081,017)	19,939	1,178,386	(1,098,651)	79,735
Total	35,551,323	(32,080,177)	3,471,146	38,442,557	(29,484,654)	8,957,903

The movement of allowance for diminutions in value of inventories for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 is as follows :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Beginning balance	(29,908,838)	(29,596,330)	(29,484,654)	(29,329,965)
Additional during the year	(4,151,620)	(648,944)	(2,613,156)	(491,125)
Reversal during the year	17,633	336,436	17,633	336,436
Ending balance	(34,042,825)	(29,908,838)	(32,080,177)	(29,484,654)

For the period from July 1, 2020 to December 31, 2020, the costs of inventories recognized as expenses are Baht 45.49 million in the consolidated and Baht 29.63 million in separate financial statement (For the year ended June 30, 2020 : Baht 62.36 million in the consolidated and Baht 53.84 million in separate financial statement).

For the period from July 1, 2020 to December 31, 2020, the Group has reversed allowance for diminutions in the value of inventories in amount of Baht 0.02 million in the consolidated and Baht 0.02 million in separate financial statement since the Company disposed such inventory items (For the year ended June 30, 2020 : Baht 0.34 million in the consolidated and Baht 0.34 million in separate financial statement).

As at December 31, 2020, some inventories that the Group expects to be sold for more than 12 months from the reporting period amount of Baht 14.46 million in the consolidated and Baht 14.17 million in separate financial statement (June 30, 2020 : Baht 13.05 million in the consolidated and Baht 12.77 million in separate financial statement).



13. Short-term loans to related parties

Consisted of :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Financial assets measured at amortized cost				
Short-term loan to related parties	15,630,574	15,630,574	-	-
<u>Less</u> Allowance for expected credit loss	(15,630,574)	-	-	-
Net	-	15,630,574	-	-

The movement of allowance for expected credit loss - short-term loan to related parties for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 is as follows :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Opening balance	-	-	-	-
Allowance increased during the year	(15,630,574)	-	-	-
Reversal during the year	-	-	-	-
Ending balance	(15,630,574)	-	-	-

14. Short-term loans to third parties

Consisted of :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Financial assets measured at amortized cost				
Short-term loan to third parties	2,189,040	2,189,040	-	-
<u>Less</u> Allowance for expected credit loss	(2,189,040)	-	-	-
Net	-	2,189,040	-	-

The movement of allowance for expected credit loss – short-term loan to other companies for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 is as follows :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Opening balance	-	-	-	-
Allowance increased during the year	(2,189,040)	-	-	-
Reversal during the year	-	-	-	-
Ending balance	(2,189,040)	-	-	-

15. Disposal asset group classified as held for sales and liabilities included in disposal asset group classified as held for sale

On October 7, 2020, IGEN Energy Col, Ltd., entered in to MOU with Millcon Burapa Company Limited to sale of machinery and equipment used for solar rooftop power plant and long-term loan from financial institution with a commercial bank, which all of debts related such of assets. Therefore, as at December 31, 2020, the Group classified machinery and equipment of such subsidiary with a book value of Baht 24.17 million in the consolidated financial statements as disposal asset group classified as held for sales. and the long-term loan from a commercial bank of such subsidiary in amount of Baht 23.66 million in consolidated financial statements as disposal liability group classified as held for sales

For the period from July 1, 2020 to December 31, 2020, the Company recognized an impairment loss on assets to be disposed of Baht 4.94 million in the consolidated financial statements. This is because management expects the proceeds from the disposal of the asset group held for sale to be lower than the book value.

The subsidiary's machines under construction have been pledged for credit facility from a commercial bank in accordance with Note. 27.

16. Deposits at financial institutions pledged as collateral

As at December 31, 2020 and June 30, 2020, the whole amount of deposit with collateral was pledged as collateral with a local financial institution to secure debts, trust receipts for purchases from abroad, according to Note. 22 to the financial statements to guarantee the purchase of the subsidiary's solar power purchase project. In accordance with Note. 27 to the financial statements and to issue a letter of guarantee for requesting the use of hydrocarbon solvents with the Department of Samitra of a subsidiary.

17. Other non-current financial assets

Consisted of :-

(Unit : Thousand Baht)							
		Country of incorporation	Investment portion (%)	Consolidated		Separate financial statement	
				December 31,	June 30,	December 31,	June 30,
				2020	2020	2020	2020
Financial assets measured at fair value through profit or loss							
Investment in unlisted equity instruments							
IGEN Engineering Co., Ltd.	Electrical Equipment Testing and						
	Calibration Service	Thailand	14.00	45,728	181,440	45,728	181,440
Suncoat (Thailand) Co., Ltd.	Distribution of paints	Thailand	10.00	300	300	-	-
McTric PCL	Construction contractor	Thailand	4.08	16,408	20,000	16,408	20,000
Patkol PCL.	Production and installation of	Thailand	0.01	31	31	31	31
	machines						
K-Tech Construction PCL.	Construction contractor	Thailand	0.04	-	659	-	-
Total				62,467	202,430	62,167	201,471
Less impairment loss				-	(124,939)	-	(124,280)
Net				62,467	77,491	62,167	77,191

The movement of allowance for diminutions in value of financial assets measured at fair value through profit or loss for the period from July 1, 2020 to December 31, 2020 is as follows:

		(Unit : Baht)	
		Investment in unlisted equity instruments	
		Consolidated	Separate financial statement
As at July 1, 2020 as previously reported		77,491,360	77,191,360
Impact of changes in accounting policy (Note 5.1)		(15,024,000)	(15,024,000)
As at July 1, 2020 as restated		62,467,360	62,167,360
Purchase		-	-
Sale		-	-
Gain (loss) arising from a change in fair value		-	-
As at December 31, 2020		62,467,360	62,167,360

## 18. Investments in subsidiaries

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

Name of subsidiary	Paid-up capital ('000 Baht)		Investment portion (%)		Cost method ('000 Baht)		Dividends ('000 Baht)	
	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,
	2020	2020	2020	2020	2020	2020	2020	2020
<b>Subsidiaries don't having non-controlling interests</b>								
Asian Corrosion Control Technology Co.,Ltd.	4,000	4,000	100.00	100.00	3,213	3,213	-	-
IGEN Energy Co.,Ltd.	39,910	39,910	100.00	100.00	54,750	54,750	-	-
Total					57,963	57,963	-	-
Less Allowance for impairment					(5,463)	(5,463)	-	-
Net					52,500	52,500	-	-

For the year ended on June 30, 2020, the Company entered into an agreement to purchase ordinary shares of IGEN Energy Company Limited, with a contract value of Baht 40 million.

The Company entered into the set off memorandum with IGEN Engineering Co., Ltd. ("Seller") for purchase ordinary shares of IGEN Energy Company Limited. The memorandum mentioned that the Company and Seller agreed to setting off, which is the Company had the obligation to pay for investment in subsidiary amounting to Baht 40 million and Seller had the obligation to pay amounting to Baht 32.77 million. After offsetting the liability, the Company still had the obligation to pay for investment in subsidiary amounting to Baht 7.23 million. The Company agreed to issue the Promissory Note for the purpose of repayment for investment in subsidiary as discussed in Note. 8.1.

Consideration paid consisted of:-

	(Unit : Baht)
Trade account receivable – related parties	26,269,820
Short-term loan to related parties and accrued interest income	6,500,000
Short-term loan from related parties and accrued interest expense	7,230,180
Total	40,000,000



The Company has hired an independent appraiser to appraise the fair value of the assets acquired and liabilities assumed to complete within one year from the acquisition date according to the requirement of the financial reporting standards. An independent appraiser to appraise the fair value of the assets acquired and liabilities assumed finished in February 2021, were as follow :

	(Unit : Baht)
	(Restated)
Cash and cash equivalents	26,866,448
Trade accounts receivable - general customers - net	9,246,940
Contract assets	23,127,997
Amounts due from related parties	1,957,779
Short-term loan to related companies	19,362,835
Short-term loan to other company	2,228,791
Deposits for goods	14,274,421
Other current assets	2,161,723
Property, plant and equipment - net	23,684,994
Intangible assets - net	843,158
Other non - current assets	93,718
Trade accounts payable - general suppliers	(2,730,640)
Other payables	(1,166,199)
Amounts due to related parties	(10,633,101)
Contract liabilities	(34,551,118)
Accrued expenses	(1,460,938)
Other current liabilities	(704,123)
Liability under finance lease agreements	(3,124,292)
Long - term loan from financial institution	(25,031,000)
Employee retirement benefits obligation	(458,182)
Net assets	43,989,211
Gain on bargain purchase of investment in subsidiary	(3,989,211)
Consideration paid	40,000,000

The Company had retrospectively adjusted the financial statement the year ended June 30, 2020 in accordance with the result of the said fair value valuation.

