



Annual Report 2020

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Financial Highlights

31 DECEMBER 2020

2018

2019

2020

Statement of Income (Million Baht)

Sales Revenues	1,274.15	1,067.15	1,326.63
Service Revenues	10.85	35.52	74.62
Total Revenues	1,306.96	1,124.50	1,411.32
Total Costs	1,152.36	1,007.94	1,211.34
Gross Profit	132.64	94.72	189.92
Selling and administrative expenses	183.99	199.69	173.62
Net Profit	(45.47)	(137.45)	(182.96)

Statement of Financial Position (Million Baht)

Total Assets	3,213.88	2,968.37	2,933.40
Total Liabilities	1,395.41	1,340.77	1,500.81
Shareholders Equity	1,809.94	1,627.60	1,432.59
Shares and Fully Paid-up Share Capital (Million Shares)	750.00	750.00	750.00

Key Financial Ratios

Gross Margin (%)	10.32%	8.59%	13.55%
Net Profit Margin (%)	-3.48%	-12.22%	(12.96%)
Return on Equity (ROE) (%)	-2.45%	-7.86%	(11.84%)
Return on Total Asset (ROA) (%)	-1.21%	-3.60%	(5.06%)
Debt to Equity (D/E) (Times)	0.77	0.82	1.05
Earnings per Share (EPS) (Baht)	(0.06)	(0.18)	(0.24)

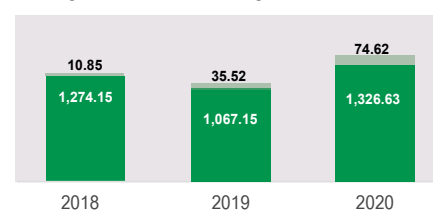
REVENUES (MB)

■ Total Revenues



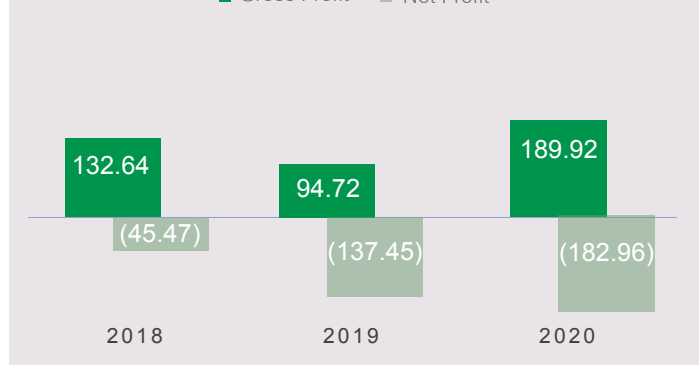
REVENUES (MB)

■ Sales Revenues ■ Service Revenues



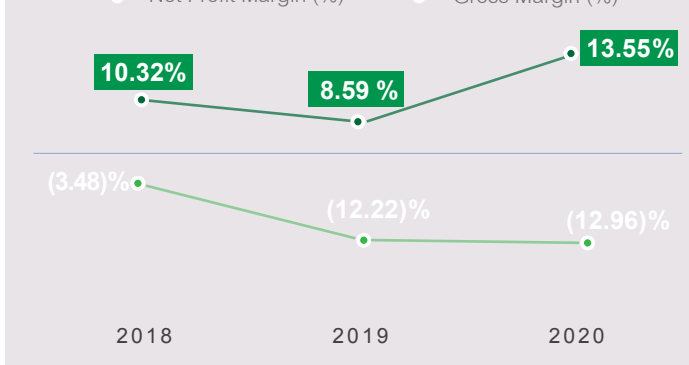
PROFIT (MB)

■ Gross Profit ■ Net Profit



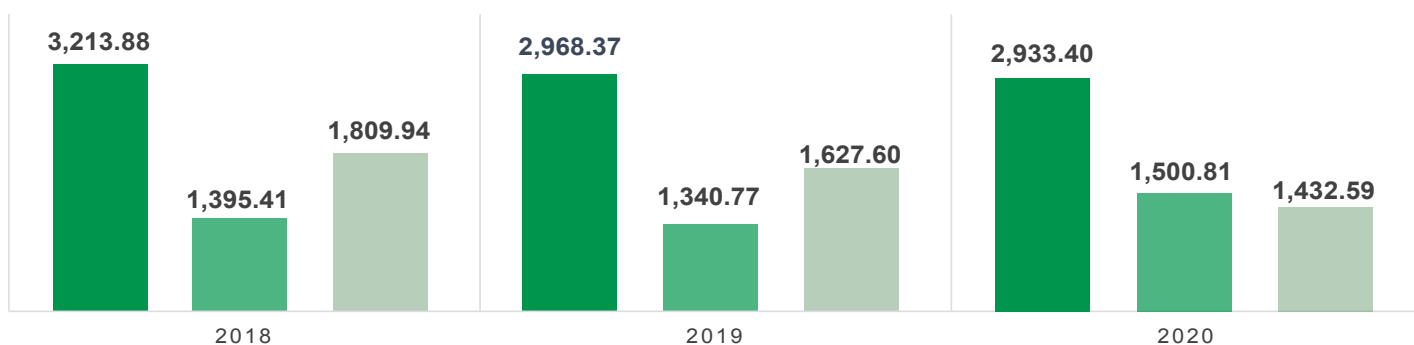
MARGIN

○ Net Profit Margin (%) ○ Gross Margin (%)



STATEMENT OF FINANCIAL POSITION (MB)

■ Total Assets ■ Total Liabilities ■ Shareholders Equity



Dear Shareholders,

From the epidemic situation of COVID – 19 impact on the global economy; Thailand is quite affected compared with other countries in ASEAN due to the main income from the tourist and export industries, many businesses need to close down or temporarily interrupted, the factories had to close their businesses and lay off resulting the high unemployment rate. Although the government has already implemented the economic stimulus measures to its fullest capacity but still unable to push back to a better state, it takes time and waits for the better of the epidemic situation.

In the year 2020, it's an extremely challenging year for the Company, the preparation of marketing plan and attempts to seek to operate more broadly in business make the Company got less impact and able to generate income from the business operations in domestic to achieve the goal. Nevertheless, the operation in Myanmar was decelerated due to the Myanmar Government needs to use most of the money to help the people affected by the epidemic first, causing the national development in infrastructure to be disrupted or postpone. As a result, the Company's business operation in Myanmar lower than the target, we still believe that in the long-term it should be a good opportunity for the Company.

For the year 2021, the Company still anticipates the impact of various businesses from the epidemic of COVID-19 and still takes time as long as the situation in domestic and foreign countries will be better or back to normal. The Company aware of the impact that may arise from the fluctuation of the business, therefore it is necessary to adjust the strategy in order to overcome this crisis by prescribes the strategy of more operations such as searching for a strong and expert partner, adaptation from sole manufacturer to infrastructure contractor, etc. in order to seek new opportunity to generate income and achieve the goals together with the preparation in all aspects for accommodate various changes that may occur in the future.

Finally, on behalf the Board of Directors, I would like to thank all Executives, Staffs for the determination, sacrifice and hard working to push on the Company to overcome this crisis, and thank all our shareholders, business partner and financial institution for your continued trust and support. It is our believe that, the Board of Directors will performs duties with responsibility in accordance with good governance principles, in order to create steady and sustainable growth for the Company.

Message from Chairman

Mr. Noppol Milinthatgoon
Chairman
Independent Director



Board of Directors



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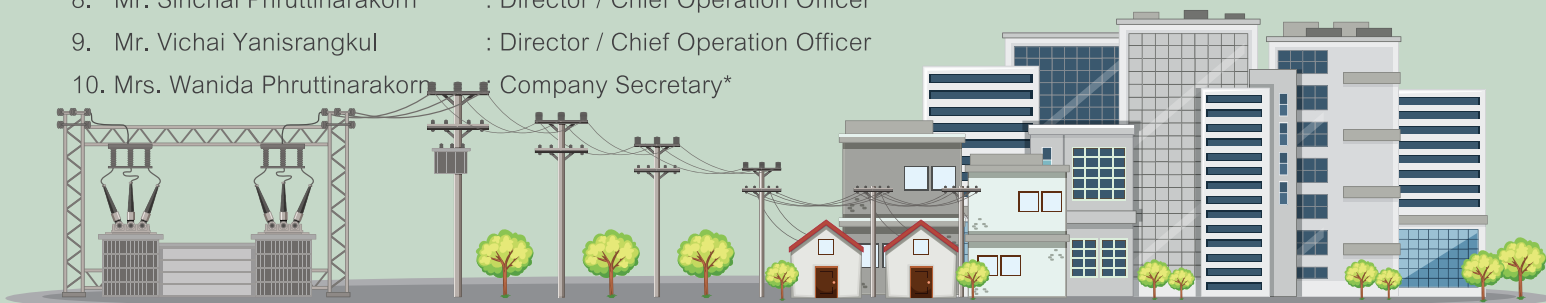


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1. Mr. Sumeth Chailertvanitkul : Chairman of Nomination and Remuneration Committees / Independent Director
2. Mrs. Pranee Phasipol : Chairman of Audit Committees / Nomination and Remuneration Committee / Independent Director
3. Mrs. Chattong Tippyayakalin : Audit Committee / Independent Director
4. Ms. Chaovana Viwatpanachati : Audit Committee / Independent Director
5. Ms. Aunada Phruttinarakorn : Nomination and Remuneration Committee / Director / Chairman of Executive Committees
6. Mr. Kriangkrai Pheanvitayaskul : Director / Chief Executive Officer
7. Mr. Thanawat Yanisrangkul : Director / Chief Financial Officer
8. Mr. Sirichai Phruttinarakorn : Director / Chief Operation Officer
9. Mr. Vichai Yanisrangkul : Director / Chief Operation Officer
10. Mrs. Wanida Phruttinarakorn : Company Secretary*



Business Information



Vision, Mission and Goals

Vision

Aim to be an ASEAN leading company in producing, constructing High Voltage Transmission Line System and Electricity Distribution System, as well as investing in public utility and renewable energy prospects.

Core Values



S = Superb

Total Quality & Continuous Development

H = Honesty

Trust & Integrity

A = Attitude

Ownership & Teamwork

R = Responsibility

Social & Environmental & Community Relationship

E = Experience

Professional & Sincere Service

Mission



- Join partnership with leading alliance for expanding production base and investment both domestically and internationally by adhering to the principle of honesty and reliability as the philosophy of business operation.
- Develop personnel potentials to increase their knowledge and capabilities for enhanced competitiveness in international level under changing environment and fierce competition.
- Strictly maintain the quality of products and services as well as customer satisfaction.
- Firmly be committed to create optimal and sustainable returns to all shareholders and interested persons.
- Manage by the principle of good corporate governance as well as social and environmental responsibility and Anti- Corruption

Main Organization Goals

- Increase investments in renewable energy power plants both domestic and overseas.
- Expand production base to Regional Level to back up the growth of ASEAN country group.
- Cooperate with allies in order to take jobs in Regional Level in order to expand customer bases.
- Issue new products in order to back up business expansion in the future and customers' diversified needs.
- Retaining the brand and the products of the company to be reliable and trusted by customers.



Company General Information

Company Name	: SCI Electric Public Co., Ltd. ("SCI")
Principal Office	: 107/1, Village No. 1, Bang Na-Trat Road, KM. 27, Bang Phriang Sub-district, Bang Bo District, Samut Prakan Province, 10560
Telephone	: 02-338-1414-9
Facsimile	: 02-708-0326-7
Investor Relations	: 02-744-1052 (IR@sci-groups.com)
Website	: http://www.sci-mfgr.com
Business Type	: Manufacturing and distributing switchboards, cable trays and support system : Manufacturing and distributing transmission towers, telecommunication towers, general steel fabrication and hot-dip galvanized services under subsidiary company : Renewable energy power plant business (Presently, the Company has a small sized hydro-power plant), under subsidiary company : Contracting service business on installing high voltage transmission line system and power distribution system
Year of Establishment	: 1987
Juristic Person	: 0107558000202
Registration	
Registered Capital	: 750,000,000 Baht
Paid-up Capital	: 750,000,000 Baht
Date of listing on the	: 13 October 2015
Stock Exchange of Thailand	
Registrar	: Thailand Securities Depository Co., Ltd. No. 93, Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok Metropolis, 10400
Telephone	: 02-009-9999
Auditor	: AST Master Co., Ltd. No. 790/12, Thonglor Tower, Thonglor 18 Alley, Sukhumvit 55 Road, Klong Tan Sub-district, Vadhana District, Bangkok Metropolis
Telephone	: 02-714-8842

Business Operations

Nature of Business

The Company's business can be divided into 3 natures as follows:

1. Sales Business

1.1 Manufacturing and distributing switch boards, cable trays and support systems:

- Switch Board; or it may be called MDB (Main Distribution Board) and other Control Boards by accepting the work in designing the switch boards in accordance with the electrical circuit pattern. The characteristic of the switch board is a sizable electric distribution panel which is generally-used in medium sized buildings to the large sized ones and industrial factories using large amount of the power.
- Cable Trays and Support Systems; The Company manufactures cable trays all along with the manufactures of switch boards. The cable trays are used both in the buildings and factories as well as electric train projects, large sized industrial projects such as petrochemical, constructions, real estate projects that all need to use electricity and that it is necessary to have cable trays as a part in installing electrical systems.

Presently, the Company has a capacity of manufacturing 1,500 switch boards and approximately 5,500 tons of cable trays, respectively, per year

1.2 Transmission Tower, Telecommunication Tower and Hot-Dip Galvanized Steel Structure Manufacturing and Distribution Work:

- Transmission Tower and Substation Steel Structure; The Company can manufacture transmission towers for electrical voltage of 69 kilovolt to 115 kilovolt, 230 kilovolt and 500 kilovolt with the tower height from 30-100 meters. Presently, the Company's manufacturing capacity is approximately 20,000 tons per year by distributing the products to the customer groups being the contractors winning the bids for work of the government organizations (such as Electricity Generating Authority of Thailand, Provincial Electricity Authority) or organizations undertaking transactions principally on electric energy group both in country and overseas. On the part of the Substation Steel Structure, the Company designs and manufactures the Substation Steel Structure in many different forms according to the size of the voltage such as 115 kV, 230 kV, 500 kV.
- Telecommunication Tower; It is the high tower designed for installing communication equipment in telecommunication system in: such as; audio and video broadcasting system, mobile telephone signal transmission system. The telecommunication towers manufactured by the Company are hot-dip galvanized steel structures. Presently, the Company's manufacturing capacity is approximately 2,000 towers per year. The Company usually accepts the manufacturing jobs from contractors of government and private sector, e. g. Mobile Operators such as TRUE Corporation Public Co., Ltd., (TRUE), Total Access Communication Public Co., Ltd., (DTAC) and Advance Info Service Public Co., Ltd., (AIS), etc.
- General Steel Fabrication and Hot-Dip Galvanized Service: The Company accepts the jobs of manufacturing general galvanized steel fabrication according to the requirements of customers. General steel fabrication manufactured by the Company consist of many types such as steel structure in steel structure panel for setting up solar cell panel, steel bridges over railroads, steel railroad sleepers. The Company's customers are contractor groups taking mainly contracting works in the form of Turn Key from project owners which EGAT, State Railways of Thailand (SRT), companies generating power from solar energy, etc. Work volumes will depend mainly on quantity of the projects and purchase orders from the contractors.