	(Unit : Baht)
	Consolidated statement of comprehensive income For the year ended June 30, 2020
Increase in other income	(804,000)
Increase in cost of goods sales	804,000
Increase in income tax income (expense)	-
Decrease in total comprehensive loss for the period	-

The consolidated statement of comprehensive income for the year ended on June 30, 2020 had included revenue and profit(loss) of IGEN Energy Co.,Ltd since December 13, 2019 as follow:-

	(Unit : Baht)
Revenues	94,240,949
Profit (loss)	7,955,288

If the business combination is made on July 1, 2019, The consolidated statement of comprehensive income for the year ended on June, 2020 will be included the revenue and profit(loss) of IGEN Energy Co., Ltd. from July 1, 2019, as follows :-

	(Unit : Baht)
Revenues	146,196,295
Profit (loss)	13,547,799

At the Extraordinary Shareholders Meeting No. 4/2019 of the subsidiary held on December 6, 2019, the shareholders passed a resolution to approve the increase of common share by issuing 590,000 common shares with a par value of Baht 100 per share. The Company paid-up for common shares of Baht 14.75 million.



9. Property, plant and equipment

Consisted of :-

	Consolidated						(Unit : Baht)
	Land	Building	Machine and equipments	Fixture and office equipment	Vehicles	Construction in progress	Total
Cost:-							
As at July 1, 2020	16,470,500	43,008,044	67,901,402	37,595,984	13,233,733	29,081,222	207,290,885
Impact of changes in accounting policy (Note 5.2)	-	-	-	-	(9,457,368)	-	(9,457,368)
As at July 1, 2020 (as restated)	16,470,500	43,008,044	67,901,402	37,595,984	3,776,365	29,081,222	197,833,517
Addition	-	-	-	58,050	-	26,465	84,515
Transfer to disposal asset group classified as held for sales	-	-	-	-	-	(29,107,687)	(29,107,687)
Disposal/Write off	-	-	(117,101)	(180,954)	(111,869)	-	(409,924)
As at December 31, 2020	16,470,500	43,008,044	67,784,301	37,473,080	3,664,496	-	168,400,421
Accumulated depreciation :-							
As at July 1, 2020	-	(36,117,925)	(54,670,509)	(35,701,018)	(4,702,065)	-	(131,191,517)
Impact of changes in accounting policy (Note 5.2)	-	-	-	-	1,435,920	-	1,435,920
As at July 1, 2020 (as restated)	-	(36,117,925)	(54,670,509)	(35,701,018)	(3,266,145)	-	(129,755,597)
Depreciation for the period	-	(433,579)	(696,978)	(327,985)	(68,921)	-	(1,527,463)
Disposal/Amortization	-	-	28,914	113,324	47,210	-	189,448
As at December 31, 2020	-	(36,551,504)	(55,338,573)	(35,915,679)	(3,287,856)	-	(131,093,612)
Net book value:-							
As at December 31, 2020	16,470,500	6,456,540	12,445,728	1,557,401	376,640	-	37,306,809

Depreciation in the statement of comprehensive income for the period from July 1, 2020 to December 31, 2020

108

(Unit : Baht)

	Consolidated					Construction in progress	Total
	Land	Building	Machine and equipments	Fixture and office equipment	Vehicles		
Cost:-							
As at July 1, 2019	16,470,500	43,008,044	54,151,050	36,185,433	6,149,780	-	155,964,807
Increase from business combination	-	-	13,694,551	1,280,654	3,686,008	8,801,321	27,462,534
Addition	-	-	55,801	129,897	6,715,005	20,279,901	27,180,604
Disposal/Write off	-	-	-	-	(3,317,060)	-	(3,317,060)
As at June 30, 2020	16,470,500	43,008,044	67,901,402	37,595,984	13,233,733	29,081,222	207,290,885
Accumulated depreciation :-							
As at July 1, 2019	-	(35,248,639)	(50,758,086)	(34,369,539)	(5,405,685)	-	(125,781,949)
Increase from business combination	-	-	(2,486,470)	(338,371)	(952,699)	-	(3,777,540)
Depreciation for the year	-	(869,286)	(1,425,953)	(993,108)	(1,385,543)	-	(4,673,890)
Disposal/Amortization	-	-	-	-	3,041,862	-	3,041,862
As at June 30, 2020	-	(36,117,925)	(54,670,509)	(35,701,018)	(4,702,065)	-	(131,191,517)
Net book value:-							
As at June 30, 2020	16,470,500	6,890,119	13,230,893	1,894,966	8,531,668	29,081,222	76,099,368

Depreciation in the statement of comprehensive income for the year ended June 30, 2020

4,673,890

(Unit : Baht)

	Separate financial statement			
	Machine and equipments	Fixture and office equipment	Vehicles	Total
Cost:-				
As at July 1, 2020	43,715,600	36,082,727	6,314,080	86,112,407
Impact of changes in accounting policy (Note 5.2)	-	-	(3,481,360)	(3,481,360)
As at July 1, 2020 (as restated)	43,715,600	36,082,727	2,832,720	82,631,047
Addition	-	-	-	-
Disposal/Write off	-	-	-	-
As at December 31, 2020	43,715,600	36,082,727	2,832,720	82,631,047
Accumulated depreciation :-				
As at July 1, 2020	(41,442,643)	(35,075,032)	(2,989,369)	(79,507,044)
Impact of changes in accounting policy (Note 5.2)	-	-	156,659	156,659
As at July 1, 2020 (as restated)	(41,442,643)	(35,075,032)	(2,832,710)	(79,350,385)
Depreciation for the period	(412,993)	(175,617)	-	(588,610)
Disposal/Amortization	-	-	-	-
As at December 31, 2020	(41,855,636)	(35,250,649)	(2,832,710)	(79,938,995)
Net book value:-				
As at December 31, 2020	1,859,964	832,078	10	2,692,052

Depreciation in the statement of comprehensive income for the period from July 1, 2020 to December 31, 2020 588,610

(Unit : Baht)

	Separate financial statement					
	Land	Building	Machine and equipments	Fixture and office equipment	Vehicles	Total
Cost:-						
As at July 1, 2019	16,470,500	43,008,044	53,446,650	36,045,127	6,149,780	155,120,101
Addition	-	-	-	37,600	3,481,360	3,518,960
Disposal/Write off	(16,470,500)	(43,008,044)	(9,731,050)	-	(3,317,060)	(72,526,654)
As at June 30, 2020	-	-	43,715,600	36,082,727	6,314,080	86,112,407
Accumulated depreciation :-						
As at July 1, 2019	-	(35,248,639)	(50,053,689)	(34,242,066)	(5,405,685)	(124,950,079)
Depreciation for the year	-	(240,278)	(1,119,984)	(832,966)	(625,545)	(2,818,773)
Disposal/Amortization	-	35,488,917	9,731,030	-	3,041,861	48,261,808
As at June 30, 2020	-	-	(41,442,643)	(35,075,032)	(2,989,369)	(79,507,044)
Net book value:-						
As at June 30, 2020	-	-	2,272,957	1,007,695	3,324,711	6,605,363

Depreciation in the statement of comprehensive income for the year ended June 30, 2020

170818,773

As at December 31, 2020, certain plant and equipment items of the Group's have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 115.04 millions (June 30, 2020 : Baht 105.20 million).