In addition, the Company provides hot-dip galvanized services to the third persons (if the hot-dip capacity should have remained left over after the product hot-dip in the Company group was accomplished first). The Company's hot-dip capacity is approximately 2,000 tons per month or 24,000 tons per year. The hot-dip galvanized products which the Company is capable to do are transmission towers, telecommunication towers, cable trays, steel bridges, guard rails, electric poles, road sign poles, building and store structures, etc.

2. Service Business

The Company provides services on designing, surveying, procurement, construction and installing electrical engineering work system both on electrical high voltage and power distribution systems in the form of Turn Key by taking the jobs from foreign customers both of the government and private sectors. In this respect, the Company will be the main contractor taking the jobs directly from employers and subcontract or outsource the jobs to trading partner skillful in various fields such as Consultant for Project Administration and Technique or Engineering, Contractor for the Constructions or Supplier of Raw Materials. The nature of works will thoroughly cover the providing of services and installing of electrical systems as follows:

2.1 High Voltage Transmission Line System; It is the high voltage transmission line system connected from power generating system which will be transmitted to a power station or from a point of a power station to a point of another power station through high voltage transmission lines and high voltage transmission towers which are constructed to be able to take electrical voltage ranging from 69 Kilovolt (kV), 115 kV, 230 kV up to 500 kV

2.2 Substation; It is the structural and system construction work within the substation that takes the power from power generation plant before being distributed to household families or industrial districts. In this connection, the Company will supply products which are steel structures of the substation in conjunction with its allies skillful in installing and constructing the substation and procure other equipment for use in the substation.

2.3 Power Distribution System; It is the construction work on electrical distribution wiring system of 400 volt up to 22 kilovolt together with rehabilitating the distribution system by installing equipment in the system for more efficiency in the system. The Company places the importance on adopting the advanced technology for use in controlling and monitoring follow-ups on the functions of the power distribution system which, in this connection, electrical voltage and efficiency on the power distributions will be reported to be aware of by the operator, thus, in the case where any point of the power distribution system has run into a problem or sustained a damage, the system will report the result back to the Control Center, resulting in the subsequently remedial actions to be able to expeditiously respond to the situation that would help reduce problem arising from the distribution system which may affect the revenues on the power distributions.

3. Project Development and Investment Business

The Company had foreseen the potentials and growth of power business from renewal energy, thus, prompting it to begin putting the investments on power generation from a small scale hydropower which was 3.2 megawatt Tad Salen Hydropower Plant in Xepone, Savannakhet Province, Lao PDR. In 2008, Tad Salen Power Co., Ltd., ("Tad Salen" or "TAD"), the Company's subsidiary signed the Power Purchase Agreement with Laos State Enterprise (EDL). The dam construction began in 2010 and was complete in 2012. The Company conducted the pretests on the function before making formal distributions of the power to EDL with the concessionary period of 30 years.

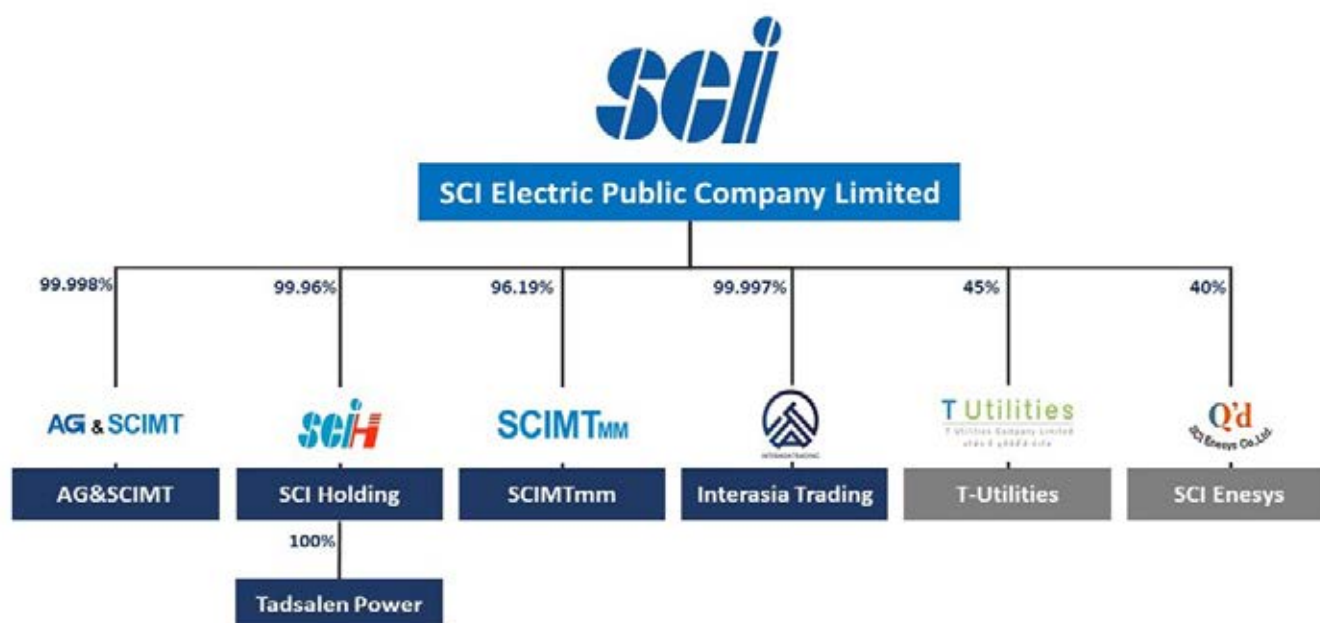
Company Group Structure

Business under SCI Electric Public Co., Ltd., including its affiliates consists of 4 main groups as follows:

1. Manufacturing and distributing switchboards, cable trays and support system.
2. Manufacturing and distributing transmission towers, telecommunication towers, general steel fabrication and hot-dip galvanized services.
3. Renewable energy power plant business. (Presently, the Company has a small sized hydro-power plant).
4. Contracting service business on installing high voltage transmission line system and power distribution system.

As of 31 December 2020, the Company invests and/or joint venture in 6 affiliates as follows:

Company	Nature of Business	Hold Shares (Percent)
SUBSIDIARIES		
Ajikawa & SCI Metal Tech Co.,Ltd. (AG&SCIMT)	Manufacturing and distributing Transmission Line Tower, Telecom Tower and Galvanized Steel Structure	99.99
SCI Holding Co., Ltd. (SCIH)	Investing in renewable energy business (Presently, investing in Hydropower Plant in Loas named Tad Salen Hydropower Plant "TAD")	99.96
SCI Metal Tech (Myanmar) Co., Ltd. (SCIMTMM)	Manufacturing and distributing Transmission Line Tower, Telecom Tower and Galvanized Steel Structure (in Myanmar)	95.00
Interasia Trading Co., Ltd. (INTERASIA)	Procurement of raw materials, tools and equipment including various supplies	99.99
JOINT VENTURES		
T Utilities Co., Ltd. (TU)	Investing in Energy and Infrastructure Business	45.00
SCI Enesys Co., Ltd. (SE)	Distributing Connecting Box, Switch Board, Cable Tray and Support Systems	40.00



The Company's superiority points are: (1) Business; it has carried out is in diversifications ranging from manufacturing and distributing switchboards, cable trays and support systems to high voltage towers, telecommunication towers and general steel fabrication, hot-dip galvanized services including providing service work on designing, surveys, procurements, constructions and installing electrical engineering work systems as well as high voltage transmission line systems and power distribution systems comprehensively, eventually making the Company being able to spread the risk and generate revenues from many ways of businesses, (2) The Company has good allies in working together no matter whether it is a company providing services on various system laying, a construction contracting company as well as supplier, (3) That the Company has been established for a long time and has earned its reputation and popularity in business circle for more than 20 years which its achievements are acceptable to organizations of both government and private sectors.

Revenue Structure

The Company generates revenues from carrying out the core business which consists of

Revenue Structure***	Operated by	Consolidated Financial Statement			
		2020		2019	
		MB	Percent	MB	Percent
Revenue from sales :					
1. Switchboard and cable tray manufacturing business	SCI	460.76	32.67	399.40	35.27
2. High voltage and communication tower manufacturing, general steel fabrication and hot-dip galvanized service business	AG&SCIMT + SCIMTMM	857.62	60.82	639.44	56.48
3. Hydro-power plant (small size) business	TAD	8.26	0.59	19.89	1.76
Total Revenues from Sales		1,326.64	94.08	1,058.73	93.51
4. Project work service business	SCI	19.13	1.36	-	-
5. Contracting & Bridge repairing business	AG&SCIMT	55.49	3.93	35.52	3.14
Total Revenues from Services		74.62	5.29	35.52	3.14
Total Revenues from Sales and Services		1,401.26	99.29	1,094.25	96.65
Other revenues**		10.62	0.71	38.00	3.35
Grand Total		1,411.32	100.00	1,132.25	100.00

Remarks: ** Other revenues are profits derived from sales of properties, interest receivable, profits from sales of investment and profits from exchange rate, etc.

Projects under Operations as of 31 December 2020

Switchboard, Cable Tray and Support System Manufacturing and Distributing Work

As of 31 December 2020, number of the Projects where the work under which have been accepted for carrying out by the Company and the manufacturing being underway account for the total value of 230.50 million Baht which can be detailed as follows:

Product Category	Work Pending for delivery (Million Baht)	Estimated Time of Delivery
Switchboard Work	169.42	Quarter 2/21
Cable Tray & Support System Work	61.80	Quarter 3/21
Total	230.50	

High Voltage and Communication Tower and Hot-dip Galvanized Steel Fabrication Manufacturing and Distributing Work

As of 31 December 2020, number of the Projects where the work under which have been accepted for carrying out by the Company and the manufacturing being underway account for the total value of 400 million Baht. which can be detailed as follows:

Product Category	Work Pending for delivery (Million Baht)	Estimated Time of Delivery
High voltage tower work	350.00	Quarter 1-2/21
Substation steel fabrication tower work	50.00	Quarter 2-3/21
Telecommunication tower work		
General steel fabrication work		
Total	400.00	

Industrial and Competitive Situation

Industrial Situation and Switchboard Competition

In 2020, the epidemic situation of COVID – 19 has significant impact both Thailand economy and world economy, especially in the service industries and tourism industries, the other industries including the Company's business were not directly affected but were affected by the lockdown activity and recession as well. However, the performance of the Switchboard and Cable Tray has improved from the previous year, as a result of private-sector construction and government-sector investment in large projects, especially the electric train project and accelerate the development of the Eastern Economic Corridor (EEC).

Private-sector construction in 2020 has decelerated, especially residential construction which was affected by the economic slowdown from the previous year. The impact of epidemic situation of COVID-19 affected on the various construction projects need to decelerate or stop the process, the work is delay and cash flow problems. Furthermore, private-sector has more tightening budget policy due to the economic conditions that affected by the COVID-19 situation.

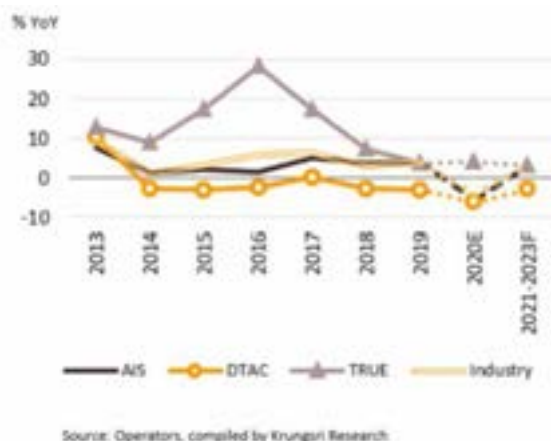
Although private-sector construction has affected by the COVID-19 situation, but government-sector construction in 2020 has grown from 2019, due to the major factor is the ongoing constructions of large scale infrastructure projects of state-owned enterprises from the previous year such as Pink Line, Yellow Line electric trains that still underway and it was driven by the construction of large projects in the EEC area.

The Company is of the view that the new wave of COVID-19 situation which happen since the end of the year 2020, it will affect both government-sector and private-sector construction in 2021 inevitably. However, the various policies which control the new wave of epidemic of COVID-19 may affect to various construction projects need to decelerate or stop the process again. The lockdown in some areas may affect the transportation routes interrupt, including labor shortage especially foreign workers. All of this, may affect in 2021 construction sector decelerate, if failure to control the new wave of epidemic of COVID-19.

However, the Company expect that the overall construction in 2021 still has a trend likely to positive direction, due to the government attempt to push the government investment for economic stimulus, the Company is of the view that the government investments in infrastructures have still remain a major factor contributing to grow, which are the ongoing constructions of large-scale infrastructure projects of state-owned enterprise such as the Pink Line, Yellow Line and Orange Line that postponed from the end of 2020, the new projects that bidding and construction will begin to take place in 2021, the large-scale infrastructure investment in the EEC area. In case of the government push the constructions of large-scale infrastructure as planned, the Company is of the view that the switchboard and the cable tray business will grow in 2021 as well.

Telecommunication Industry Situation

In 2020, the first half of the year, revenue of telecom service providers fell by 5% YoY, due to the sudden recession and collapse of the tourism industry; the temporary closure of service centers in department stores. Even though, the trend of work from home in the second quarter raised demand for data services. In the second half of the year, service revenue surged along with a general improvement in the economic outlook. However, consumer purchasing power remains fragile. (Thailand Industry Outlook 2021-2023, Research Department, Bank of Ayudhaya)



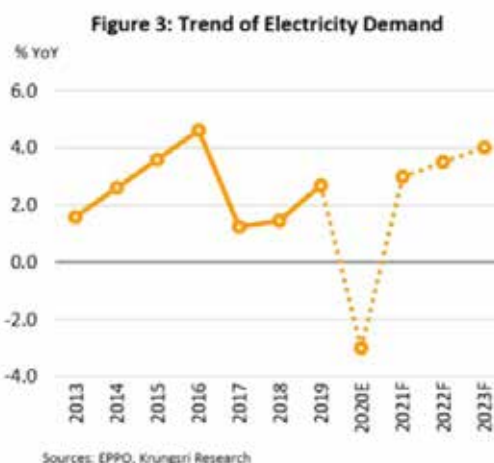
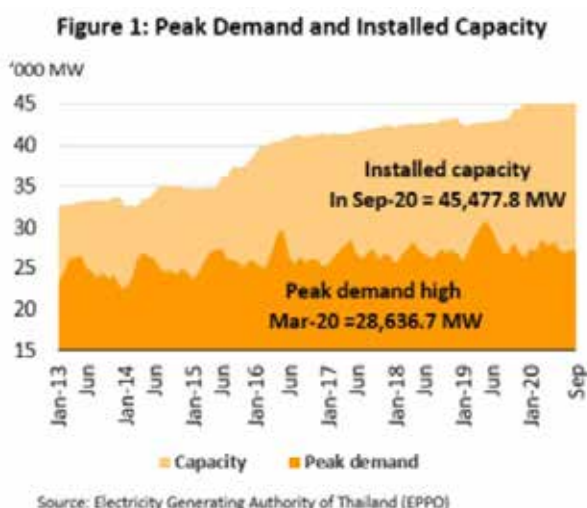
However, all the network service providers accelerate the expansion of 5G technology service in order to cash up with demand of people of all network service together with the COVID-19 situation in Thailand started in early 2020, all the network service providers used expansion based on the original pillar structure, as a result to slow down on investment in expanding the new pillar.