## 20. Right-of-use assets

Consisted of :-

	(Unit : Baht)		
	Consolidated financial statements		
	Office equipment	Vehicles	Total
As at 1 July 2020	-	-	-
Impact of changes in accounting policy (Note 5.2)	-	8,021,449	8,021,449
As at 1 July 2020 (as restated)	-	8,021,449	8,021,449
Increase in right-of-use assets	214,129	273,327	487,456
Decrease in right-of-use assets	-	(590,429)	(590,429)
Depreciation during the period	(29,199)	(576,065)	(605,264)
As at 31 December 2020	184,930	7,128,282	7,313,212

	(Unit : Baht)		
	Separate financial statements		
	Office equipment	Vehicles	Total
As at 1 July 2020	-	-	-
Impact of changes in accounting policy (Note 5.2)	-	3,324,701	3,324,701
As at 1 July 2020 (as restated)	-	3,324,701	3,324,701
Increase in right-of-use assets	-	-	-
Depreciation during the period	-	(221,871)	(221,871)
As at 31 December 2020	-	3,102,830	3,102,830

Expenses relating to leases consisted of:-

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
	December 31, 2020	December 31, 2020
Interest expense on lease liabilities	469,796	66,290
Expense relating to short-term lease	944,756	186,000
Expense related to lease of low-value asset	-	-



21. Intangible assets

Consisted of :-

	(Unit : Baht)		
	Computer program	Consolidated Computer program during installation	Total
Cost :-			
As at July 1, 2020	2,906,332	700,000	3,606,332
Purchase	-	-	-
Disposal/Write off	-	(700,000)	(700,000)
As at December 31, 2020	2,906,332	-	2,906,332
Accumulated amortization :-			
As at July 1, 2020	(2,717,332)	-	(2,717,332)
Amortization for the period	(27,885)	-	(27,885)
As at December 31, 2020	(2,745,217)	-	(2,745,217)
Net book value :-			
As at December 31, 2020	161,115	-	161,115
Amortization for the period from July 1, 2020 to December 31, 2020			27,885

	(Unit : Baht)		
	Computer program	Consolidated Computer program during installation	Total
Cost :-			
As at July 1, 2019	2,820,296	700,000	3,520,296
Increase from business combination	43,536	-	43,536
Purchase	42,500	-	42,500
Disposal/Write off	-	-	-
As at June 30, 2020	2,906,332	700,000	3,606,332
Accumulated amortization :-			
As at July 1, 2019	(2,617,930)	-	(2,617,930)
Increase from business combination	(4,378)	-	(4,378)
Amortization for the year	(95,024)	-	(95,024)
As at June 30, 2020	(2,717,332)	-	(2,717,332)
Net book value :-			
As at June 30, 2020	189,000	700,000	889,000

(Unit : Baht)

	Separate financial statement		
	Computer program	Computer program during installation	Total
Cost :-			
As at July 1, 2020	2,836,196	700,000	3,536,196
Purchase	-	-	-
Disposal/Write off	-	(700,000)	(700,000)
As at December 31, 2020	2,836,196	-	2,836,196
Accumulated amortization :-			
As at July 1, 2020	(2,703,745)	-	(2,703,745)
Amortization for the period	(23,701)	-	(23,701)
As at December 31, 2020	(2,727,446)	-	(2,727,446)
Net book value :-			
As at December 31, 2020	108,750	-	108,750
Amortization for the period from July 1, 2020 to December 31, 2020			23,701

(Unit : Baht)

	Separate financial statement		
	Computer software	Computer software during installation	Total
Cost :-			
As at July 1, 2019	2,793,696	700,000	3,493,696
Purchase	42,500	-	42,500
Disposal/Write off	-	-	-
As at June 30, 2020	2,836,196	700,000	3,536,196
Accumulated amortization :-			
As at July 1, 2019	(2,615,102)	-	(2,615,102)
Amortization for the year	(88,643)	-	(88,643)
As at June 30, 2020	(2,703,745)	-	(2,703,745)
Net book value :-			
As at June 30, 2020	132,451	700,000	832,451
Amortization for the year ended on June 30, 2020			88,643



22. Short-term loan from financial institution

Consisted of:-

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Trust receipts	-	16,871,757	-	16,871,757

For the year ended June 30, 2020, short - term loan from financial institution carry interest rates of 2.75% - 15.00% per annum, with some deposits of financial institutions as collateral for loans. ( describe in Note. 16)

23. Trade and other current payable - third parties

Consisted of:-

(Unit : Baht)

	Consolidated		Separate financial statement	
	<u>December 31,</u> <u>2020</u>	<u>June 30,</u> <u>2020</u>	<u>December 31,</u> <u>2020</u>	<u>June 30,</u> <u>2020</u>
Trade payables	19,944,375	42,655,607	7,394,234	20,386,330
Other payables	16,931,719	16,955,148	14,422,132	14,864,288
Accrued expenses	8,381,357	9,198,523	3,261,249	4,189,074
Suspend output vat	1,371,937	2,324,798	30,550	860,583
Withholding tax payable	136,055	252,622	81,436	81,845
Corporate tax payable	62,734	1,038,857	-	-
Total	46,828,177	72,425,555	25,189,601	40,382,120

For the year ended June 30, 2020, the Company's then management entered into 11 agreements with a company to provide legal service to the Company and entered into 6 consultation agreements to provide business and legal advice to the Company. The Company recognized the said service fee totalling Baht 32.01 million as expenses in the consolidated and separate statements of comprehensive income for the year ended June 30, 2020 and recognized Baht 12.27 million of the unpaid portion as other payable in the consolidated and separate statements of financial position as at December 31, 2020 and as at June 30, 2020.

The Company sent notifications to a counterparty, which provide the legal service to the Company, requesting for the performance evidence to be submitted to the Company. This evidence is required for appropriate account recording for the transactions, but the performance evidence has not been received from the counterparty. In August 2020, the Company has sent a termination notice and demanded refund from the counterparty. The counterparty informed the Company that the said service agreement is legally effective and declined to pay the refund. In September 2020, the Company assigned a lawyer to file litigation to the court against the counterparty and related persons to inquire and proof the related evidence and demand the counterparty and related persons to jointly pay compensation of Baht 9.40 million with interest. Nevertheless, in December 2020, the counterparty has filed litigation to the court demanding the Company to pay Baht 12.00 million of outstanding service fee (item shown and included in other payables) with interest to the counterparty. At present, the said litigation is in the court proceeding.

Furthermore, the Company sent notifications to several counterparties, which provide the business and legal consultant services to the Company, requesting for the performance evidence to be submitted to the Company. This evidence is required for appropriate account recording for the transactions, but the performance evidence has not been received from the counterparties. In July 2020, the Company has sent termination notices and demanded refund from the counterparties. At present, the refunds are being called from the counterparties. The Company's legal counsel is of the opinion that, for the litigations filed against 6 consultants to demand the refunds of Baht 10.36 million in consultant fee, The Company's legal counsel would like to notify that, in addition we are under the collection information in term of documents and related evidences thus information that we have such as employees contract, Memorandum of Agreement in term of times expansion and expenses for consultant only. If the company could not find any related evidences to prove that no hiring or actual work or such consultant have any relationship close to directors then there will be litigation immediately which causing high chance of losing this case and could be sued.

24. Contract liabilities- third parties

Consisted of:-

	Consolidated		Separate financial statement	
	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
Advance revenue	-	-	4,173,063	4,173,063

(Unit : Baht)

25. Short-term loan from third parties

Consisted of:-

(Unit : Baht)

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Short-term loan from third parties	45,000,000	43,002,740	-	-

One subsidiary's short-term loan from other company bears interest at 15% per annum and paid interest expense in advance for 6 months. The subsidiary would be repaying the principle of loan within October 16, 2020. These are collateralized by land and the structure thereon as discussed in Note. 19, which is in the process of waiver payment.

26. Provision for employee termination

During the year ended June 30, 2020, the Company issued employee termination letter for 33 persons. However, the employee termination letter was considered invalid. Since, Board of Director who approved the letter, is co-board of director which had no authority to approved. Therefore, the Company issued a notice letter to informed employees to returned to work within 3 days from the date of the letter. Nevertheless, the employees were not return within the specified date. Therefore, the employees would be terminated according to the labour law. Then the employees have filed a complaint with the Department of Labour Protection and Welfare at Samut Prakan Province on November 26, 2019. Later, the Company have clarified this issue to the Department of Labour Protection and Welfare. On January 27, 2020, the Company received a notification from the Department of Labor that the Company will have to pay compensation in accordance with the labour law to employees amounting to Baht 14.64 million. Therefore, the management considers to recognize the provision of such liabilities in the financial statements for the year ended June 30, 2020.

During the year ended June 30, 2020, there are some employee who decided to work. The Company therefore, reverse the provision for terminated employee amounting to Baht 0.79 million.



27. Long-term loan from financial institutions

The movements of long-term loan from financial institution for the period from July 1, 2020 to December 31, 2020 are as follows :-

	(Unit : Baht)
	<u>Consolidated</u>
Opening book value as previously reported	25,031,000
Impact of changes in accounting policy (Note 5.1)	191,716
Opening book value as restated	25,222,716
Addition during the period	-
Repayment during the period	(1,734,252)
Amortize front-end-fee	32,649
Interest paid in effective interest rate	140,331
Transfer to liabilities included in disposal asset group classified as held for sales	(23,661,444)
Ending book value	-

Summary of long-term loan from financial institution included their interest rate and term payment as follow :-

Credit facility (Million Baht)						
	December 31,	June 30,				
	<u>2020</u>	<u>2020</u>	<u>Period</u>	<u>Interest Rate</u>	<u>Payment</u>	<u>Collateral</u>
1 <sup>st</sup> credit facility line	50.06	50.06	Jan 2018 - Jul 2026	MLR-1.00	The first installment was paid on the maturity date of 8 months from loan agreement . Monthly payment of Baht 348,000.	pledged by cash at bank , machinery of the subsidiary and transfer the right to claim the payment for electricity from solar roof.

Such loan has condition to the subsidiary have not change the major shareholder along with the loan agreement period. During the period ended December 31, 2020, Subsidiary company had change major shareholder to Dimet (Siam) PCL which was not compliance with loan agreements condition. Therefore, the subsidiary has presented the balance of loan from financial institution as current liabilities in the statement of financial position.

As at October 7, 2020, IGEN Energy Company Limited and Millcon Burapa Company Limited has made MOU to Note 15, as at December 31, 2020, the Group has classified long-term loans from financial institutions as liabilities directly associated with the non-current assets or disposal asset group classified as held for sales amounting to Baht 23.66 million in the consolidated financial statements.

28. Lease liabilities

Consisted of :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Lease liabilities - third parties	6,783,334	7,905,798	2,565,894	2,724,619
Lease liabilities - related parties	-	-	-	-
Total	6,783,334	7,905,798	2,565,894	2,724,619

Change of lease liabilities for the period from July 1, 2020 to December 31, 2020 is as follows :

	(Unit : Baht)	
	<u>Consolidated</u>	<u>Separate financial statement</u>
Opening book value as previously reported	7,905,798	2,724,619
Impact of changes in accounting policy (Note 5.2)	-	-
Opening book value as restated	7,905,798	2,724,619
Additions during the period	215,585	-
Repayment during the period	(1,338,049)	(158,725)
Ending balance	6,783,334	2,565,894

The maturity analysis of lease liabilities is as follows:-

	Consolidated			Separate financial statement		
	As at December 31, 2020					
	Lease	Deferred		Lease	Deferred	
	<u>liabilities</u>	<u>lease charges</u>	<u>Net</u>	<u>liabilities</u>	<u>lease charges</u>	<u>Net</u>
Not later than 1 year	1,838,904	(511,008)	1,327,896	585,039	(117,111)	467,928
Later than 1 year but						
not later than 5 years	6,405,287	(949,849)	5,455,438	2,340,145	(242,179)	2,097,966
Total	8,244,191	(1,460,857)	6,783,334	2,925,184	(359,290)	2,565,894

(Unit : Baht)

	Consolidated			Separate financial statement		
	As at June 30, 2020					
	Lease liabilities	Deferred lease charges	Net	Lease liabilities	Deferred lease charges	Net
Not later than 1 year	2,142,301	(596,042)	1,546,259	540,036	(127,471)	412,565
Later than 1 year but not later than 5 years	7,527,027	(1,167,488)	6,359,539	2,610,163	(298,109)	2,312,054
Total	9,669,328	(1,763,530)	7,905,798	3,150,199	(425,580)	2,724,619

As at December 31, 2020, the Group performs the contract of long term financial leased with several lessor companies so as to lease vehicles and rental office area by number of 4 contracts (June 30, 2020 : 6 contract). The leased contracts determine leased fee repayment as monthly installment Baht 22,000 to 42,059 per month (June 30, 2020 : Baht 12,600 to 42,059 per month). The leased period is carried 4 - 6 years (June 30, 2020 : 4 - 6 years).

## 29. Employee benefit obligation

Changes in the present value of the employee benefit obligation in case of retirement or termination under the labor law for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 is as follows :-

	Consolidated		Separate financial statements	
	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
As at July 1,	2,946,318	4,177,221	248,465	4,177,221
Increased from business acquisition	-	458,182	-	-
Current service cost	109,137	357,604	4,810	107,300
Interest cost	17,305	58,466	1,665	33,888
Actuarial losses arising from change in demographic assumption	205,404	254,938	54,071	-
Actuarial losses arising from change in financial assumption	103,979	84,546	33,999	632,925
Actuarial losses arising from change in experience adjustment	1,349,913	136,691	983,796	-
Transfer-out	(480,415)	(2,581,330)	-	(4,702,869)
Benefit obligation paid	-	-	-	-
As at December 31,	4,251,641	2,946,318	1,326,806	248,465



Principal actuarial assumptions as at December 31, 2020 and June 30, 2020 are as follows :

	Consolidated		Separate financial statements	
	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Discount rate at end of year	1.17%	1.29% - 1.98%	1.17%	1.29%
Future salary growth	3.50%	3.18% - 5.50%	3.50%	3.18%
Proportion of employees opting for early retirement	11.46% - 34.38%	0.00% - 36.00%	11.46% - 34.38%	0.00% - 36.00%

Changes in the actuarial assumption will affect to the employee benefit obligation as at December 31, 2020 and June 30, 2020 are as follows :-

	Consolidated		Separate financial statement	
	Employee benefit obligation Increase (decrease)			
	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
If the discount rate increase 0.50%	(146,666)	(130,264)	(43,468)	(8,773)
If the discount rate decrease 0.50%	138,469	138,019	41,406	9,282
If the future salary growth increase 1%	123,374	271,764	39,859	16,874
If the future salary growth decrease 1%	(135,304)	(259,148)	(42,987)	(16,122)
If the proportion of employees opting for early retirement increase 20.00%	(41,607)	(154,278)	(13,408)	(10,207)
If the proportion of employees opting for early retirement decrease 20.00%	41,122	163,302	13,264	10,775

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

	Consolidated financial statement		Separate financial statement	
	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Not later than 1 year	715,065	180,100	250,000	-
2 - 5 years	1,261,692	1,329,033	-	-
More than 5 years	5,753,994	2,184,371	1,918,222	360,562
Total	7,730,751	3,693,504	2,168,222	360,562

As at December 31, 2020, the weighted average duration of the defined employee benefit obligation of the Company is 9 years on consolidated and separate financial statements (June 30, 2020 : 10 years on consolidated and separate financial statements).

30. Deferred tax liabilities

Changed of deferred tax assets and liabilities for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 is as follows:-

(Unit : Baht)

	Consolidated					
	July 1, 2019	Recognized in profit or loss	Recognized in comprehensive income	June 30, 2020	Recognized in profit or loss	Recognized in comprehensive income
Trade and other current receivable - third parties	131,149	7,340	-	138,489	(138,489)	-
Contract assets - third parties	-	431,055	-	431,055	(449,310)	-
Inventories	48,122	36,715	-	84,837	(84,837)	-
Other long-term investments	131,730	-	-	131,730	(131,730)	-
Property, plant and equipment	-	39,272	-	39,272	(581,898)	-
Contract liabilities - third parties	-	(567,154)	-	(567,154)	567,154	-
Employee benefit obligation	-	570,921	(31,350)	539,571	(539,571)	-
Total	311,001	518,149	(31,350)	797,800	(1,358,681)	-

(Unit : Baht)

	Separate financial statement					
	July 1, 2019	Recognized in profit or loss	Recognized in comprehensive income	June 30, 2020	Recognized in profit or loss	Recognized in comprehensive income
Property, plant and equipment	-	-	-	-	(439,744)	-
						(439,744)

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

(Unit : Baht)

	Consolidated		Separate financial statement	
	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
Amount recognized as assets/liabilities in the statement of financial position				
- Deferred tax assets	-	848,852	-	-
- Deferred tax liabilities	(560,881)	(51,052)	(439,744)	-
Total	(560,881)	797,800	(439,744)	-

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

(Unit : Baht)

	Consolidated financial statement		Separate financial statement	
	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Unused tax losses				
- Expire in next 1 year	2,914,877	-	2,914,877	-
- Expire in next 2-13 years	14,521,490	12,425,677	13,268,308	12,425,677
Temporary differences	46,871,197	38,956,568	39,842,802	38,956,568
Total	64,307,564	51,382,245	56,025,987	51,382,245

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

(Unit : Baht)

	Consolidated	
	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Deferred tax assets (liabilities) are not recognized :		
- Subsidiary	5,410,041	(1,003,656)
Total	5,410,041	(1,003,656)

### 31. Share capital

	Number of share (Unit : share)	Amount (Unit : Baht)
Registered share capital (Baht 0.50 per share)		
As at July 1, 2019	806,860,341	403,430,171
Reduction of capital	(268,952,742)	(134,476,371)
Increment of capital	1,075,815,198	537,907,599
As at June 30, 2020	1,613,722,797	806,861,399
Reduction of capital	(1,074,881,352)	(537,440,676)
Increment of capital	1,883,843,904	941,921,952
As at December 31, 2020	2,422,685,349	1,211,342,675



	Number of shares (Unit : Shares)	Ordinary shares (Unit : Baht)	Premium on ordinary share (Unit : Baht)	Discount on ordinary share (Unit : Baht)	Total (Unit : Baht)
Paid-up capital (Baht 0.50 per share)					
As at July 1, 2019	537,906,894	268,953,447	154,862,636	-	423,816,083
Warrants converted to common shares	705	352	459	-	811
Increment of share capital	466,923	233,462	-	-	233,462
As at June 30, 2020	538,374,522	269,187,261	154,863,095	-	424,050,356
Increment of capital	1,076,749,044	538,374,522	-	(430,699,618)	107,674,904
As at December 31, 2020	1,615,123,566	807,561,783	154,863,095	(430,699,618)	531,725,260

The warrants holders (DIMET-W2) exercised the right to purchase the common shares on July 19, 2019 amounting to Baht 352.50 (705 shares at Baht 0.50 per value).