After the government began to take measures to close the city affect to the country's economic condition. For telecommunication business affect to the number of new users, smartphone sales and reduced tourist revenue from border closures. (Management analysis Quarter 2/2020, Advance Info Service Public Company Limited.

Power Production Industry Situation

In the first nine months, power demand slipped 3.1% YoY. Due to COVID-19 and the broad-based contraction in the economy, demand from business and industry (66.5% of total demand) fell by 10.4% and 6.3% YoY, respectively.

However, work-from-home activity increase household power consumption, which rose 9.5% YoY. Overall, peak demand reached 28,636.7 megawatt, down from the historic high of 30,853.2 megawatt in 2019. (Thailand Industry Outlook 2021-2023, Research Department, Bank of Ayudhaya)



Private Power Business will see improving business conditions. Domestic demand is forecast to rise by 3.0-4.0% annually, in line with the economic recovery. Attractive investment incentives for the industry under the Power Development Plan (PDP) will support greater investment and larger capacity in the three categories below:

- IPP will see competitive bidding in the next 3-5 years, start to bid for 700 MW of new generation capacity annually
- SPP are likely to expand installed capacity and build new power plants, especially natural gas cogeneration plants which contracts will expire soon.

- VSPP, investment should pick up from 2021, especially in rooftop solar capacity and biomass, biogas and waste-to-energy generation capacity. (Thailand Industry Outlook 2021-2023, Research Department, Bank of Ayudhaya)

In 2021, Electricity Generating Authority of Thailand, there are still long terms plans to strengthen the 500kV, 230kV high voltage transmission tower network. Many projects are not yet competitive bidding in 2020 and still in the plan in 2021, which will gradually open competitive bidding in 2021

- Improvement of transmission system project in the Northeast, Lower North, Central region and Bangkok to strengthen power system stability.
- Improvement of transmission system project in the Eastern region to strengthen power system stability.
- Improvement of transmission system project in the West and South region to strengthen power system stability.
- Improvement of transmission system project in the Lower South region to strengthen power system stability
- Extension of transmission system project phase 12.

Engineering, Procurement and Construction (EPC) and Renewable Energy Power Plants in Lao PDR

Lao PDR government has formulated a guideline policy to allow their own country to become “The Energy Source of ASEAN” or the “Battery of Asia” within 2020. The Government of Lao PDR therefore places the importance on the energy projects, especially, hydro-power electricity and expeditiously accelerates the development of energy sources for domestic consumptions and exports. In this connection, 80% of the produced electric energy is exported for sales to neighboring countries, thus, resulting in the income generated from the electricity exports of Lao PDR to be the main income of the country which, in each year, has accounted for a higher average rate continuously. The energy business is therefore considered yet another main business that generates a significant income for Lao PDR. Each year the average rate continues to rise, therefore, energy business is one of the main business that generate significant income for the Lao PDR. Lao PDR currently has completed 40 power generate sources with an investment of more than US\$ 10 billion, the total installed capacity of 6,304 megawatts, capable of producing electricity 33,315 million kilowatts/hour/year, power transmission lines over 50,000 kilometers, power distribution station nationwide of 53 stations, 148 cities nationwide with 100% electricity permanently accounting for 85.54% of the number of houses and 90% of the total households families, compare back to the 1975 is considered to have improved more 200%. Lao PDR government has five year energy development plan (2016-2020) aim at building energy and mining sectors is the country's economic strength. At present, there are 35 Lao PDR electricity generating projects under construction, with a total installed capacity of 4,471 megawatts, which are believed to be complete in 2020, by that time, Lao PDR will be total of 75 electricity generating sources with a total installed capacity of 10,775 megawatts; capable of generating 55,582 gigawatts hours / year.

Nevertheless, the Company is of the view that the investments in the renewable energy electricity and the business of engineering, procurement and construction (ECP) in Lao PDR are still potentially worthwhile which can be evident by the continuous investments of Thai and foreign investors in hydro-power plants. However, the Company expects that the dam constructions in Lao PDR will begin to decline, due to many projects have already been constructed which will gradually be completed within 2-3 years. At any rate, Lao PDR will generate more revenue from electricity sales. Therefore, the project for the power transmission lines investment is considered an important and necessary project for Lao PDR in order to pass the electricity to various areas in country that lack electricity including the exports for sales to Thailand and other neighboring countries eventually causing EDL to accelerate the development of the power transmission lines to support the connections in timely manner. In 2020, China and Lao PDR signed a new agreement, authorized the China Southern Power Company of China to hold shares of the Electricite Du Laos (EDL), which are a state-owned enterprise. The agreement states that, a new Company will be set up, which is Electricite Du Laos Transmission Company Limited (EDLT), which is a cooperation between the Lao Electricite Du Lao and the China Southern Power Company. Hence, the Company expects that business of engineering, procurement and construction (ECP) in Lao PDR will still continue to grow, due to the government of Lao PDR will have to accelerate investment in power transmission lines, especially, the Backbone transmission line in order to support the trading of electricity with Thailand and other countries.

High Voltage Transmission Tower Manufacturing in Myanmar

MOEE (Ministry Of Electricity And Energy) has formulated an infrastructure development plan to cover and comply with the national development plan. A long-term plan to strengthen energy has been established through the National Electrification Plan NEP Phase 1- (2016 - 2030). The goal is to give every household 100% access to basic electrical systems by the year 2030. MOEE has approved procurement budgets in order to comply with NEP Phase 1, the forecast is as follows.

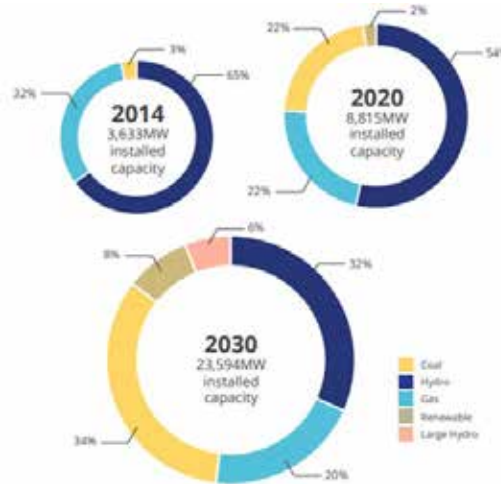
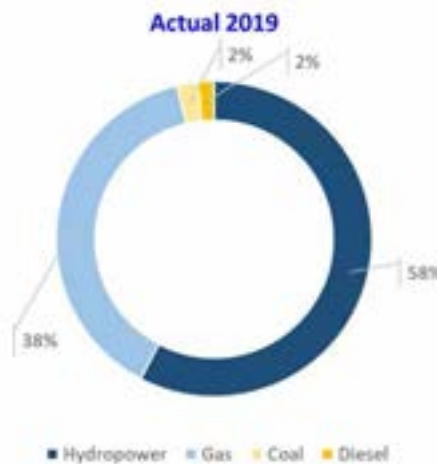


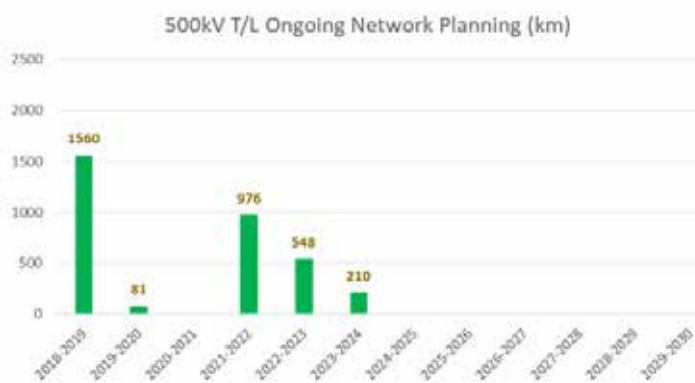
Figure 2: Power resources balance scenario
(Source: Section 5.5, Final Report for the Myanmar National Electricity Master Plan)

(EUROPEAN CHAMBER OF COMMERCE IN MYANMAR : ENERGY GUIDE 2019)

From the report Current Status of Myanmar's Electricity Sector by U Han Zaw, Deputy Director General 21 Mar 2019 has shown the latest situation with the project progress.



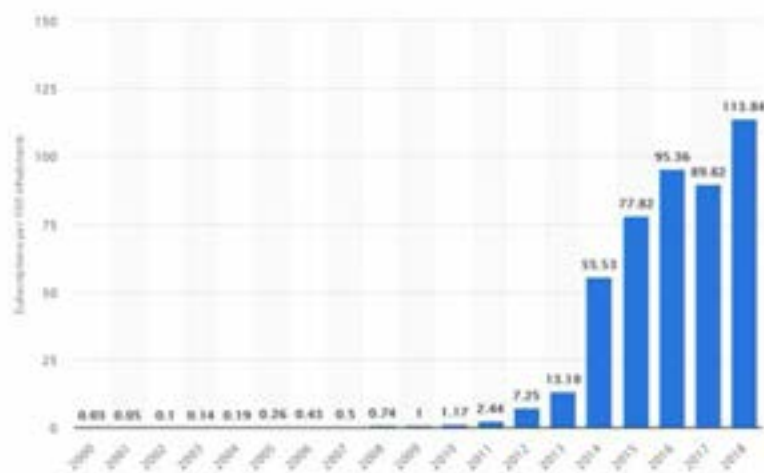
According to mentioned above, the report is showed the plan to expand 500kV and 230kV transmission towers in the future, to be in line with the NEP Phase 1 plan.



This excludes ongoing network expansion projects, including 132kV and 66kV, which will have projects in Myanmar, including related works: Substation and Power distribution system.

Telecommunication Tower Manufacturing in Myanmar

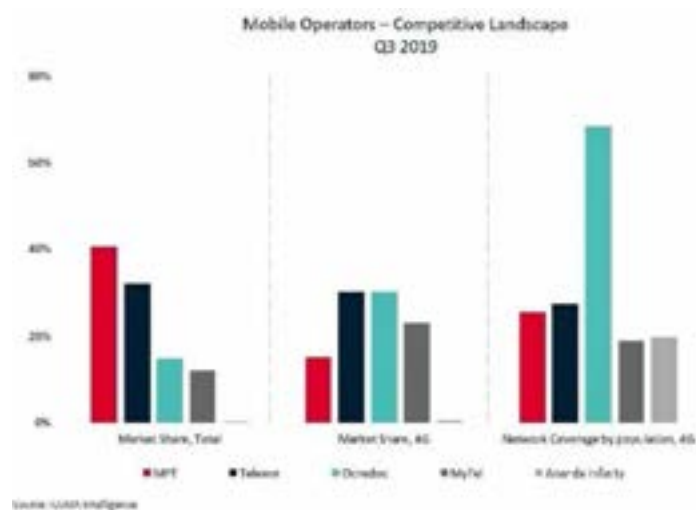
Following the licensing of Operator Mobile telecom with Telenor and Ooredoo, MPT later partnered with KDDI to increase competition and has expanded the size of the communication industry. However, there is still an additional license for the new operator, Mytel, to expand the business. From the rate of opening numbers for mobile phones.



Number of mobile cellular subscriptions per 100 inhabitants in Myanmar from 2000 to 2018

Reference : Published by S. O'Dea, Feb 27, 2020

(<https://www.statista.com/statistics/509591/mobile-cellular-subscriptions-per-100-inhabitants-in-myanmar>)



Reference : Intelligence Brief: Where does Myanmar stand today?, Dec 4, 2019

(<https://www.mobileworldlive.com/blog/intelligence-brief-where-does-myanmar-stand-today>)

If compared with Thailand because it has the same area and population Although growth and business size may differ. To compare Long-term future expansion In Myanmar, it is a private investment, Tower Co to make the forecasts in the market are internal expansion plans for each company undisclosed.

Corporate Governance



Management Structure

Board

The Management Structure of the Company consists of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, the Executive Committee, and the Executives, details as follows:

Board of Directors

The Company's Board of Directors consists of 10 members as follows:

Name		Position
1.	Mr. Noppol Milinthanggoon	Chairman of the Board / Independent Director
2.	Mrs. Pranee Phasipol	Chairman of the Audit Committee / Independent Director / Nomination and Remuneration Committee
3.	Mrs. Chatrong Tipayakalin	Audit Committee / Independent Director
4.	Ms. Chaovana Viwatpanachati	Audit Committee / Independent Director
5.	Mr. Sumeth Chailertvanitkul	Chairman of the Nomination and Remuneration Committee / Independent Director
6.	Ms. Aunada Phruttnarakorn	Director / Nomination and Remuneration Committee
7.	Mr. Kiangkrai Pheanvitayaskul	Director
8.	Mr. Thanawat Yanisrangkul	Director
9.	Mr. Sirichai Phruttnarakorn	Director
10.	Mr. Vichai Yanisrangkul	Director

** Mrs. Wanida Phruttnarakorn, served as Secretary of the Company

Authorized Directors

Name of director authorized to affix signature to bind the company is two of the three directors: Ms. Aunada Phruttnarakorn, Mr. Sirichai Phruttnarakorn, and Mr. Kiangkrai Pheanvitayaskul, to jointly sign along with the common seal of the company.

Qualifications of Directors:

1. The Company Directors must be the persons who are knowledgeable, capable, honest with ethics in carrying out business operations and shall have sufficient time to devote their knowledge, abilities and perform duties for the Company.
2. The Company Directors shall possess qualifications and not being subjected to any prohibitions under the Law on Public Limited Company and other related Laws nor any characteristics suggesting the lack of suitability to be entrusted to manage the publicly-held share business as specified under Section 89/3 of the Securities and Exchange Act, (No. 4), B.E. 2551 (A.D. 2008).
3. The Company Directors are eligible to hold the position of a director in other companies provided, however, that in being the director of such company, it must not hinder the performance of the Company's Director and must be compatible with the guidelines set out by Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

An Independent Director must meet the qualification requirements as follows:

1. Holding shares not exceeding zero-point five percent (0.5%) of the total number of shares with voting rights of the Company, parent company, subsidiary companies, associated companies, major shareholder or controlling person of the Company, including the shareholding by related persons of such Independent Director.
2. Neither being nor used to being a director participating in work management, employee, staff, advisor drawing a regular salary, or controlling person of the Company, parent company, subsidiary companies, associated companies, subsidiary companies of the same hierarchy, major shareholder, or controlling person of the Company unless otherwise the aforementioned status have come to an end for a period of not less than 2 years. Provided, however, that such prohibitions shall not include the case where an Independent Director used to be a government official or an advisor to a government organization being the major shareholder or controlling person of the Company.

3. Not being a person related by blood or by legal registration in a manner of being a parent, spouse, sibling and child, including spouse of child, executive, major shareholder, controlling person, or person who will be nominated as an executive or controlling person of the Company or its subsidiary companies.
4. Neither having nor used to having a business relationship with the Company, parent company, subsidiary companies, associated companies, major shareholder, or controlling person of the Company in a manner that may obstruct his independent judgment; and neither being nor used to being an implicitly significant shareholder or a controlling person of the person having the business relationship with the Company, parent company, subsidiary companies, associated companies, major shareholder, or controlling person of the Company unless otherwise the aforementioned status have come to an end for a period of not less than 2 years.
5. Not being a Director appointed as a representative of the Company's Directors, major shareholder, or shareholders who is related to the major shareholder.
6. Neither operating a business of the same nature and in a manner likely to be an implicit competition with the business of the Company or subsidiary companies; nor being an implicitly significant partner in a partnership, or being a director participating in work management, employee, staff, advisor drawing a regular salary, or holding shares exceeding zero-point five percent (0.5%) of the total number of shares with voting rights of other companies carrying out business of the same nature and in a manner likely to an implicitly significant competition with the business of the Company or its subsidiary companies.

Scope of Duties and Responsibilities of Company Board of Directors:

The Company Board of Directors has the authorities, duties and responsibilities to manage the Company in compliance with the law, the Company's Objectives and Regulations with the Duty of Care and the Duty of Loyalty. Their main authorities, duties and responsibilities can be summarized as follows:

1. Organizing the Annual Ordinary Shareholders' Meeting within 4 months after the Company's accounting period ends.
2. Organizing the Board of Directors Meeting once every 3-month, at least, and that in order to conform to the Principle of Good Corporate Governance, the Company has scheduled the Board of Directors Meetings 6 times a year, at least, and the Board of Directors Meeting without any Executive Directors in attendance once a year.
3. Preparing Balance Sheets and Profit and Loss Statements of the Company as at the ending date of the accounting period of the Company, which shall be submitted onto the Shareholders Meeting for consideration and approval after they have already been audited by the auditor.
4. Setting the goals, guidelines, policies, work plans and budgets of the Company; monitoring controls over and overseeing the managements of the Executive Committees to be in line with the policy as assigned; making follow-ups on result of the operations to ensure the conformity with the plans and budgets in continuation except in the following matters that the Board of Directors must obtain the approval of the Shareholders' Meeting first before proceeding with any relevant actions, which are the matters defined by law that the Board of Directors must obtain the approval of the Shareholders' Meeting such as capital increment, capital decrement, debenture issuance, sales or transfers of the Company's significant business, wholly or partially, to other persons, or a purchase or an acceptance of a business transfer of other companies to belong to the Company, and amendment of the Memorandum of Association or Regulations, etc.

In addition, the Board of Directors also has a duty to oversee the company to comply with the Law on the Securities and Exchange and SET Requirements such as Connected Transaction Executions and Buying or Selling Important Assets in accordance with SET Regulations or Laws relevant to the Company's business.

5. Defining the organizational structure and making consideration on the management structure; appointing the Executive Committees, Managing Director, and other committees as appropriate. Designating authorities and duties for various Sub-committees such as the Audit Committee and Nomination and Remuneration Committee for efficient operations and benefits of the shareholders.
6. The Board of Directors may empower the Executive Committees with the authorities in performing various duties where details of the empowerment shall be in accordance with the scope of the authorities of the Executive Committees provided, however, that such empowerment must not be in a manner likely to enable the Executive Committees or the Appointee to consider and approve the transactions in which the Executive Committees or the Appointee or related persons have any interest or any other conflict of interest with the Company or its subsidiary companies, save it is the approval of a transaction being in line with the policy and criteria having already been considered and approved by the Board of Directors provided that it shall be in accordance with the law.

7. Making considerations on the appointment of Chief Executive Officer (CEO), Executive Chairman and Executive Committee including the empowerment to Executive Chairman in prescribing the power on the approvals and considerations on the amendments of such power for the suitability.
8. Empowering one or several Director(s) or any other persons to take any actions under the control of the Board of Directors or may empower such persons to have a power as it deems appropriate and within the expedient period of time. The Board of Directors may cancel, revoke, change in, or alter the Appointee or such power as it deems appropriate. In this respect, no power shall be given to any person(s) who may have conflicts of interest in the operations.
9. Defining, implementing, and complying with the Corporate Governance Policy, Business Ethics, Code of Conduct, Anti-Corruption Policy as well as various Company-related Practical Guidelines, which are made in writing, and regularly reviewing the Policies and the implementations in compliance with said Policies at least once a year, including encouraging all Directors, Executives and staff to get to understanding and complying with the Laws, Regulations, Business Ethics, Code of Conduct, Anti-Corruption Policy as well as various Company-related Practical Guidelines.
10. Supervising and overseeing subsidiary companies by considering the suitability of the person to be appointed as a Director in the subsidiary companies in order to monitor controls over the management to conform with the Company's policy and various transactions to be legal in accordance with the Law on the Securities and Exchange and SET Notifications.
11. Approving the opening/closing of all types of deposit accounts with banks or financial institutions together with defining conditions on money withdrawals or conducting juristic acts on said deposit accounts.
12. Approving the important investment expenditures as specified in the Annual Expense Budget.
13. Overseeing and giving supervisions to ensure that the Company has a suitable and effective Risk Management System and Internal Control.
14. Providing supports on and promoting the creations of innovation and making use of the innovation and technology to create added value for the business as well as monitoring controls over the management of information technology to be in compatibility with the Company's requirements.
15. Providing proper channels of communication with the shareholders and stakeholders while also ensuring that the shareholders are involved in making important company decisions.
16. Arranging for the preparation of the Succession Plan for the preparedness in the event that a high-level Executive is unable to perform his or her duty
17. Providing clear guidelines for those who wish to blow a whistle on any matters or stakeholders via the website or report directly to the Company by setting up a channel for the whistle blowing through the Company's Audit Committee, and giving instructions that the information shall be verified in accordance with the process defined by the Company and report to the Board of Directors.
18. Reporting their own interests or interests of related persons, whether directly or indirectly, being involved with business management of the Company or its subsidiary companies for the transparency of operations.

Audit Committee

The Audit Committee shall consist of, at least, 3 persons; all of whom are Independent Directors and, at least, one person shall be well-versed in accountancy with adequate experience to perform duty to review the reliability of Financial Statements. The Audit Committee shall also assist the Company in monitoring controls over the carrying out of the Company's business operations to be in accordance with the Principle of Good Corporate Governance as prescribed by Security Exchange Commission (SEC) and Stock Exchange of Thailand (SET) including to have the scope of power and duties as assigned by the Company's Board of Director by having Miss Romklao Muangyunnan¹ serving as the Secretary to the Audit Committee.

¹ Highest education	: Bachelor of Business Administration (Finance), Bangkok University
Professional Experience: Present	: – Audit Section Chief, SCI Electric Public Co., Ltd.
Training	: - Internal Audit Diploma, Class 14, (Federation of Accounting Professions) - COSO Internal Control System Guideline Frame, Class 2/2016 (Federation of Accounting Professions) - Fraud Audit (The Institute of Internal Auditors of Thailand)

Qualifications of Audit Committee

The Company's Audit Committee has the independency in accordance with the definition of the independency of the Independent Directors by

1. Holding shares of not over 1% of the total number of the voting shares of the Company, proprietary company, subsidiary companies, associated companies or juristic persons which may have conflict with one another by counting in the shares held by related persons, as well;
2. Not becoming a Director participating in the administration of work/ staff/ employees/ consultant drawing regular salary /person having controlling power of the Company, proprietary company, subsidiary companies, associated companies, subsidiary companies of the same sequent order, or juristic persons which may have conflict with one another (at present and over the past 2 years before being appointed);
3. Having no blood relation nor relation by way of legitimate registration in a manner likely to be parents, spouse, sibling, child including child's spouse with the Executive, major shareholders, person having controlling power or the person to be nominated as the Executive or person having controlling power over the Company or its subsidiaries;
4. Having no business relation with the Company, proprietary company, subsidiary companies, associated companies or juristic persons which may have conflict in a manner that may obstruct the use of own independent discretions nor being a major shareholder, a Director not being an Independent Director nor an Executive of a person having business relation with the Company, proprietary company, subsidiary companies, associated companies or juristic persons which may have conflict;
5. Not being the auditor of the Company, proprietary company, subsidiary companies, associated companies or juristic persons which may have conflict in a manner which may obstruct the use of own independent discretions not being a major shareholder, a Director not being an Independent Director nor an Executive of a person having business relation with the Company, proprietary company, subsidiary companies, associated companies or juristic persons which may have conflict;
6. Not being a person providing any professional services nor legal nor financial consultancy receiving service charges in excess of two million Baht per year from the Company, proprietary company, subsidiary companies, associated companies or a juristic person which may have conflict nor being a major shareholder, a Director not being an Independent Director, an Executive nor managing partner of the professional service provider;
7. Not being a Director appointed to be a representative of the Company's Directors, major shareholder nor shareholders having connections with the Company's major shareholder;
8. Not having any other characteristics attributable to the condition preventing the auditor from being able to express opinion independently;
9. Not being a Director assigned by the Company's Board of Directors to make decisions in carrying out business operations of the Company, proprietary company, subsidiary companies, associated companies, subsidiary companies in the same sequent order or a juristic person which may have conflict nor a Director of registered company being the proprietary company, subsidiary companies, associated companies, subsidiary companies of the same sequent order;
10. Having duty of the same nature as set forth under The Stock Exchange of Thailand Regulation on Qualifications and Scope of Operations of Audit Committee.

Scope of Duties and Responsibilities of Audit Management Committee:

Scope of the Audit Committee's duties and responsibilities can be summarized as follows:

1. Conduct reviews to ensure that the Company's Financial Report is accurately and adequately prepared;
2. Conduct reviews to ensure that the Company has suitable and effective internal control and internal audit and make consideration on the independency of the Internal Audit Unit as well as giving approvals on the considerations on the appointments, transfers, and employment termination of Internal Audit Unit Chief or any other Units responsible for matters in relation to internal audit;
3. Conduct reviews to ensure that the Company has complied with the Law on Securities and The Stock Exchange of Thailand and the Laws relating to the Company's business;
4. Conduct reviews and consults with the Management in relation to Company's critical risk and measure implemented by the Management in monitoring follow-ups and controls over such risk;
5. Make considerations on the selection and nomination for the appointment of an independent person to perform duty as the Company's auditor and proposes remuneration for such person as well as participating in the meeting with the auditor without the Management members taking part in, at least, once a year;
6. Make considerations on connected transactions or transactions which may have a conflict of interest that they are undertaken in accordance with the pertinent Law and Requirements of The Stock Exchange of Thailand and to ensure that they are reasonable and optimally beneficial to the Company;

7. Prepare the Audit Committee Report by disclosing it in the Company's Annual Report. Such Report shall be duly signed by the Chairman of the Audit Committee and must consist of, at least, the following information:
 - (a) Opinions on the accuracy and completeness in respect of the reliability of the Company's Financial Report;
 - (b) Opinions on the sufficiency of the Company's internal control system;
 - (c) Opinions on the compliances with the Law on Securities and The Stock Exchange of Thailand, Requirements of The Stock Exchange of Thailand or Laws relating to the Company's business;
 - (d) Opinions on the suitability of the auditor;
 - (e) Opinions on the transactions which may have the conflict of interest;
 - (f) The number of the Audit Committee's meetings and meeting participations of each Audit Committee member;
 - (g) The overall opinions or observations received by the Audit Committee from duty performances in accordance with the Charter; and
 - (h) Other transactions which are in view that the shareholders and investors, in general, should know of, provided that the disclosures of such transactions shall be under the Committee's scope of duties and responsibilities as assigned by the Company's Board of Directors.
8. Perform any other duties as assigned by the Company's Board of Directors with the approval of the Audit Committee;
9. In performing duties of the Audit Committee, if anything should be discovered or should there be any doubts that there are transactions or performances of any acts as follows which may materially affect the Company's financial condition and turnovers, the Audit Committee shall report such occurrence to the Company's Board of Directors to undertake remedial actions within the period of time it deems to be reasonable:
 - (a) Transactions giving rise to the conflict of interest;
 - (b) Fraudulent act or an irregularity or critical defect in internal control system;
 - (c) Violation of the Law on Securities and The Stock Exchange of Thailand, Requirements of The Stock Exchange of Thailand or Laws relating to the Company's business.

If the Company's Board of Directors or the Executives should fail to undertake remedial actions to make correction or improvement accordingly within the period of time prescribed under paragraph one, the Audit Committee is compellingly required to report such failure to Office of SEC or SET within the period of time prescribed by Law.
10. The Audit Committee may, in performing its duties, asks for advices from Independent Advisors or Experts in the other fields of professions if the Committee deems it necessary and appropriate which, in this connection, the Company shall be the party responsible for all related expenses incurred consequently as a result of such duty performances of the Audit Committee abovementioned. The Audit Committee is subject to take responsibility directly to the Company's Board of Directors and that the Company Board of Directors is still responsible for carrying out the Company's business operations respective to the third persons.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 3 Members, at least, and 2-thirds of its total number, at least, must be Independent Members and that an Independent Member shall chair the Nomination and Remuneration Committee to be responsible for setting out the rules and policy on the selecting and determining the remunerations for Directors of the Board and Subcommittee Members including the scrutiny, selections and nominations of suitable persons to hold positions of the Company's Board of Directors and determining the remunerations of the Directors.

Scope of Duties and Responsibilities of Nomination and Remuneration Committee.

Recruitment

1. Review the structure of Board of Directors to compatibly suit with the strategic necessity of the Company;
2. Set out the rules and procedures on the scrutiny and selections of persons to hold positions of Directors of the Board, Members in the Subcommittees, Executive Director Chairman, Executive Directors, Chief Executive Officer, High Level Executives and Company Secretary for nominations to the Company Board of Directors and/or submission to Shareholders Meeting for approval, as the case may be;
3. Consider, scrutinizes and screens list of names and personal background of persons to be nominated to be Directors of the Board, Members in the Subcommittees, Executive Director Chairman, Executive Directors, Chief Executive Officer, High Level Executives and Company Secretary in the case of a vacancy for submission to the Company Board of Directors Meeting for making considerations on the approval;
4. Disclose the policy and details of scrutiny process in the Company Annual Report;

5. Set out the rules on performance evaluation of the Company Board of Directors and Chief Executive Officer regularly every year for reporting to the Company Board of Directors;
6. Conduct performance evaluation of the Company Board of Directors and Chief Executive Officer regularly every year and report result of the evaluation to the Company Board of Directors;
7. Conducts its self-executed performance evaluation regularly every year and reports result of the valuation to the Company Board of Directors.

Remuneration Consideration:

1. Set out the express and transparent policy and rules on the payments of remuneration and other fringe benefits of the Company Board of Directors, Subcommittees and high level Executives for submission to the Company Board of Directors Meeting and/or Shareholders Meeting for consideration on the approval, as the case may be;
2. Propose recommendations on the remuneration of the Company Board of Directors, Subcommittees and high level Executives with the return reasonably suitable to their duties and responsibilities;
3. Initiate actions on the scrutiny and nominates names of persons suitably qualified to hold positions of Directors for the first time and considers work achievements, qualifications and suitability of Directors vacating office on normal expiration of term in office who are suitable for re-elections for submission to the Company Board of Directors for consideration on the approval and onto the Shareholders Meeting for further appointments;
4. Make consideration and give recommendation to the Company's Board of Directors as well as conduct monitoring controls and follow ups over the operations relating to the visions and strategy on the aspects of human resources of the Company including the Company Executive Development Work Plan;
5. Assess the Company's turnover in order to set out the procedural guidelines on giving bonus and annual salary increase of the Company by using the suitably industrial standard basis to support the considerations;
6. Propose recommendations on the Company's salary structure including other fringe benefits.