At the Ordinary General Meeting held on December 19, 2019, the shareholders passed a resolution to approve the following:

- Decrease of the Company's registered share capital from Baht 403,430,170.50 (806,860,341 shares at Baht 0.50 par value) to Baht 268,953,799.50 (537,907,599 shares at Baht 0.50 par value) by cancelling 268,952,742 unissued ordinary shares at the par value of Baht 0.50 each which reserved for the exercise of warrants No.2 (DIMET-W2) on the maturity date at July 19, 2019

- Increase of the Company's registered share capital from Baht 268,953,799.50 (537,907,599 shares at Baht 0.50 par value) to Baht 806,861,398.50 (1,613,722,797 shares at Baht 0.50 par value) by issuing 1,075,815,198 new common shares at the par value of Baht 0.50 per share. The allotment of new common shares as follows:

- 1) 537,907,599 shares were used in a right offer to existing shareholders of 1 share for each existing share at a price of Baht 0.50 each. The offer period was between January 23 – 24, 2020 and January 27 - 29, 2020 and resulted in an increase in share capital of Baht 233,461.50 (466,923 shares at Baht 0.50 par value).

- 2) Not exceed 537,907,599 shares at Baht 0.50 par value were offered as the exercise of warrants (DIMET-W3) to existing shareholders who subscribed and paid up for increased common share of 1 warrant for each existing share at a price of Baht 0.65 each. The Company has allocated 466,923 warrants (DIMET-W3) to existing shareholders who subscribed and paid up for increased common share.

At the Board of Directors Meeting no. 3/2020, held on February 11, 2020, the board of directors passed a resolution to approved the allocation new shares capital that remaining from Right offering to specified persons (Private placement) on amount of 537,440,676 shares at the price of Baht 0.50 per share which is the price equal to the offer price of the capital that increase (RO). It is not less than 90 percent of the weighted average market value of the shares. In this regard, the persons who have been allotted the newly issued common shares to the 2 specific persons as follows: Mr. Chalermchai Mahagitsiri in the amount of 129,000,000 shares and Mr. Wu Hua Sae Lee of 132,000,000 shares and they did not get Dimet-W3. On February 13, 2020, the specific persons as above are already paid for subscription share in the amount of Baht 130,500,000.

At the Board of Directors Meeting no. 5/2020, held on March 30, 2020, the board of directors passed a resolution to cancelled allotment of newly ordinary shares to private placement 2 persons according to resolution of Board of Directors meeting no. 3/2020 which held on February 11, 2020, of allotment of newly ordinary shares to private placement of 2 persons of 261,000,000 shares and allow the company to return money to them in the amount of Baht 130,500,000 as both of them informed to cancel such new share subscribing with company as Ua Withya Public Company Limited filed the complaints and sued to court in allotment of newly ordinary shares registration processes delayed the whole processes and damage subscribers. However, the Company transferred the money to Mr. Chalermchai Mahagitsiri amounting to Baht 64,500,000 and Mr. Yiu Wah Lee amounting to Baht 66,000,000 on March 30, 2020. From the above issue, Mr. Chalermchai Mahagitsiri and Mr. Yui Wah Lee sent letters of damages to the Company, consists of damage charge including with interest charge with amounting to Baht 28,976,404 and Baht 29,605,275, respectively.

At the Extraordinary Meeting of shareholders No.2/2020 held on September 30, 2020, the shareholders passed a resolution to approve the following:

- Decrease registered capital amounting of Baht 537,440,676 thus existing registered capital equal to Baht 806,861,398.50 to Baht 269,420,722.50 (new capital) by cancellation of ordinary shares and warrants (unsold) as amounting of 1,074,881,352 shares (par value of Baht 0.50) by 466, 923 remaining shares in order to reserve for right of DIMET-W3 (par value of Baht 0.50).
- Increase registered capital from Baht 269,420,722.50 to Baht 1,211,342,674.50 therefore increased by 941,921,952.00 thus newly issue ordinary shares not exceed 1,883,843,904 shares (par value Baht 0.50).
- Allocation of newly issued ordinary shares as amount not exceeding 1,833,843,904 shares (par value of Baht 0.50) as follows:



1) Allocation of newly issued shares as amount not exceed 1,076,749,044 shares (par value of Baht 0.50) to existing shareholders at the ratio of 1 existing shares to 2 newly ordinary shares (any fraction will be discarded) and offering price of Baht 0.10.

2) Allocation of newly issued ordinary shares not exceed 806,553,591 shares as par value of Baht 0.50 in order to reserve rights of warrant no.4 as offering to existing shareholders of company (Rights Offering) that has been allocated newly issued ordinary shares who have subscribed and paid for subscription of newly issued ordinary shares of the Company in proportion to their shareholding without charge at the ratio of 1.335 newly ordinary shares to 1 unit of warrant (DIMET-W4) (any fraction will be discarded) thus exercise price equals to Baht 0.50 per share.

3) Allocation of newly issued ordinary shares not exceed 541,269 shares as par value of Baht 0.50 in order to reserve right adjustment of right purchase newly issued ordinary shares of the company DIMET-W3 due to offering of newly issued ordinary shares by Rights Offering at price of lower than 90% of market price.

- Issuance and allotment newly issued ordinary shares No.4 (DIMET-W4) ("warrant") as amount not exceed 806,553,591 unit to existing shareholders who subscribed by Rights Offering at ratio of 1.335 ordinary shares to 1 unit of warrant (any fraction discarded) as offering price of Baht 0 and ratio of 1 unit of warrant as right to purchase increase ordinary share of company of 1 share (par value Baht 0.50), exercise price of Baht 0.50 per share.

The Company had registered the capital with the Department of Business Development, Ministry of Commerce, effective on October 1, 2020 for reduction of capital and on October 2, 2020 for increment of capital.

On October 22 - 29, 2020, the Company offers ordinary shares by number of 1,076,749,044 shares to existing shareholders. Such ordinary shares comprise par value of Baht 0.50 per share. Shares are offered in the price of Baht 0.10 per share aggregating to total amount of Baht 107,674,904.40. The Company has allocated 806,553,591 warrants (DIMET-W4) to existing shareholders who subscribed and paid up for increased common share.

The shares increment is registered for paid-up from Baht 269,187,261 to Baht 807,561,783 at the Ministry of Commerce on November 5, 2020.



#### Warrant (DIMET-W3)

On April 20, 2020, the Company disposed warrants of 466,923 units (DIMET-W3) to the former shareholders. The warrants (DIMET-W3) the detail by summation as follows:

- It is the kind of specifying the names of holders and the holders can be changed. The warrants as registered as securities in the Market for Alternative Investment (MAI).
- The age of warrant is 2 years.
- The date the warrants are issued on April 20, 2020.
- The rate of warrants right exercise is one unit over one ordinary share.
- The exercised price is Baht 0.65 per share.
- The exercise dates are on every the date 20<sup>th</sup> of the May, August, November and February and the last exercise date is February 18, 2022.

As at December 31, 2020, the remaining warrants (DIMET-W3) not yet exercised are 466,923 units.

#### Warrant (DIMET-W4)

On September 30, 2020, the Company disposed warrants of 806,553,450 units (DIMET-W4) to the former shareholders. The warrants (DIMET-W4) the detail by summation as follows:

- It is the kind of specifying the names of holders and the holders can be changed. The warrants as registered as securities in the Market for Alternative Investment (MAI).
- The age of warrant is 3 years.
- The date the warrants are issued on November 16, 2020.
- The rate of warrants right exercise is one unit over one ordinary share.
- The exercised price is Baht 0.50 per share.
- The exercise dates are at last business day of March, June, September, December of every year. The first exercise date is March 31, 2021 and the last exercise date is the maturity date of 3 years from the date of issuance of the warrants.

As at December 31, 2020, the remaining warrants (DIMET-W4) not yet exercised are 806,553,591 units.