Executive Committee

The Executive Committee, the body that helps the Company in carrying out the operations with flexibility, consists of 10 persons, having the scope of authorities and duties as assigned by the Company Board of Directors which consists of;

Name		Position
1.	Ms. Aunada Phruttnarakorn	Chairman of Executive Committee
2.	Mr. Kriangkrai Pheanvitayaskul	Chief Executive Officer
3.	Mr. Thanawat Yanisrangkul	Chief Financial Officer
4.	Mr. Sirichai Phruttnarakorn	Chief Operating Officer (SCI)
5.	Mr. Vichai Yanisrangkul	Chief Operating Officer (AG&SCIMT)
6.	Mr. Kuniyochi Mito	Director of Planning and Design
7.	Ms. Pornthip Assawashartcharnchai	Accounting Manager
8.	Mrs. Wanida Phruttnarakorn	Finance Manager
9.	Mr. Phanuphan Jesrichai	Sales and Business Manager
10.	Ms. Orajid Pheanvitayaskul	Marketing Manager

Remarks: All Directors in the Executive Committee are counted in under the definition of the "Management" of the Company for the purpose of business good corporate governance practice. In this connection, the Executives under such definition are Ms. Aunada Phruttnarakorn, Mr. Kriangkrai Pheanvitayaskul, Mr. Thanawat Yanisrangkul, Mr. Sirichai Phruttnarakorn, and Mr. Vichai Yanisrangkul.

Roles and Responsibilities of the Executive Committees

The main roles and responsibilities of the Executive Committees involve the usual operations and managements, the specification of policies, plans, budget, management structure and the administration, as well as the operational rules that are required to conform with the economic conditions. The final role of the board is to present the provided responsibilities to other members during the Board Meeting for the consideration and approval and/or suggest the comments if needed. Additionally, the directors must revise and follow up the operation of the company and make sure if it follows the specified policies. The main role and responsibilities of the Board of Directors could be inferred as follows;

General Policy

1. Manage and administrate the company following to the company's goals, regulations, policies, practices, orders, and resolutions agreed at the Board Meeting, and/or the Extraordinary General Meeting. The meeting management shall rely on the practices and regulations of the Board Meeting;
2. Examine and specify the company's policies, guidelines, strategies, managements, business and financial plans, budget plans, human resource managements, methods of funding and investment, expansion methods, and public relations conforming to the guidelines approved by the Board, as well as control and manage the operations of other nominated sectors with the purpose of fulfilling the achievements;
3. Examine the annual budget plan allocated by the management team before forwarding to the Board for the consideration and approval. The responsibilities include consider, approve, and revise the annual budget plan during the period that the Board Meeting could not be held. However, the representatives shall present the budget plan at the next meeting;
4. Examine the agenda of all the departments before sending for an approval of the Board.

Authority

5. Possess the authority to approve the transaction, employment, and contract with the credit line not over than 50 million baht (fifty million baht);
6. Possess the authority to approve the transaction of equipments or fixed assets for the regular usage in the business with the credit line not over than 30 million baht (thirty million baht);
7. Possess the authority to approve the bidding and transaction, and the regular operations of the company and chained companies, including the approval of bidding, transaction, and employment that are for the regular usage of the company and chained companies with the credit line not over than 200 million baht (two hundred million baht);
8. Possess the authority to approve the loaning money, the provision of credit, the issue of debt securities, overdraft contract, other bank credits or other financial institutions' or other people under the regular conditions of the company or other juristic persons involved in the business with the credit line not over than 50 million baht (fifty million baht), including the authority to get the payment guarantee letter for the company's interests with the credit line not over than 50 million baht (fifty million baht);
9. Possess the authority to approve the mortgage and pawning of the company's existing or nearly-existing as sets for the loan guarantee with the credit line not over than 50 million baht (fifty million baht).

General Administration

10. Work as a consultant responsible for the financial management, marketing management, human resource, and other operations within the business;
11. Possess the necessary authority to approve the designation of general consultants, including the financial and tax consultants, as well as the authority to specify the appropriate consideration for these employees with the credit line specified on the lists of the transaction, employment and contract above.
12. Possess the authority to appoint the project consultant as appropriate with the credit line not over than 10 million baht (ten million baht); however, the investment and budget plans would be approved by the Board;
13. Specify the company's structures and administration, including the designation, employment, translocation, wage, consideration, bonus of the administrative officers, and dismissal assigned by the Board, as well as examine the appropriate employee's fringe benefits conforming to the conditions, traditions, and legal regulations (the administrative officers could be defined as the employees working under the authority of the board);
14. Perform other responsibilities assigned by the Board.

The directors could not examine and approve any performances involved with the interests of the company, except for the approval conforming with the policies and regulations of the Board, the extraordinary general members and legal regulations. Nonetheless, the Board could cancel, ignore, and revise their authority as appropriate.

Moreover, the executive managing directors, chief executive officer or other employees are approved by the board to perform duties conforming with the specified regulations of the board. Nonetheless, the delegation of authority is considered as successful if the authorized representatives are not against the company's interests.

At the Extraordinary General Meeting 1/2015 on April 22nd, 2015, the authorities and responsibilities of the Chairman of Executive Committees and Chief Executive Officer were concluded and approved as follows;

Roles and Responsibilities of the Chairman of Executive Committees

General Administration

1. Control and approve the regular operations of the company, as well as assign authority to the Chief Executive Officer, administrators, or other employees performing the regular duties within the company to be authorized to represent as the Chairman for some issues under the control and the period that the Chair of Executive Board assigns. Nonetheless, the authority could be ignored, revised, and cancelled by the Chair;
2. Perform duties following to the policies, plans, and budget plans assigned by the committees and/or the Board;
3. Administrate the operations as an authorized representative, with the awareness of the targets, regulations, policies, commands, resolutions obtained by the Extraordinary General Meeting, and/or meeting Executive Meeting;
4. Possess the authority to assign particular authority and/or duties towards other employees, which is limited to the regular authority of the Chairman and/or depends on the company's practices, regulations, or commands of the Board, and/or the regulations settled by the company. The Board has to regularly follow up and evaluate the company's operations in order to protect risks gained by internal and external factors.

Authority

5. Possess the authority to approve the regular transaction of the regular usage in the business with the credit line not over than 25 million baht (twenty-five million baht);
6. Possess the authority to approve the transaction of equipments or fixed assets for the regular usage in the business with the credit line not over than 10 million baht (ten million baht), and movable properties with the credit line not over than 10 million baht (ten million baht);
7. Approve the transaction, regular services and other services of the company, such as the approval of sales, employment contracts for the regular and irregular duties with the credit line not over than 150 million baht (one hundred and fifty million baht);
8. Approve the loaning money, the provision of credit, the issue of debt securities, overdraft contract, other bank credits or other financial institutions' or other people under the regular conditions of the company or other juristic persons involved in the business with the credit line not over than 40 million baht (forty million baht), including the authority to get the payment guarantee letter for the company's interests with the credit line not over than 40 million baht (forty million baht);
9. Regularly perform other responsibilities assigned by the Board and Committees.

The Chairman of Executive Committees could not examine and approve any performances involved with the interests of the company, except for the approval conforming with the policies and regulations of the Board, the extraordinary general members and legal regulations. Nonetheless, the Board could cancel, ignore, and revise their authority as appropriate.

Roles and Responsibilities of the Chief Executive Officer

General Administration

1. Administrate the regular operations and managements of the company;
2. Perform duties following to the policies, plans, and budget plans assigned by the committees and/or the Board and/or the Chairman of Executive Committees;
3. Administrate the operations as an authorized representative, with the awareness of the targets, regulations, policies, commands, resolutions obtained by the Extraordinary General Meeting, and/or Executive Meeting and/or Chairman of Executive Committees' Meeting;
4. Possess the authority to assign particular authority and/or duties towards other employees, which is limited to the regular authority of the Chair and/or depends on the company's practices, regulations, or commands of the Board, and/or the regulations settled by the company. However, the authority assignation is not considered as successful if the authorized representatives are against the company's interests;
5. Follow up and evaluate the company's operations in order to protect risks gained by internal and external factors;

6. Examine the contracts involved in the company's business and interests, including specify the procedures and methods of the contract management processes with the purposes of present to the Board and/or Committees and/or Chairman of Executive Committees;

Authority

7. Possess the authority to approve the regular transaction of the regular usage in the business with the credit line not over than 10 million baht (ten million baht);
8. Possess the authority to approve the transaction of equipments or fixed assets for the regular usage in the business with the credit line not over than 5 million baht (five million baht);
9. Approve the transaction, regular services and other services of the company, such as the approval of sales, employment contracts for the regular and irregular duties with the credit line not over than 100 million baht (one hundred million baht);

Internal Control

10. Examine and allocate the pension, bonus, and other rewards to the employees, laborers and other staff involved in the business, along with the approval of the committees;
11. Possess the authority to deliberate on the employment, nomination, translocation of positions, sections, departments, and dismissal, as well as salary/bonus/reward/benefit specification of all employees, except for executive officers;
12. Possess the authority to specific regulations, practices, declarations, and notices in order to fulfill the policies and interests of the company, as well as maintain the organization within the company;
13. Regularly perform other responsibilities assigned by the Committees and the Board.

The Chief Executive Officer could not examine and approve any performance that they are involved with the interests of the company, except for the approval conforming with the policies and regulations of the Board, the extraordinary general members and legal regulations. Nonetheless, the Board could cancel, ignore, and revise their authority as appropriate.

Moreover, the executive managing directors may assign authority towards employees to perform duties conforming with the approved regulations of the board. Nonetheless, the delegation of authority is considered as successful if the authorized representatives are not against the company's interests.

Company Secretary

At the Extraordinary General Meeting 1/2015 on April 22nd, 2015, it was unanimously resolved that Miss Wanida Phrutthinarakorn was nominated as the company secretary responsible for administrating the operations of committees, and cooperate with other departments to follow the committees' resolutions. The main roles and responsible required for the company secretary are as follows;

- Consult with the committees about regulations, rules, and practices of the company, as well as follow up with the operations and ensure that they were followed strictly, along with informing any corrections to the committees;
- Arrange the Extraordinary General Meetings, and Committee Meetings with the awareness of legal regulations, practices and other regulations settled by the company;
- Record the minutes of the Extraordinary General Meetings and Board Meetings, including follow up with the resolutions settled by these meetings;
- Ensure that the company's data and information reports could be revealed conforming to the practices and regulations of the Stock Exchange and Securities and Exchange Commission;
- Arrange and coordinate with other departments for the committees' activities, including the Board-Committee Orientation;
- Be responsible for the necessary documents, including committee registration form, executive meeting invitation, minutes of committee meetings, annual reports, extraordinary general meeting invitation and interest reports of committees and the Board.

* Highest Education Level: Faculty of Accountancy, Dhurakij Pundit University
 Work Experiences: Presently working as a finance manager/ executive director and company secretary.
 Attended the Company Secretary Program Training 54/2013 (CSP) arranged by the Thai Institute of Directors;
 Attended the Executive Financial Management Training 25/2012 arranged by the Faculty of Economics, Chulalongkorn University.

Remuneration of Directors

In 2019 and 2020, the Company paid remuneration in the form of attendance fees to the Board of Directors as follows;

Name-Surname	2019					2020				
	Board of Directors Meeting (frequency) ***	Board of Directors Meeting (Independent Directors only frequency) ***	Audit Committee Meeting (frequency) ***	Nomination Meeting (frequency) ***	Attendance fee (Baht) ***	Board of Directors Meeting (frequency) ***	Board of Directors Meeting (Independent Directors only frequency) ***	Audit Committee Meeting (frequency) ***	Nomination Meeting (frequency) ***	Attendance fee (Baht) ***
1. Mr. Noppol Milinhanggoon	9/9	1/1	-	-	450,000	9/9	1/1	-	-	360,000
2. Mr. Sumeth Chailertvanitkul	9/9	1/1	-	2/2	250,000	9/9	1/1	-	2/2	210,000
3. Ms. Aunada Phrutthinarakorn*	9/9	-	-	2/2	-	9/9	-	-	2/2	-
4. Mr. Kiangkrai Pheanvitayaskul*	9/9	-	-	-	-	9/9	-	-	-	-
5. Mr. Thanawat Yanisrangkul*	9/9	-	-	-	-	9/9	-	-	-	-
6. Mr. Sirichai Phrutthinarakorn*	9/9	-	-	-	-	9/9	-	-	-	-
7. Mr. Vichai Yanisrangkul*	9/9	-	-	-	-	9/9	-	-	-	-
8. Mrs. Pranee Phasipol	9/9	1/1	6/6	2/2	390,000	9/9	1/1	6/6	2/2	350,000
9. Mrs. Chattong Tippayakalin	9/9	1/1	6/6	-	320,000	9/9	1/1	6/6	-	280,000
10. Ms. Chaovana Viwapanachati	7/9	1/1	6/6	-	280,000	9/9	1/1	6/6	-	280,000

In 2020 the Company paid monthly remuneration to the Board of Directors as follows:-

Name-Surname	2019		2020	
	Frequency (month)	Amount (Baht)	Frequency (month)	Amount (Baht)
1. Mr. Noppol Milinhanggoon	12	300,000	12	300,000
2. Mr. Sumeth Chailertvanitkul	12	240,000	12	240,000
3. Ms. Aunada Phrutthinarakorn*	-	-	-	-
4. Mr. Kiangkrai Pheanvitayaskul*	-	-	-	-
5. Mr. Thanawat Yanisrangkul*	-	-	-	-
6. Mr. Sirichai Phrutthinarakorn*	-	-	-	-
7. Mr. Vichai Yanisrangkul*	-	-	-	-
8. Mrs. Pranee Phasipol	12	240,000	12	240,000
9. Mrs. Chattong Tippayakalin	12	180,000	12	180,000
10. Ms. Chaovana Viwapanachati	12	180,000	12	180,000

Remarks: 1. monthly Remuneration of Directors, considered paying only to the highest position.

2. Remuneration of Directors, excluded Executive Directors.

Remuneration of the Management

List	2019	2020
Number of the senior executive officers	10*	10*
Remuneration of the senior executive officers (Baht)	23,792,404	24,782,060
Remuneration Form	Salary / Bonus	Salary / Bonus

Shareholders Structure

List of top 10 shareholders at the book closure as date of November 03, 2020

List of Shareholders		Number of Shares	Percent
1	Mr. Sirichai Phrutinarakorn	115,356,300	15.38
2	Mrs. Wanida Phrutinarakorn	88,715,400	11.83
3	Ms. Rasamee Phrutinarakorn	86,686,800	11.56
4	Ms. Aunada Phrutinarakorn	62,810,586	8.37
5	THAI NVDR Co., Ltd.	54,078,668	7.21
6	Mrs. Prammika Phrutinarakorn	27,872,786	3.72
7	AG AJIKAWA CORPORATION	26,404,400	3.52
8	Mr. Kriangkrai Pheanvitayaskul	17,643,300	2.35
9	Mr. Thanawat Yanisrangkul	13,400,000	1.79
10	Ms. Orajid Pheanvitayaskul	12,174,124	1.62
11	Others	244,857,636	32.65
Total		750,000,000	100.00

Corporate Governance

The Company recognizes the importance of being in line with Corporate Governance Policy in the business operation. Therefore, the Company's Board of Directors is entitled to set up Corporate Governance Policy to be in line with the good principles and guidelines for directors which are consistent with the Code of Best Practices for Directors of Listed Company that comply with the regulations of the Stock Exchange of Thailand. In order to ensure real practice, it is also established various provisions. Moreover, the Company has conducted good corporate governance to guide the policy development that covers the rights and equitable treatment of shareholders and other stakeholders, structures, roles, responsibilities and independence of the Board of Directors, disclosure and transparency, control and risk management, as well as Business Ethics in order to make the administration and the Company's business operation run with an efficient and transparent. The corporate governance was reviewed and approved at the Board of Directors' Meeting 7/2020 which was held on October 28, 2020, encompassed five major principles as follows:-

The Rights of Shareholders

The Company is well aware and places importance on the rights of the shareholders; not taking any action that would violate or deprive the rights of shareholders as well as encouraging shareholders to use their rights. The basic rights of shareholders include rights to trade or transfer their shares; the rights to receive dividends; the rights to adequately access the Company's information; the rights to attend shareholders' meetings to remove members of the board or to appoint auditor; and the rights to join in deciding on important matters that will have an impact on the Company such as dividend allocation, the amendment of the memorandum or articles of association of the Company, the increment or decrement of capital, and the approval of important business transactions, etc.

In addition, the Company manages to support and facilitate the shareholders' right exercise as follows:-

- The Company assigns the Board of Directors to arrange Shareholders' Meetings invitation letters together with meeting agenda and related documents with adequate facts for the shareholders to consider at least 7 days prior to the meeting date or to comply with the Securities and Exchange Commission and the Stock Exchange of Thailand.
- During shareholders' meetings, chairman or secretary of the meeting will clarify the rules for the meeting including the process of voting and allocate sufficient time for the meeting.
- The Company provides shareholders to submit comments, suggestions, and questions prior to the shareholders' meetings date.

- The Company provides equal opportunities for the shareholders to make enquiries, to express their views or suggestions. Therein, all the Company's directors and relevant management are present to answer the questions that are raised. Every question-and-answer issue and all the significant opinions are recorded in the minutes of meeting to facilitate the shareholders' scrutiny.
- In the case where shareholders are unable to attend the meeting in person, the Company allows him/her to assign an independent director or any person to attend the meeting on his/her behalf by filling in one of the proxy forms attached with the meeting invitation letter.

The Equitable Treatment of Shareholders

The Company will treat every single shareholder equally and fairly whether the shareholders' are executives, shareholders who are not executives, foreign shareholders, and minor shareholders. The Company performed the following principles:

- The Board of Directors will not unnecessarily conduct un-informed agenda to the meeting without prior notifying to the shareholders, especially, the significant agenda that the shareholders need some times to make a prudent study before making a decision.
- Independent directors are assigned by the Company to be responsible for looking after the minor shareholders. The minor shareholders are entitled to propose any suggestions, comments or complaints to the independent directors. The independent directors will conduct an investigation and determine appropriate remedies, including such significant ones as connected transactions, acquisition or disposition of the Company's assets, independent directors will propose such matters at the next shareholders' meetings in order to consider and determine the agenda for the shareholders' meetings.
- Encourage shareholders to use the proxy forms as an alternative for shareholders to appoint one of the directors to attend the meeting as their proxy and vote on their behalf.

Encourage the use of voting on the significant major shareholders' meeting agenda such as the relevant transactions operation, the acquisition or disposition of assets and so on, in order to ensure transparency and accountability, in case of there is a dispute thereafter.

- Provide opportunity to the shareholders to exercise the right in appointment directors individually.
- Encourage to exercise the rights such as provide opportunity for minor shareholders to propose agenda items in advance for the meeting, provide opportunity for minor shareholders to propose persons to be appointed as director in advance at appropriate time, together with information of qualifications for consideration and the consent of the nominees.
- At a shareholders' meeting, directors and executives will disclose information about their interests on each agenda, so the Board can consider the transactions that may have a conflict of interest and can decide the overall benefit of the Company. However, a director or executive who has interests in the matter under consideration shall not join the meeting and abstain from voting.
- Establish guidelines in writing regarding the keeping and protecting of inside information and inform such guidelines to employees of all levels. And the directors and executives are required to report holdings of securities to comply with the laws and handling such reports to the Board of Directors.
- The Company has set up measure to prevent "Insider Trading" by relevant persons who are directors and executives related to the inside information (including their spouses and minors). In case that staffs or executives discloses or makes use of the Company's inside information for seeking his/her own personal interests. Heavy penalty, and firing or dismissal, will be considered.

The Role of Stakeholders

The Company places importance on all stakeholder groups and the Company's policy. The treatment of each group of stakeholders can be summarized as follows:

- Shareholders** : The Company is committed to conducting its business effectively with full knowledge and ability in any cases, transparency to major and minor shareholders, in order to increase to overall shareholders' value, including transparent and honest information disclosure.
- Employees** : The Company has set an appropriately salary and benefit to employees. In addition, the Company places importance on caring for the working environment, the safety of employees' life and property, and is committed to continuously developing its employees' potential, in compliance with laws and regulations relating to the staff strictly, as well as avoid any action that is not justified which can affect the stability of the functions of the employees, along with treating them with courtesy and respect the dignity of being human.

- Customers** : The Company is committed to providing quality products and standard services at reasonable prices, seriously and consistently treating the customers' information as confidential, unceasingly seeking channels to maximize the benefits to our customers continuously, and strictly complying with the conditions provided to customers.
- Trading Partners and Creditors** : The Company has the policy to treat both the counterparts and creditors fairly and is committed in compliance with the trading conditions to creditors strictly whether it is the purpose of using the money, the repayment, the care of collateral quality, and any terms in mutual contracts to enhance good business relationship, beneficial to all parties.
- Competitors** : The Company operates its business with integrity and professionalism, without any legal or ethical wrongdoings. The Company does not seek its competitors' trade secrets or information through illegal nor inappropriate means, and does not try to discredit its rivals by accusing the unfounded impurity.
- Community and Public** : The Company will not take any action that would harm society, natural resources and environment. It is also need to seek for social supporting activities, foster social responsibility among employees at all levels continuously and seriously along with strictly operation or controlling required by laws and regulations which issued by regulatory sectors.

The Disclosure and Transparency

The Company places importance on the disclosure of the Company-related information to be accurate, complete, transparent, and timely in conformity with the regulations stipulated by the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand. Additionally, it discloses other general information as well as significant information which may affect the price of the Company's securities which in turn impacts on the decision of the Company's investors and stakeholders. In order to provide fair information to all parties, the information that was already disclosed to the SEC and SET was also posted on the Company's website www.sci-mfgr.com.

The Company Board of Directors is well aware that the correctness, completeness, reality and rationality of the information under the Financial Report are the responsibility of the Board. The Company's consolidated Financial Statements are prepared in accordance with generally accepted accounting standard. As such, suitable accounting policy is selected for use. The accounting information recording is accurately and completely made sufficiently to maintain the assets and to know of the weak point in order to prevent the fraudulent and irregularity acts in material substance from occurrence. Such practice is regularly performed including the sufficient disclosure of important information in Notes to Financial Statements. In addition, the Board has appointed the members of the Audit and Risk Management Committee to check the Financial Report, inter transactions and internal control system which, in this respect, the Audit and Risk Management Committee will report the same to the Board in every Board of Directors Meeting. In this respect, Report of the Board of Directors, Audit and Risk Management Committee and Auditor are apparently detailed in the Annual Report.

In respect of the work on the Investor Relations, the Company has assigned the Investor Relations Section to perform duties on the co-ordinations and communications as well as giving accurate information to the shareholders, analysts and related parties with transparency.

Responsibility of the Board of Directors

(1) Board of Directors

The Company's Board of Directors consists of Directors knowledgeable, competent and experienced in carrying out business operations beneficial to the Company. The Board is appointed by the Shareholders Meeting consisting of 10 Directors; 5 of whom are Independent Directors, having each term in office for a period of 3 years and that the Independent Directors should have their term in office of not over 9 years consecutively.

The Company's Board of Directors must have the qualifications and must not possess any prohibitions set out under the Law on Public Company Limited including the characteristics manifesting the lack of suitability to be entrusted on the carrying out of the management of the business where the shares in which are held by the public as prescribed by Securities and Exchange Commission and The Stock Exchange of Thailand.

Chairman of the Company Directors shall be an Independent Director and must not be the same person chairing the Executive Committee and Chief Executive Officer in order to cause the rising of a balance on the reviews of the work management. In this respect, the Company has expressly set out the scope of the powers,

duties and responsibilities of the Company Directors, Executive Directors, Executive Director Chairman and Chief Executive Officer in order to prevent them from having the executive power and power to approve unlimited amount of money.

The directors is able to hold the position of director in other companies, however, being a director of that company must not be an obstacle to the performance of the company's board of directors. A director may hold directorship positions in no more than five listed companies without exception.

Leadership and Vision

The board is independent in making decisions. The company grants all rights and equality to all directors in their decisions. In which the company has clearly separated duties between the board of directors and the executive board. In this regard, the Board of Directors does not have a duty to manage the company's routine work but will have the duty as required by the law and attend the meeting to consider the management of the company's business according to the specified agenda or as the chairman of the board deems appropriate for ;

1. Define or approve the company's mission, strategy, goals, policies, business plans and budgets.
2. Regularly supervise and monitor the performance of the management in order to meet the business goals and plans.
3. To ensure that there is a good internal control system and appropriate risk management measures.

(2) Subcommittees

The Company's Board of Directors appointed the Subcommittees to help the Board in monitoring controls over the business as follows:

- The Audit Committee consists of at least 3 Members; all of whom are Independent Members, but, at least 1 of them must be well-versed in accountancy and experienced sufficiently to review the reliability of the Financial Statements. The Audit and Risk Management Committee helps the Board in monitoring controls over the carrying out of the Company business operations to be in accordance with the Principle of Good Corporate Governance as prescribed by Office of SEC and SET including the scope of powers and duties as assigned by the Company Board of Directors.
- The Nomination and Remuneration Committee consists of 3 Members, at least, and 2-thirds of its total number, at least, must be Independent Members and that an Independent Member shall chair the Nomination and Remuneration Committee to be responsible for setting out the rules and policy on the scrutiny and fixing the remunerations for Directors of the Board and Subcommittee Members including the scrutiny, selections and nominations of suitable persons to hold positions of the Company's Board of Directors and fixing the remunerations of the Directors.
- The Executive Committee of Directors consists of a total of 10 persons who help the performances of duties to be flexible, having the scope of powers and duties as assigned by the Company's Board of Directors.
- Risk Management Committee consists of 7 Members and Management being the representatives from various units with Chief Executive Officer being Chairman of the Committee. The Committee performs duties in monitoring controls over the overall risk management process to keep it under a suitable level in accordance with the Principle of Good Corporate Governance as prescribed by Office of SEC and SET. The Risk Management Committee must be assured that the Company has the effective Risk Management Plan thoroughly covering all risks including the classification of, assessment on and reduction in the risk, monitoring follow ups on the risk and reporting the risk to Audit Committee on a regular basis every quarter.

However, the Company may, in the future, make scrutiny and select the other Subcommittee to perform the assigned duties in order to help release burdens on work administration of its Board.

(3) Duty and Responsibility of Directors

The Company's directors have to perform their duty with utmost care and integrity in specifying policy, vision, strategy, goal, objective, mission, business plan and budget as well as monitoring the Company's business operations to be efficient and effective as prescribed by law, objective and regulations of the Company, including shareholders' resolution. The Company's directors have established the following :

3.1 Business Codes of Conduct

The Company has set its business codes of conduct as operational guidelines for directors and the Audit and Risk Management Committee as well as every employee. The Company has strongly emphasized on confidentiality of information, integrity and loyalty, compliance with laws and regulations, respect of equal rights, resources conservation as well as environmental concern. The emphasis on the Company's codes of conduct helps facilitate its business operation and internal control to be more efficient as well as strengthen trust and credibility among investors.

3.2 Policy Regarding Conflict of Interest

The Company has established policy regarding conflict of interest on the basis that every employee must perform their duty for the utmost benefits of the Company. Any action or decision must not be affected by personal interest as well as interest of their family member, relative or any other persons. The Company has set its policy emphasizing on 2 major issues as follows:

- Related transactions: The Company will consider the appropriateness of every related transaction, including price specification and condition of such transactions similar to those made with the external party (arm's length basis) The Company must appoint the Audit and Risk Management Committee to consider its related transactions and such transactions were specified according to the Notice of the Board of Stock Exchange of Thailand with regard to information disclosure and the operation of Listed Company in managing related transactions as well as the Notice of Capital Market Supervisory Board with regard to criteria of related transactions. The Company shall handle such transactions based on criteria, conditions and methods as indicated in the Notice.
- Moreover, the Company shall also disclose such transactions in its annual report 56-1 Form to ensure its transparency and to solve any problems resulting from possible conflicts of interest.
 1. General investment The Company must not allow any of its employees who are also shareholders or any employee who benefit from the Company's competitor or any vendor with whom the Company has business transaction to participate in any decision making with regard to business relation unless the Company gain prior approval from the Board of Directors.
 2. Gift receiving Employees at every level must not receive any gifts, tickets, sports tickets or any vacation or hotel vouchers as well as other personal offers if such offer may cause damage or loss to the Company or make the Company lose its benefits.
 3. Academic offer, public service duty, lecturer or any other position offer for every employee of the Company must receive prior approval from the director of related department or unit. Nevertheless, employees are allowed to take part in academic institution, public service duty, lecture or any executive position which helps broaden the Company's vision and experience of the employee. However, such employee must not use the Company's name or his/her position for his/her own benefits without prior approval of the Company.

3.3 Internal Control System

The Company provides the internal audit system in order to create confidence in the investors that we have carried out our business operations with effectiveness and add reliability to our Financial Statements. In respect thereof, an Independent Internal Audit Unit consisting of knowledgeable and experienced members was formed up to continue working all along with the Internal Auditor originally hired by the Company to conduct internal audit for a certain period of time in order to monitor controls and follow ups over the performances in accordance with the internal audit system and assess the sufficiency of various systems and report result of controls and follow ups as well as the improvements and remedial actions in accordance with the result of monitoring controls and report given to Audit Committee regularly every quarter. And in order to make the internal audit system of the Company achieve the maximum benefit, we contract the outsource consultant to evaluate the Company's internal control system.

(4) Meeting of the Board of Directors

In order to make our business operations being in accordance with the Principle of Good Corporate Governance, the Board of Directors Meetings have been scheduled to take place, at least, 6 times per year and the Board of Directors Meeting without Directors being the Executives to participate in to take place once a year. In the case where there is an important matter requiring to be reported or to obtain an approval of

the Board, an additional meeting will be held in order to enable the Board to monitor controls over the performances of the Management continuously and in a timely manner. In this respect, letters of invitation to the Meeting will be forwarded to the Directors for considerations, at least, 7 days prior to the Meeting. In the case of necessity or urgency and in order to preserve the rights or benefits of the Company, Directors may request for additionally necessary information from the Company Secretary.

Chairman and Chief Executive Officer will jointly make considerations on the Meeting Agendas by providing the opportunity to the Directors to propose matters for incorporating with the Meeting Agendas, which in the related Agendas, high level Executives may take part in the Meeting, as well, to give additional information in details.

Each Director is advised that he/she should attend the Meeting of not less than 75% of all number of the Company Board of Directors Meetings held during the year.