### The capital management

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

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

### 32. Legal reserve

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

### 33. Income tax (income) expense

The income tax (income) expenses recognized in profit or loss for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 are as follow:

	Consolidated		Separate financial statement	
	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
Current tax expense	220,939	3,261,500	-	-
(Income) expense deferred tax expense relating to the origination and reversal of temporary differences	1,358,682	(518,149)	439,744	-
Total income tax (income) expense recognized in profit or loss	1,579,621	2,743,351	439,744	-

The relationship between income tax (income) expense and accounting loss for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020, are as follow :-

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Accounting loss	(50,941,661)	(87,522,121)	(35,576,085)	(102,789,408)
Tax rate used	20%	20%	20%	20%
Tax at the applicable tax rate	(10,188,332)	(17,504,424)	(7,115,217)	(20,557,882)
Temporary difference not recognized as a deferred tax asset	6,555,969	11,806,098	520,399	12,258,098
Previous temporary difference not recognized as a deferred tax asset	(1,908,038)	-	(2,782,451)	-
Expenses that aren't deductible in determining taxation profit	1,257,268	822,585	6,059,505	71,357
Reversal of deferred tax assets	848,852	-	-	-
Expenses that are deductible at greater amount in determining taxation profit	-	6,955,548	-	6,955,548
Accumulated loss	-	(609,335)	-	-
Loss from operation for the period	5,013,902	1,272,879	3,757,508	1,272,879
Total income tax expense (income) recognized in profit and loss	1,579,621	2,743,351	439,744	-

	December 31,	June 30,
	<u>2020</u>	<u>2020</u>
Tax rate		
- The Company and subsidiary in Thailand		
- Profit of non-BOI business	20%	20%
- Profit of BOI business		
- Exemption from taxation	-	-
- Reduction of tax 50%	10%	10%

The income tax (income) expenses recognized in other comprehensive income for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 are as follow:

	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Deferred tax				
Actuarial losses	-	31,350	-	-
Total income tax expense recognized in other comprehensive income	-	31,350	-	-

### 34. Loss per share

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

Diluted earnings per share is calculated by the sum of the weighted average number of ordinary shares in issue during the period and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. By supposition that if taking money received from right exercise from such warrants to purchase ordinary shares back in the market price of diluted equivalent ordinary shares; for example, warrants to purchase ordinary shares in the case that prices according to the rights of warrants constitute value lower than market price.

As at December 31, 2020, the Company did not include ordinary shares derived from warrants to purchase ordinary shares as diluted equivalent ordinary shares in the computation of diluted earnings per share since exercised price obtains the value higher than market price of ordinary shares.

### 35. Supplemental disclosures of cash flow information

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

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Cash on hand	107,034	140,971	50,289	47,336
Cash deposits-Saving accounts	62,130,861	6,955,777	58,385,356	461,297
Cash deposits-Current accounts	9,749,961	2,250,915	9,720,826	1,517,290
Fixed-deposits not exceeding 3 months	23,439	47,575	23,439	47,575
Cheque Received	-	79,125	-	-
Total	72,011,295	9,474,363	68,179,910	2,073,498



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

	Consolidated		Separate financial statements	
	December 31,	June 30,	December 31,	June 30,
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Offsetting the share payment by trade accounts receivable	-	26,269,820	-	26,269,820
Offsetting the share payment by short-term loan to related parties	-	6,500,000	-	6,500,000
Payment of share purchasing by issue promissory note after offsetting	-	7,321,913	-	7,321,913
Purchase of asset under lease agreement	215,585	6,025,005	-	2,791,360
Assets as held for sales but not yet paid	24,166,564	1,000,000	-	1,000,000
Transfer of land, building, and machinery to subsidiary company, not settle	-	-	-	23,989,648
Payment of trade accounts payable by issued letter of credit	-	16,871,757	-	16,871,757
Offsetting payment of trade account payable by short - term loan to related party	-	2,928,426	-	-
Transfer of long - term investment to subsidiary company	-	-	-	300,000

## 35.3 Liabilities arising from financing activities :-

The movements of liabilities arising from financing activities for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 was as follow:-

	Consolidated		
	July 1, 2020	Cash flows	December 31,
			2020
Short-term loan from financial institution	16,871,757	(16,871,757)	-
Long-term loan from financial institution	25,031,000	(1,734,252)	23,661,444
Short-term loan from related parties	2,800,150	(150)	2,800,000
Short-term loan from third parties	43,002,740	1,997,260	45,000,000
Lease liabilities	7,905,798	(1,122,464)	6,783,334
Total	95,611,445	(17,731,363)	78,244,778

(Unit : Baht)

(Unit : Baht)

	Consolidated				June 30, 2020
	July 1, 2019	Cash flows	Business combination	Additions during the year	
Short-term loan from financial institution	-	16,871,757	-	-	16,871,757
Long-term loan from financial institution	-	-	25,031,000	-	25,031,000
Short-term loan from related parties	-	2,800,150	-	-	2,800,150
Short-term loan from third parties	-	43,002,740	-	-	43,002,740
Lease liabilities	443,973	(1,499,025)	3,124,292	5,836,558	7,905,798
Total	443,973	61,175,622	28,155,292	5,836,558	95,611,445

(Unit : Baht)

	Separate financial statement				December 31, 2020
	July 1, 2020	Cash flows	Additions during the year		
Short-term loan from financial institution	16,871,757	(16,871,757)	-		-
Short-term loan from related parties	9,500,150	(150)	-		9,500,000
Lease liabilities	2,724,619	(158,725)	-		2,565,894
Total	29,096,526	(17,030,632)	-		12,065,894

(Unit : Baht)

	Separate financial statement				June 30, 2020
	July 1, 2019	Cash flows	Additions during the year		
Short-term loan from financial institution	-	16,871,757	-		16,871,757
Short-term loan from related parties	-	9,500,150	-		9,500,150
Lease liabilities	443,973	(1,499,025)	2,280,646		2,724,619
Total	443,973	24,872,882	2,280,646		29,096,526



### 35.4 Cash paid for business combination

For the year ended on June 30, 2020, the Group has acquired the business of IGEN Energy Co.,Ltd. (as described in Notes no. 18) Cash paid for business combination is as follows:-

	(Unit : Baht)
Purchase price for purchase of investment of subsidiaries	40,000,000
<u>Less</u> settled the accounts receivable and loans and accrued interest income	(32,678,087)
paid by issuance of promissory note	(7,321,913)
Business combinations that pay cash compensation	-
<u>Less</u> Cash and cash equivalents of subsidiaries acquired	(26,866,448)
Cash paid to obtain control net of cash acquired	(26,866,448)

### 36. Employee benefit

#### 36.1 Provident fund

For the period from July 1, 2020 to December 31, 2020, the Group recognizes as the employee benefit expense for the payment of contribution into the provident fund at the amount of Baht 0.27 million and Baht 0.40 million in consolidated and separate financial statement, respectively (For the year ended June 30, 2020 : Baht 0.46 million and Baht 0.42 million in consolidated and separate financial statement, respectively).

#### 36.2 Retirement employee benefit

For the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020, the Group recognizes the employee benefit expense in case of retirement or termination under the labor law, as follows:

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Amounts recognized in profit or loss				
Current service cost	109,137	357,604	4,810	107,300
Interest cost	17,305	58,466	1,665	33,888
Total amounts recognized in profit or loss	126,442	416,070	6,475	141,188
Amounts recognized in other comprehensive income				
Actuarial losses arising from change in demographic assumption	205,404	254,938	54,071	-
Actuarial losses arising from change in financial assumption	103,979	84,546	33,999	632,925
Actuarial (gain)losses arising from change in experience adjustment	1,349,913	136,691	983,796	-
Total amounts recognized in other comprehensive income	1,659,296	476,175	1,071,866	632,925
Total	1,785,738	892,245	1,078,341	774,113

An item of the employee benefit expense in case of retirement or termination under the labor law for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 are inclusively presented in the line items, as follows :

			(Unit : Baht)	
	Consolidated		Separate financial statement	
	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Cost of sales	71,715	58,466	1,665	33,888
Selling expenses	31,636	-	-	-
Administrative expenses	23,091	281,027	4,810	107,300
Management benefit expenses	-	76,577	-	-
Total	126,442	416,070	6,475	141,188

### 37. Expenses by nature

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

			(Unit : Baht)	
	Consolidated		Separate financial statements	
	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Changes in finished goods and work in process	1,141,869	(15,220,263)	2,034,190	(7,040,515)
Purchases of finish goods	1,265,694	91,933,282	23,026,424	22,176,997
Raw materials and consumable supplies used	34,725,671	157,368,163	4,523,894	101,722,949
Allowance for declining value of long - term investment	-	41,140,000	-	43,700,000
Salary wages and other employee	22,689,783	38,587,674	7,261,961	25,118,883
Loss from provision for employee termination	69,345	13,856,370	69,345	13,856,370
Professional and legal fee	1,128,811	33,054,757	777,074	32,867,051
Depreciation	2,099,209	4,768,914	834,182	2,907,416
Expensed Credit losses	33,314,862	7,964,457	9,479,745	7,925,244
Allowance for slow moving and obsolete inventories	4,133,987	648,994	2,595,523	491,125
Prohibit expenses	4,023,980	507,869	3,654,583	320,163

38. Credit line of financial institutions

(Unit: Million Baht)

	Consolidated					
	December 31, 2020			June 30, 2020		
	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Long-term loans	50.06	(23.38)	26.68	50.06	(25.03)	25.03
Letters of guarantee	-	-	-	16.93	(16.93)	-
Total	50.06	(23.38)	26.68	66.99	(41.96)	25.03

(Unit: Million Baht)

	Separate financial statement					
	December 31, 2020			June 30, 2020		
	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Letters of guarantee	-	-	-	16.93	(16.93)	-

The Group has pledged the Machine as mentioned in notes to financial statement no.19, and fixed deposits to guarantee against such credit facilities.

39. Operating segments

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

The Group classifies the operating segment in the form of type of business operated. The Group has five operating segments which consist of manufacture and distribution of paints segment, provision of construction service segment, sale of construction materials segment, provision of maintenance service segment and other segment.

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

The segment operation for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 are as follows:-

	Consolidated											
	Manufacture and distribution of paints		Provision of construction service		Sale of construction materials		Provision of maintenance service		Other		Total	
	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
Revenues from external customers	57.25	243.60	0.35	67.71	-	30.79	5.18	15.76	1.10	1.42	63.88	359.28
Gross margin (loss)	7.57	52.69	(0.44)	2.06	-	7.14	3.24	8.78	0.73	1.04	11.10	71.71
Other income											1.08	4.33
Gain on bargain purchase of investment in subsidiary											-	3.19
Distribution expenses											(10.19)	(30.18)
Administrative expenses											(47.96)	(132.59)
Finance cost											(4.97)	(3.98)
Loss before income tax expense											(50.94)	(87.52)

(Unit : Million Baht)

(Unit : Million Baht)

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

	Consolidated												Total	
	Manufacture and distribution of paints		Provision of construction service		Sale of construction materials		Provision of maintenance service		Other					
									Central					
									Total					
December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020			
Depreciation	1.04	3.16	-	-	-	-	0.40	1.10	-	-	0.65	0.50	2.09	4.76
Amortization	-	-	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01

(Unit : Million Baht)



For the period from July 1, 2020 to December 31, 2020, the Group has the revenue from sale of goods to 1 major customers in the amount of Baht 26.68 million earned from the business of manufacture and distribution of paints. (For the year ended June 30, 2020 : 1 major customers in the amount of Baht 75.66 million earned from the business of manufacture and distribution of paints segment).

#### 40. Revenue

The relationship between the revenue information disclosed for each reportable segment and the revenue derived from transfer of goods and services over time and a point in time for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 are as follows:

(Unit : Million Baht)

	Consolidated											
	For the three-month period ended on September 30,											
	Segment operation											
	Manufacture and distribution of paints		Provision of construction service		Sale of construction materials		Provision of construction service		Other		Total	
	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020	December 31, 2020	June 30, 2020
Revenue from external customers	57.25	243.60	0.35	67.71	-	30.79	5.18	15.76	1.10	1.42	63.88	359.28
Revenue recognized when a performance obligation												
- satisfied at a point in time	57.25	243.60	-	-	-	30.79	-	-	1.10	1.42	58.35	275.81
- satisfied over time	-	-	0.35	67.71	-	-	5.18	15.76	-	-	5.53	83.47
Total	57.25	243.60	0.35	67.71	-	30.79	5.18	15.76	1.10	1.42	63.88	359.28

The amount of the transaction price allocated to the performance obligations that are unsatisfied as at December 31, 2020 and June 30, 2020, are as follows:-

(Unit: Baht)

	Consolidated	
	December 31, 2020	June 30, 2020
Construction services	-	354,440
Maintenance service	300,000	5,174,120
Electricity sales	42,364,132	43,091,374
Total	42,664,132	48,619,934

The Company expects to recognize the amount of the transaction price allocated to the performance obligations that are unsatisfied as at December 31, 2020, as revenue in the future periods, as follow:-

(Unit: Baht)

	Consolidated			
	<u>2021</u>	<u>2022</u>	<u>2023 up to</u>	<u>Total</u>
Maintenance service	300,000	-	-	300,000
Electricity sales	2,353,563	2,353,563	37,657,006	42,364,132
Total	2,653,563	2,353,563	37,657,006	42,664,132

The Company expects to recognize the amount of the transaction price allocated to the performance obligations that are unsatisfied as at June 30, 2020, as revenue in the future periods, as follow:-

(Unit: Baht)

	Consolidated			
	<u>2020</u>	<u>2021</u>	<u>2022 up to</u>	<u>Total</u>
Construction services	354,440	-	-	354,440
Maintenance service	5,174,120	-	-	5,174,120
Electricity sales	1,164,632	2,329,263	39,597,479	43,091,374
Total	6,693,192	2,329,263	39,597,479	48,619,934

The amount of revenue recognized in the financial statement for the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020 that was included in the contract liability balance as at June 30, 2020 and 2019 are as follow:-

(Unit: Baht)

	Consolidated	
	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Provision of construction service	-	-

For the period from July 1, 2020 to December 31, 2020 and for the year ended June 30, 2020, there is not an amount of revenue recognized concerning the performance obligation satisfied in the previous period.

#### 41. Financial instruments

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



## Market risk

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

## Currency risk

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

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

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

Foreign currency	(Unit : Currency)	
	Consolidated	Separate financial statement
	Assets	Liabilities
USD	33,831	-
AUD	85	-
CNY	3	-
MYR	20	-
NZD	135	-

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

	(Unit : Baht)	
	Consolidated	Separate financial statement
	Profit before income tax increase (decrease)	
	December 31, 2020	December 31, 2020
If the USD/Baht exchange rate strange 3%	(30,313)	-
If the USD/Baht exchange rate weak 3%	30,313	-
If the AUD/Baht exchange rate strange 3%	(57)	(57)
If the AUD/Baht exchange rate weak 3%	57	57
If the CNY/Baht exchange rate strange 3%	(1)	(1)
If the CNY/Baht exchange rate weak 3%	1	1
If the MYR/Baht exchange rate strange 3%	(5)	(5)
If the MYR/Baht exchange rate weak 3%	5	5
If the NZD/Baht exchange rate strange 3%	(86)	(86)
If the NZD/Baht exchange rate weak 3%	86	86

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has long-term loans from financial institutions which require floating interest payments, therefore the Group is exposed to the risk of being affected by changes in market interest rates.

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

	(Unit : Thousand Baht)	
	Consolidated	Separate financial statement
	Profit before income tax increase (decrease)	
	<u>December 31, 2020</u>	<u>December 31, 2020</u>
If the interest rate increase 0.5%	0.03	-
If the discount rate decrease 0.5%	(0.03)	-

### Price risk

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

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

The sensitivity analysis for equity price risk will affect to the fair value of unlisted equity securities investment is described in notes to financial statement no.42.

### Credit risk

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

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

(Unit : Baht)

	Consolidated					Total
	Days past due as at December 31, 2020					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.05%-5.76%	0.08%-18.61%	1.36%-45.98%	20.37%-68.29%	100%	
Gross carrying amount – trade receivables	26,490,427	7,507,266	40,356,097	5,144,491	15,746,860	95,245,141
Gross carrying amount – contract assets	4,169,914	-	-	-	-	4,169,914
Expected credit loss	41,063	39,003	-	4,252,948	15,746,860	20,079,874

(Unit : Baht)

	Separate financial statement					Total
	Days past due as at December 31, 2020					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.14%-0.38%	0.69%-8.91%	13.85%-45.98%	20.37%-68.29%	100%	
Gross carrying amount – trade receivables	19,586,767	5,926,698	1,147,815	47,111,045	16,549,424	90,321,749
Expected credit loss	41,331	170,528	183,844	21,393,481	16,549,424	38,338,608

### Liquidity risk

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

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

(Unit : Baht)

As at December 31, 2020	Consolidated			Total	Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years		
Trade and other current payable - related parties	10,522,023	-	-	10,522,023	10,522,023
Trade and other current payable - third parties	46,828,176	-	-	46,828,176	46,828,176
Contract liabilities - third parties	2,800,000	-	-	2,800,000	2,800,000
Short-term loan from related parties	424,930	-	-	424,930	424,930
Short-term loan from third parties	45,000,000	-	-	45,000,000	45,000,000
Lease liabilities	1,838,904	6,405,287	-	8,244,191	6,783,334