In 2020, 10 Company Board of Directors Meetings (9 of the Board of Directors Meeting and 1 of the Board meeting without executive directors), 6 Audit Committee Meetings and 2 Nomination and Remuneration Committee Meetings were held. Details of the Directors' Meeting attendances are as follows:

Name-Surname	Board of Directors Meeting	Audit Committee Meeting	Nomination Meeting
	2020	2020	2020
1. Mr. Noppol Milinthanggoon	10/10	-	-
2. Mr. Sumeth Chailertvanitkul	10/10	-	2/2
3. Ms. Aunada Phrutthinarakorn*	10/10	-	2/2
4. Mr. Kriangkrai Pheanvitayaskul*	10/10	-	-
5. Mr. Thanawat Yanisrangkul*	10/10	-	-
6. Mr. Sirichai Phrutthinarakorn*	10/10	-	-
7. Mr. Vichai Yanisrangkul*	10/10	-	-
8. Mrs. Pranee Phasipol	10/10	6/6	2/2
9. Mrs. Chattong Tippayakalin	10/10	6/6	-
10. Ms. Chaovana Viwatpanachati	10/10	6/6	-

(5) Annual Report of the Board of Directors:

The Audit Committee performs its duty to review Financial Report with the Accounting and Finance Department and the auditor jointly taking part in the Meeting and that the Financial Report shall be submitted to the Company's Board of Directors every quarter. The Board shall be the party responsible for the consolidated Financial Statements that they are prepared in accordance with the generally accepted accounting standard and audited by the auditor approved by Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET) by selecting to use the suitable and acceptable Accounting Policy with practical performance regularly. In addition, due caution is exercised in using the discretion on the preparations and control is monitored to ensure that the important information is sufficiently disclosed in Notes to Financial Statements including financial information (Report on the Responsibility of the Board for Financial Report and other Information) appearing in the Annual Report in order to make it in conformance with the Principle set out by SEC and SET.

(6) The Remuneration

The Company has specified the remuneration for the Audit Committee in a level that can encourage them to perform their duty with the highest effort. The rate of remuneration will be equivalent with that provided with in the same industry and is comparable with the Company's business performance. The Company will ask for the Board's approval on remuneration in the Board meeting.

The remuneration of the Chairman, CEO and senior executives will be identified based on their responsibility as well as criteria and policy established by the Board for the utmost benefit of the Company. Furthermore, salary, bonus and long-term compensation will be specified in compliance with the Company's and each executive's performance.

(7) Development Plan for the Company's Directors and Executives:

The Company's Board of Directors enhances and provides supports and facilitations to cause the trainings to be held and knowledge passed onto related persons involved in the business governance system of the Company such as Company Directors, Audit Committee Members, other Subcommittee Members and Executives, etc., in order that duty performances can be improved continuously. Such trainings and passing of knowledge may be conducted internally within the Company premises or that the service of the external institute may be used.

Every time whenever there is a replacement of a Director, the Company Secretary will provide documents containing information useful to the new Director in performing his/her duty including organizing the session for the introductions on nature of the business and guidelines on the carrying out of business operations to the new Director.

Self Performance Evaluation of Directors

The Company's Board of Directors shall cause to be provided the Annual Performance Evaluation on the Board, Subcommittees both by group and by individual which shall be in the form of self-evaluation method in order that result of such evaluation can be used in the development of duty performances.

Self Assessment Evaluation Form consists of ; Structure and Qualification of the Board of Directors | Roles, duties and responsibilities of the Board | The Board Meeting | Acting Director | Relationship with Management | Self Development of directors and executive development.

The evaluation criteria are as follows.

- More than 85% = Excellent
- More than 75% = Very Good
- More than 65% = Good
- More than 50% = Fair
- Lower than 50% = Should be improved

**** A summary result of the director's overall assessment. Most actions are average 96.8%.**

Self Assessment Evaluation Form Of each individual directors ; The results of the performance appraisal of individual directors for the year 2020 are summarized as follows:

The majority of the directors are able to allocate the full time to perform their duties as directors. In terms of participation in the determination of operational guidelines and strategic goals, there is a clear separation of roles and responsibilities between the board and management, the manifestation of mutual trust. Can express freely. There is good progress in the financial review process. The Company has adequate internal control system. The Company regularly reviews internal audits. Fully implemented the rules of the Stock Exchange of Thailand. In the connected transaction and Conflict of interest. The Code of Business Conduct has been defined and supervised, with a clear, transparent and appropriate recruitment process. In line with business performance and industry compensation.

In addition, the Board of Directors Organize an annual performance evaluation of Chief Executive Officer By way of assessment from independent directors to provide unbiased assessment results and to help the Chief Executive Officer Reviewed the performance during the past year and improve it to increase the efficiency of work.

The Chief Executive Officer Performance Assessment Form consists of ten topics: Leadership | Strategic Formulation | Strategy Implementation | Planning and Financial Performance | Relationship with the Board | External Relations | Management and Personnel Relationship | Succession Plan | Product and Service Knowledge | Personal Characteristics.

The evaluation criteria are as follows.

- More than 85% = Excellent
- More than 75% = Very Good
- More than 65% = Good
- More than 50% = Fair
- Lower than 50% = Should be improved

**** Chief Executive Officer Assessment Summary (By an independent director). The average was in excellent condition, equal to 94.1%.**

Specification of an Individual Responsible for Good Corporate Governance

Topic	Person in charge
Person in charge with the annual revision of good corporate governance	CEO presenting the policy to the Board of Directors
Board meetings and shareholder meetings	The Company Secretary
Maintenance and prevention of the use of internal information in a written document	The Company Secretary
Director and executive responsible for holding security as prescribed by law	Director and executive The Company Secretary will keep all documents.
Information disclosure via the Company's website	The Company Secretary
Providing information to shareholders, analysts and any related persons (investor relations)	CEO/ Investor Relations unit
Monitoring related transactions and transactions in conflict with the Company's interests	Chief Financial Officer
Monitoring internal control system	Internal auditor / External auditor
Preparing financial report	Accounting manager
Preparing annual report	Accounting manager and the Company Secretary
Coordinating with stock market and transmitting data via Elcid system	The Company Secretary

As the Securities and Exchange Commission ("SEC") has established CG Code 2017 for listed companies, which will be used instead of the 2012 Good Corporate Governance for listed companies.

At the Board of Directors' Meeting No. 7/2020, the Board of Directors reviewed the 2020 company operations including its subsidiaries that the principles of CG Code 2017 has been appropriately applied in the company business and its subsidiaries, including development and monitoring.

Dividend Payment Policy

The Company has a policy to pay to the shareholders the dividends of not less than 40% of net profits after deductions of corporate tax and reserve in accordance with the law for the Company's specific financial statements. Nevertheless, such dividend payment is subject to change which, in this respect, it will be dependable on the investment plan, liquidity, necessity and other suitability in the future. In addition, the resolution of the Company Board of Directors approving the dividend payment must as well be submitted for the approval of the shareholders meeting except the interim dividend payment on which the Company Board of Directors has the power to approve which, in this respect, a report accordingly must be reported to the shareholders in the succeeding shareholders meeting.

Protection against abuse of inside information

The Company realizes and recognizes the importance of governing the use of inside information in accordance with the principles of corporate governance. By adhering to the principles of good governance. Honesty, integrity and ethics in business. And to ensure that Shareholders of the company have received reliable information that fairly and promptly. The company has set the rules governing the use of inside information and regulations of the stock trading of the Company's Directors, Executives and staff as follows :

1. Educating Directors including Executives of various Departments relating to their duties to submit reports on the possessions of securities of themselves, their spouses, underage child or children to Securities and Exchange Commission and Stock Exchange of Thailand in accordance with Section 59 and Office of SEC Notification No. Sor.Jor. 12/2552, Re: Preparation and Disclosure of Report on the Possession of Securities of a Director, an Executive and Auditor and Penalty under Section 275 of Securities and Exchange Act, B. E. 2535 (1992).
 - Report on the First Possession of Securities (Form 59-1) within 30 days from the date of appointment to hold the post of a Director or an Executive.

2. The Company directs the Directors and Executives to make reports to the Securities and Exchange Commission on the change in the possessions of securities in accordance with Section 59 of Securities and Exchange Act, B. E. 2535 (1992) and Office of SEC Notification No. Sor.Jor. 12/2552, Re: Preparation and Disclosure of Report on the Possession of Securities of a Director, an Executive and an Auditor in order to enable the Company to check the securities trading of all Directors and Executives.
 - Report on the Change in the Possession of Securities (Form 59-2) every time when there is a trading, transfer or receipt of securities within 3 days from the date of the rising of a transaction together with producing a copy thereof to the Company Secretary as evidence every time.
3. The Company directs the Directors and Executives perceiving materially internal information having an effect on the change in the price of the securities that they must stop trading the Company's securities during the period of 1 month before such financial statements or internal information would be disclosed to the general public and that no information being such material substance shall be disclosed to the other persons. In this respect, if any internal information should be found to be used in a manner likely to suggest that the Company or shareholders would be impaired or damaged by an act of any personnel in the level of the Executive Board of Directors, the Company Board of Directors shall be the party to make a consideration in inflicting the punishment as reasonable upon such personnel and if the offender should be in the Management level down the line, the Executive Board of Directors shall be the party to make a consideration in inflicting the punishment upon such offender.

Internal Control and Risk Management

The Company has caused to be provided with the internal control system to create confidence in the investors that we have carried out work operations effectively and add reliability to our Financial Statements which, in this respect, an Independent Internal Audit consisting of knowledgeable and experienced Members was formed up in 2016 to work all along with the Internal Auditor originally contracted, for a period of time in order to perform duties in auditing and monitoring over the performances in accordance with the internal control system and evaluating the sufficiency of various control systems and reporting results of the audits and monitoring on the improvements and corrections according to the result of the audits and monitoring given to the Audit Committee Meeting regularly every quarter. In order to enable the Company's internal control to achieve the optimal efficiency, Outsource Consultant will be contracted to conduct the evaluation on the Company's internal control in the next opportunity possible.

The Company sets up the requirement to have the internal control elements conducted in the form of the Committee of Sponsoring Organizations (COSO) once a year, at least, which, in this connection, the annual review on all 5 parts of the internal audit: namely; Control Environment, Risk Assessment, Control Activities, Information & Communication System and Monitoring Activities was conduct during the ending period of 2020. It was found, as a result of the review, that the Company had still complied with the requirements continuously and that the reviews of the information on various matters had been made in accordance with the prescribed period cycle. Moreover, duty performances/ transactions were additionally executed in order that the Company could have the internal control which could comprehensively cover all organizations and more job accountabilities.

The Risk Management Committee was formed up consisting of 7 Directors and Executives being the representatives from various units with Chief Executive Officer chairing the Committee to monitor controls over the overall risk management processes to be under a suitable level and in accordance with the Principle of Good Corporate Governance as prescribed by Security Exchange Commission (SEC) and The Stock Exchange of Thailand (SET). The Risk Management Committee must be assured that the Company has the Risk Management Plan to effectively and comprehensively cover all risks including the setting of requirements, the assessment, reduction, and monitoring of the risks and risk report for submission to the Audit Committee regularly every quarter.

Risk Factors

In 2020, the Risk Management Committee conducted the risk assessment and mapped out the Risk Management Plan to effectively and comprehensively cover all risks in all 4 aspects as follows:

Risk in Business Operation

1. Risk from the dependence on unstable income derived from the projects

In the year 2020, revenue from overseas transmission line and substation construction projects has decreased. As a result, the company turned itself into a project construction of a domestic substation to compensate, and also plans to accept more the power systems construction projects to reduce the uncertainty in the future.

2. Risk from the non-stability on the investment in high voltage transmission tower and telecommunication tower construction plant project including zinc-plated services in Republic of Union of Myanmar

On the investment in the Republic of Union of Myanmar (Burma) on high voltage transmission tower and telecommunication tower manufacturing plant including zinc-plated services, the Company has formalized actions to lease the land at Thilawa Special Economic Zone as well as making registration of the Company in Myanmar already and that financial support with a bank loan has been provided by Export-Import Bank of Thailand (EXIM). After the operation in the beginning of 2019, the project that the government announced has been delayed and there are more competitors to open the galvanized factory causing more price competition.

At the end of 2019, the government has started the new fiscal year. There are several Bidding for the transmission tower and the power substation project, gradually open the auction.

At the beginning of 2020, there was a Covid-19 situation outbreak globally, whereas the Outbreak in Myanmar could be controlled during the 1st Quarter. However, the 2nd Outbreak from the western area adjacent to neighboring countries, airspace shutdown and controlling access causing an impact on many projects. Investors Officers have to work from home, slowing down on Projects decision. It all waits for a declining trend of new infections, Myanmar is also waiting for a donated millions doses of vaccines and hope to better control the outbreak of Covid-19.

However, in 2021, Myanmar has a coup d'état from the military leaders causing an impact on the slowdown and the investment sector in Myanmar. The company has accelerated the production and delivery of the outstanding work together with closely monitoring the situation.

3. Risk from the dependence on the main customers or less customers

The subsidiary company (AG&SCIMT) has the income from the customer of high-voltage transmission tower and telecommunication tower. The job of high-voltage pole and telecommunication pole is supervised by the subsidiary company (AG&SCIMT). The subsidiary company will receive the job from the main contractor being able to win the auction from state agencies such as EGAT, PEA, and MEA or receive the job from the companies providing the telecommunication services such as TRUE, DTAC, AIS, etc. The customer group of high-voltage transmission tower depends on the bidding job in each year, considering as a mega project, causing the group of customers in each year is in slight quantities. For the job of telecommunication tower, there are several main contractors in order to have the task distributed among the group of telecommunication tower producers. Therefore, the Company has the risk in the income if such customer does not get the job from the auction or gets the job but does not give the job to the Company, including the policy of power productivity expansion, and expansion of telecommunication towers of the current concessionaire.

During the year 2020, the Electricity Generating Authority of Thailand continues to expand the high voltage project. But the telecommunication poles sector still focuses on upgrading the old poles, due to the amount of poles that have previously expanded and still available; causing the contraction of the telecommunication tower industry.

Risk in the Production

1. Risk from the fact that the main raw material's price fluctuates following the sale and purchase price of the global market

The main raw materials in the production of the Company and the subsidiary company, including electricity controlling cabinet, electric wire line, and iron structure pole, are iron sheet, angle bar, and zinc bar. In general, the Company uses the iron and zinc calculated in the approximate proportion of 70-80% of the total purchase of raw materials. The Company purchases iron and zinc from the domestic distributors only. However, as the

price of iron and zinc bars will change according to the global price; therefore, if the Company cannot increase the price to be in line with the increasing price of raw materials, the fluctuation of price of iron and zinc bars will affect the income, cost, and net profit rate of the Company.

As the domestic price of iron and zinc bars is monopolized by a few distributors, rendering them with superior bargaining power. In this connection, the Company's business is mostly quoted for the service as fixed contracting price (iron structure pole business) with the price specified from starting the bidding or taking the job until job completion. During such period, the price of iron including materials and other equipment may increase. This will affect the higher cost of operation in each project.

In order to reduce the impact from this risk, the Company will have to make the agreement on the price with the seller before quoting price to the purchaser from the earlier stage of bidding and the price will be remained until the production and delivery period. Moreover, the Company will try to gather the amount of orders of purchase from several projects and make one order in order to increase the bargaining power in purchasing. The Company does not have policy in hoarding the iron for speculating. The Company has the risk management policy by specifying the selling price to have the difference of profits in the level which can serve the change of raw material's price partly.

If the iron price is likely to increase continually, the Company will consider increasing the price following the raw material's price. Moreover, the Company will monitor the iron price closely for predicting the situations and tendency of price and demand for iron use both domestic and international. The Company and the subsidiary company will store the iron at the minimal quantity by using the experience and good relationship with the iron suppliers in making decision to purchase the raw materials and plan for the production appropriately.