(Unit : Million Baht)

As at December 31, 2020	Separate financial statements				Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years	Total	
Trade and other current payable - related parties	44,222,957	-	-	44,222,957	44,222,957
Trade and other current payable - third parties	25,189,602	-	-	25,189,602	25,189,602
Lease liabilities	585,039	2,340,145	-	2,925,184	2,565,894

#### 42. Fair value measurement

TFRS No.13 “Fair Value Measurement” defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

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

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

				(Unit : Million Baht)
Assets and Liabilities	Consolidated	Separate financial statement		Valuation techniques (For level 2 and 3)
		Fair value		
	December 31, 2020		Fair value hierarchy	
Investment in unlisted equity instrument	16.41	16.41	Level 3	Discounted Cash Flow
Investment in unlisted equity instrument	45.73	45.73	Level 2	Adjusted Book Value

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy are as follows:

Assets and Liabilities	Significant unobservable inputs	Consolidated	Separate financial statement
		December 31, 2020	December 31, 2020
Investment in unlisted equity instrument	Weighted average cost of capital	10.24%	10.24%
	Long-term revenue growth rate	5.00%	5.00%
	Long-term pre-tax operating margin	11.10%	11.10%
	Discount for lack of marketability	20.00%	20.00%



The sensitivity of the fair value measurement to changes in unobservable inputs are as follows

	(Unit : Baht)	
	Consolidated	Separated financial statement
	Increase (decrease) in fair value	
	December 31, 2020	December 31, 2020
<u>Investment in unlisted equity instrument</u>		
If the weighted average cost of capital increase 0.25%	(1,100,000)	(1,100,000)
If the weighted average cost of capital decrease 0.25%	1,210,000	1,210,000
If the long-term revenue growth rate increase 5%	2,100,000	2,100,000
If the long-term revenue growth rate decrease 5%	(3,500,000)	(3,500,000)
If the long-term pre-tax operating margin increase 1%	(20,000)	(20,000)
If the long-term pre-tax operating margin decrease 1%	20,000	20,000
If the discount for lack of marketability increase 5%	(1,025,000)	(1,025,000)
If the discount for lack of marketability decrease 5%	1,025,000	1,025,000

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

Assets and liabilities	(Unit : Baht)		
	Consolidated		
	December 31, 2020		
	Carrying amount	Fair value	Fair value hierarchy
Financial liabilities			
Short-term loan from related parties	2,800,000	2,817,458	Level 2
Short-term loan from third parties	45,000,000	43,239,130	Level 2

Assets and liabilities	(Unit : Baht)		
	Separate financial statement		
	December 31, 2020		
	Carrying amount	Fair value	Fair value hierarchy
Financial liabilities			
Short-term loan from related parties	9,500,000	9,559,233	Level 2

The carrying amount of cash and cash equivalents, deposits at banks pledged as collateral trade receivables and trade payables approximates the fair value.

The fair value of short-term loan from related party and third parties are determined by using the discounted cash flow method. The contractual future cash outflows are discounted at the current market interest rate for similar financial instruments enhanced by the Company's credit risk.

#### 43. Promotional privileges

Subsidiaries obtained promotional privileges from the Board of investment under the promotional certificate issued on 3 May 2018 for Production of electricity or electricity and steam from renewable energy, except from garbage or refuse derived fuel which is promotional privileges for Investment Promotion Measures in the Eastern Economic Corridor. Under these privileges, the Company has received an exemption from certain taxes and corporate income tax as specified in such promotional certificate for a period of 8 years, commencing from the first date the subsidiary generates income from operations. As a promoted business, the subsidiary is required to comply with the terms and conditions as specified in such promotional certificate. The subsidiary has not started production from investment promotion benefits and privileges.

#### 44. Commitments and contingent liabilities

- 44.1 As at December 31, 2020, the Group has commitments under security agreements for 2 contracts for a period of 1 year with an obligation to pay a monthly service fee of Baht 15,500 - 44,000.
- 44.2 As at December 31, 2020, the subsidiary has commitments under cleaning service contract with a company for a period of 1 year with an obligation to pay a monthly service fee of Baht 17,100.
- 44.3 As at December 31, 2020, the subsidiary has commitments under Employee shuttle service agreement with a company for a period of 1 year with an obligation to pay a monthly service fee of Baht 50,000.
- 44.4 As at December 31, 2020, the subsidiary has obligation under the power plant consultant contract for all projects for 1 contract with an obligation to pay a monthly service fee of Baht 20,619.
- 44.5 As at December 31, 2020 and June 30, 2020 , the subsidiary has a commitment under a computer system maintenance agreement with a company for 1 year with an obligation to pay a service fee of 20,000 baht.
- 44.6 As at December 31, 2020, the subsidiary has obligations under a legal advisor contract in connection with the Company's lawsuit for 1 contract with an obligation to pay a monthly service fee of Baht 50,000.
- 44.7 As at December 31, 2020, and June 30, 2020 , the Company and subsidiary have intellectual property agreements for the manufacture, distribution and technical assistance with two foreign companies as follows:



Agreement between the Company and subsidiary with Valspar Paint (formerly Wattyl), incorporated in Australia, for the production and distribution of timber coating and decorative paints which will last until June 30, 2022. The Company and subsidiary agreed to pay fees at a percentage of net sale prices but not less than a minimum amount, except due to force majeure as specified in the agreement.

Agreement entered on March 28, 2017 for an initial period of 5 years, between the Company and Carboline International Corporation, incorporated in USA, for the production and distribution of conventional coatings, immersion coatings and fireproofing paints. The Company agreed to pay royalties at a percentage of net sales but not less than minimum amount as specified in the agreement.

45. Significant investment plan

At the Board of Directors Meeting No. 9/2019, held on September 9, 2019, the directors passed a resolution to approve the acquisition of 42,500 common share of IAM INDUSTRIAL ASSETS MANAGEMENT SRL ("IAM") representing 85% of the total paid-up share capital, from shareholders for an amount of Euro 3.36 million (equivalent to Baht 114.81 million). The transaction is expected to occur within January 2020, after shareholders pass a resolution to approve the increase of Company's share capital. The Company has paid a deposit of Euro 0.20 million (equivalent to Baht 5.32 million) which is included in non-current assets. The deposit is refundable if the transaction does not complete. On December 22, 2019, the Company entered into the Amendment of acquisition of common share of IAM INDUSTRIAL ASSETS MANAGEMENT SRL about the changing of the closing date from January 31, 2020 to February 29, 2020. As of December 31, 2020, the Company has considered canceling its investment in that company. Due to the infectious disease epidemic situation, the current Russ Corona 2019 does not allow investment. And has assigned a legal advisor to negotiate a refund from the seller.

#### 46. Reclassification of accounting transactions

Some transactions in consolidated and separate financial statements for the year ended June 30, 2020 are newly reclassified so as to comply with reflection in consolidated and separate financial statements for the period from July 1, 2020 to December 31, 2020 which can be summarized as follows:

		(Unit : Baht)	
		As at June 30, 2020	
Transactions which formerly presented	Reclassified	Consolidated	Separate financial statement
Cash and cash equivalents	Deposits at financial institutions pledged as collateral	1,801,800	-
Other receivable – Subsidiaries	Trade and other current receivable - related parties	-	24,457,583
Short-term loans to related parties and accrued interest	Trade and other current receivable - related parties	1,321,135	129,718
Short-term loans to third parties and accrued interest	Trade and other current receivable - third parties	104,862	-
Other current asset	Trade and other current receivable - third parties	12,983,859	6,773,505
Withholding tax receivable	Other non -current asset	1,956,173	5,578,528
Other payable – related parties	Trade and other current payable - related parties	-	11,420,835
Other payable	Trade and other current payable - third parties	16,572,536	14,554,266
Advance received – related parties	Contract liabilities - related parties	-	4,173,063
Contract liabilities	Trade and other current payable - third parties	(2,907,583)	-
Contract liabilities	Current portion of finance lease receivable	(973,350)	-
Contract liabilities	Finance lease receivable	(1,181,925)	-
Short-term loans from related parties and accrued interest	Trade and other current payable - related parties	9,897	36,396
Other current liabilities	Trade and other current payable - third parties	2,540,730	1,252,450
Other current liabilities	Trade and other current receivable - third parties	522,512	522,512
Accrued expenses	Trade and other current payable - third parties	6,611,514	4,214,358
Income tax payable	Trade and other current payable - third parties	1,038,857	-

#### 47. Approval of financial statements

These consolidated and separated financial statements were authorized for issue by the Company's board of directors on February 24, 2021.



**DIMET**

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