In early 2021, the steel industry began to suffer as a result of Covid-19 outbreak in 2020; due to the shrinking consumption, economic slowdown causing the reduction of steel production. The increasing of raw materials price used in the production of structural steel and lacking of the shipping containers. From the aforementioned factors, steel prices in the world market are rising. The company has to plan the procurement and contract in advance to stand the steel price to reduce the impact.

2. Risk from the dependency on main raw material distributors and manufactures

At present, the Company place the purchase orders for raw materials of iron category from approximately 3-4 distributors. Therefore, if such manufacturing companies could not supply the irons to the Company, our manufactures would be affected. Hence, it is somewhat risky for the Company to depend on such iron and zinc distributors and it is potentially possible that the Company may run into the problem of iron and zinc shortage if such distributors could deliver such feedstock on schedule and we could not procure any raw materials from other sources as the substitutes in time for the manufactures.

Nevertheless, the Company will keep very close tab on the situation and map out the raw material purchase plan in advance as well as adding more names of distributors who can supply the raw materials to our list. The Company never, in the past, experienced any problem on severe shortage of the feedstock; however, the problem of a delay may occur sometimes which we are confident that it will not adversely affect our operations nor our Company will sustain any damage whatever from the purchase orders from those distributors.

The Aspect of Financial Risk

1. Risk from insufficient working capital in the project

Circulating capital is compulsorily required for use in the study of project work wherein there will be expenses on the preparation of the Feasibility Study Report, hiring of Outsource Consultant and pre-expenditures prior to the project approval. In this connection, the Company is compellingly required to sufficiently manage the source of capital. In addition, there is a project attributable to the characteristics requiring the Company to cover the expense payment in advance on some certain part and if there should be a delay in receiving money from the employer, the Company may possibly be faced with the problem on the working capital which, in this respect, the working capital from the other sources must be acquired in a timely manner. Over in the past, we had to map out a plan to administrate the advance acquired from the employer and money compellingly required to be disbursed to raw material sellers and subcontractors to be in the range of time relatively to the period of time which we can collect the remuneration from the employer.

2. Risk from foreign currency exchange rate fluctuation

According to the Power Purchase Agreement with Lao's Electricity State Enterprise (EDL) which Tad Slen Power Co., Ltd., is the company producing and distributing the power to EDL including the construction project of high voltage transmission cables and power station of 500 kilowatt capacity from Mueang Houn Station to Mueang Nan Station, the Company earned the revenues in US Dollar currency which, if there should

be an implicitly significant change in the US Dollar currency exchange rate, the revenues of the Company and its subsidiaries will definitely be affected. However, for the reason that most of the Company's expense disbursements in Lao PDR are likewise in US Dollars, thus, making the business operations of the Company and its subsidiaries in respect of the risk management from the currency rate of exchange under the natural hedge. Notwithstanding to the foregoing, the Company has set aside the forward reserve as some part of the allowance to tackle problem in a necessary case.

Moreover, the Company's subsidiaries have loans in US Dollar currencies. If, during the period on which the loan principals have not yet been paid off, the currency exchange rate as at the end of the accounting period cycle should have changed, the Statements of Income of the Company's subsidiaries and the consolidated Financial Statements of Company Group then would be affected. If in the case where US Dollar is weakened, the profit transactions will occur from the currency exchange rate, which has not yet occurred or in the case where US Dollar is strong, the loss transactions will occur from the currency exchange rate, which has not yet occurred.

Risk Affecting the Right or the Investment of Surety Holder

1. Risk from the companies with the main shareholders of >50%

As at 3 November 2020, the main shareholders consisted of Phruttinarakorn Group, Yanisrangkul Group, Pheanvitayaskul Group; holding shares in the Company in number of 443,972,868 shares calculated to be 59.20 % of the paid-up capital. The main shareholders can control nearly all resolutions of the meeting whether on the nomination of Directors or request for the rendering of resolutions in other issues requiring the majority of the votes of the shareholders meeting. Therefore, other shareholders may not be able to gather the examining and balancing votes on the matters proposed by the main shareholders except on the subjects which the law or the Company's regulations specify that 3-fourths of the votes of the shareholders meeting must be resolved such as on the issues of the capital increment, capital decrement, sales or transfers of business, wholly or partially, etc.

Nevertheless, the Company has appointed an Audit Committee consisting of 3 Independent Members and 2 Outsource Independent Members totaling in number of 5 from the total number of 10 to attend the Company's Board of Directors Meetings in performing duties to audit and balance the operations of the Company's Board of Directors and the Executives including the consideration to grant the approvals on the transactions before submitting them to the shareholders meeting, in order to create confidence in the shareholders that the management within the Company will be carried out in a transparent manner.


Corporate Social Responsibility (According to Sustainable Development Guidance)

SCI Electric Public Company Limited and its affiliates are aware of the importance of conducting business for sustainable growth under corporate social responsibility (CSR), the Company therefore has a policy to conduct business in accordance with the guidelines for corporate social responsibility and good corporate governance, by focusing on the creation of balance in delivering the values to all groups of stakeholders

Corporate Values

Sharing: - We will share

- The Superb** : The superb in the integrated quality and continuous development.
- The Honesty** : We shall create trustworthiness with morality and ethics.
- The Attitude** : Create a positive attitude and teamwork with willingness in helping each other.
- Responsibility** : We shall take into account the society and the environment including building our ties with the community.
- Experience** : We shall deliver professionalism in working and sincerity in providing services.

The company is firmly committed to conducting business with transparency by taking into account the benefits of all groups of stakeholders regularly which, in carrying out the operations in 2020, the Company received a Very Good CG Scoring or 4 Stars from Thai Institute of Directors (IOD). 

Relations with Stakeholders

The company divides the main stakeholders into 5 groups by assigning the relevant departments to be responsible for creating participation, communicate and listen to opinions & issues that are of interest to interested parties. To be integrated into the operations of the company in accordance with the needs of the stakeholders.

Stakeholders		Sustainability issues	Communication and participation channels
1	Employees	• Fair Salary and treatment	• Daily front row meeting / small group conversation
		• Fair compensation and consistent with the cost of living	• Public relations board
		• Safe and hygienic work environment	• Opinion surveys and feedback channels
		• Knowledge development and career advancement	• Give employees the opportunity to participate in welfare management and work safety and other matters.
		• Respect for human rights	• Company's activities
2	Cients / Partners	• Received good quality products and services with safety at a reasonable price	• Provide a process that customers can complain about the quality and the safety of products and services
		• Obtaining information transparency, accuracy and without distortion.	• Meetings on various occasions
		• Have a system and process for receiving complaints and handle complaints	• Company's Website
		• Comply with the contract or conditions as agreed appropriately and strictly.	• Arrange for a transparent selection and evaluation process for trade partners and can be examined
		• Build relationships and maintain a good relationship with partners sustainably on the basis of accuracy and equality	• Smal group conversation
3	Government	• Comply with laws and regulations	• Comply with laws and regulations
4	Community	• Support to each other	• Community meetings on various occasions
		• Pollution Management (Waste, Noise, Dust, Smoke)	• Community Relationship
5	Shareholders	• Treat shareholders equitably	• Annual General Meeting
		• Benefit and sustainability growth	• Annual Report and Others
		• Transparent management and report conectly and completely	• Company's Website
		• Allowing shareholders to participate	

Management of significant sustainability

The company has summarized important issues to stakeholders and affects the success and sustainability of the organization that covers 3 dimensions, namely economic, social and environmental as follows ;

Dimensions	Sustainability issues	Reported Content
Economic	1. Good corporate governance	• Good corporate governance
		• Risk management
		• Compliance with laws, rules and regulations
	2. Business	• Performance /Revenues
Social	1. Fair treatment to labor and respect for human rights	• Employee Care
		• Employee Development
		• Occupational Health and Working Environment Safety
		• Respect for human rights
	2. Fair dealing with trade partners	• Working with partners
	3. Anti-Corruption	• Anti-Corruption
Environmental	1. Environmental management	• Environmental management system
		• Good management in the factory
		• Pollution Prevention

Corporate Management under Good Corporate Governance Principles

The Company is aware of the importance in complying with the Corporate Governance Principles in business operations. The Company Board of Directors therefore has a policy to follow the Principles and best practices for the Directors which is in line with the Code of Best Practices for Directors of Listed Companies in accordance with the guidelines of the Stock Exchange of Thailand. In addition, the Company has adopted all 8 Clauses of the Corporate Governance Code for use as guidelines for developing the policies that cover the rights and equality of shareholders and stakeholders, structure, roles, responsibilities and independency of the Board of Directors, disclosure of information and transparency, risk control and management as well as the business ethics in order to make the Company's business managements and operations proceeded on with efficiency and transparency by defining the additional policies and practical guidelines in the following matters:

1. Ethics in Conducting Business

The Company has prepared the Code of Conduct Manual for use by the Executives and employees as their guidance in carrying out the business operations and in treating the stakeholders of the organization which covers the practical guidelines on internal control, policy on insider trading and confidentiality.

2. Anti-Corruption

The Company has reviewed the anti-corruption policy every year in order to get employees in the organization to perform duties in accordance with the guidelines set forth under the anti-corruption policy. The Company also provides various communication channels such as training and education for employees, new employee orientation all along with the inquiries during the training and after training to test their knowledge and understanding.

Moreover, the company has set up channels for whistle blowing and receiving complaints as follows:

Complaint Receiving Organization (Audit Committee Secretary)

Internal	:	Complaint Box within the Company
Via Postal Service	:	To Audit Committee Secretary SCI Electric Public Company Limited 107/1 Village No. 1, Bang Na – Trat KM 27 Road, Bang Phriang Sub-district, Bang Bo District, Samut Prakan Province 10560
Telephone	:	097-2970175,
E-mail	:	acsecretary@sci-groups.com Chairman of Audit Committee (Mrs. Pranee Phasiphol) E-mail : pra_neep@hotmail.com

Corruption Risk Assessment

The Company Board of Directors has assigned the Audit Committee to oversee and check the impact in relation to the corruption risks which, in this connection, the Audit Committee has assigned the Risk Management Committee consisting of all 7 Executive Directors to have the duty in making the risk assessment for reporting in the Audit Committee meeting every quarter.

- No complaint in the operational results of SCI and its affiliates in 2020 was found.

Risk Management in the Overall Picture

As the risk management is considered yet another factor in the important process in conducting the business that will lead the business to sustainable growth, the Board of Directors therefore assigned the Risk Management Committee to implement the risk management of the organization systematically according to the law, the COSO guidelines and ISO 9001: 2015, ISO14001: 2015 standards which cover all 4 risk factors which are strategic risk, financial risk, operational risk and compliance with rule risk under the acceptable risk management framework including encouraging the employees at all levels to be aware of and to have participations in the risk management which lead to the most systematic and effective risk reporting.

Compliance with relevant laws and regulations

The company has always given importance to conducting business in accordance with the laws and relevant regulations. By improving various working processes to comply with the law including; supervising and reviewing regularly.

Operations and inspections

To ensure and confirm that the company operates in accordance with the relevant laws and regulations, the company requires that the responsible person compile and specify a list of laws and regulations related to operations register into company's Laws and Regulations In order for the relevant departments to strictly comply with as well as allowing the responsible person to regularly review the up-to-date of laws and regulations.

From the compliance with the laws and regulations related to the business operations of the company for the year 2020, the company has implemented in accordance with the law.

Customers Relationship Management

Customers Treatment Guidelines

- Offering fair and reasonable prices to all customers by considering the trade conditions with equal treatments without any discrimination with any person in particular.
- The customer-related information must be kept in strict confidence and that under no circumstances shall it be used for any benefits of the Company and/or employees themselves.
- Disclosing all related information to the customers with transparency, accuracy without any distortion whatsoever.
- Focusing on creating satisfactions to the customers to receive good products and services with quality and safety at reasonable price.

Results of Customers Satisfaction Surveys

The Company has conducted customer satisfaction surveys in 3 areas; the quality, delivery and service regularly every year. The survey results will be used to improve and develop various processes to meet the needs of the customers as efficiently as possible. In 2020, it was found that customers were satisfied with all 3 areas, representing ninety-six percent (98.62%).

Supply Chain Management

Business Partner Code of Conduct

- The partner selection process must be unbiased and based on quality, service and price.
- Strict compliance with agreed contracts or conditions.
- Shall refrain from demanding or accepting deceitful benefits.
- Developing and maintaining sustainable relationships with business partners based on the righteousness and equality.
- Treating business competitors within a good and fair competition framework.
- Shall not try to damage business competitors' reputation by making false accusations.

Procurement Policy

SCI Electric Public Company Limited is aware of the importance on the procurement process of products or services with transparency and fairness, thus, a procurement policy is mapped out as follows:

- Carrying out actions on the procurements according to the specified criteria efficiently and effectively by making considerations based on quality, price, quantity, service provided and delivery performance as well as social and environmental responsibilities.
- Carrying out actions on the procurements with transparency, fairness that can be verified and strict compliance with all applicable laws and regulations.
- Treating all business partners and subcontractors with fairness, equality and selecting a supplier based on the same criteria.
- Carrying out actions on the procurements of products and services from suppliers who make no environmental impact and promote occupational health and safety.
- Having a policy against all forms of corruption which are strictly complied with.

Business Partner Development

The Company makes an inspection visit to and evaluates the subcontractors on the aspects of the quality and the annual delivery, and the development on the quality of the contractual products including sending letters to inform the suppliers on the practical guidelines in accordance with the Supplier's Code of Conduct regularly every year.

Environmental, Occupational Health and Safety Management

Environmental Management Guidelines

The Company conducts the business under the requirements of laws and regulations on the aspect of the environment by taking into account the impacts on the stakeholders. At present, the Company has currently been accredited with the Environmental Management System Standard (ISO 14001:2015); applied measure on the environmental impact assessment of each production process both on the aspects of the pollution and resource usage for use in mapping out a suitable prevention or management plan.

In addition, the Company has placed the importance on the use of resources by adopting the energy management system, water management used in factories and production waste management for use in the operations as well as providing knowledge to create understanding and awareness upon employees at all levels to realize the value in using resources for optimal efficiency.

The Company is firmly determined to produce and deliver the quality products and services that meet the standard and safety at the reasonable offering price under the condition of righteousness by providing the customers the information on the products and services accurately and sufficiently for use in making their decisions.

The Company is accredited with Quality Management System (ISO 9001:2015), Environmental Management System (ISO:14001:2015) and Safety and Occupational Health Management System (TIS & OHSAS 18001) as well as bringing forth the appropriate tools and activities for increasing productivity which are the activities on cost reduction, working management system with 5S, continuous development and improvement with the goal to fulfill the customers' satisfactions in 3 areas which are the quality, delivery and service.

Conservation of natural resources

The company has established measures for energy conservation in every department. Emphasizing participation to achieve the objectives and goals of energy sharing and have the projects to reduce energy consumption as follows

Promoting and raise awareness of energy conservation

- Energy conservation campaigns, such as turn off the air conditioning before lunch and 15 minutes before work and control the temperature at 25 C.
- Training / campaigning for all employees to realize the importance of energy conservation.
- Organize activities on Thai Environment Day and World Environment Day

Water Management

The Company has a measure on the management of water both for use in the production process and for consumptions:

1. Campaign for economical use of water; including the leak or damage inspection of the water supply system in the factory.

Operational Result in 2020 : Water consumption decreased by 4.85% compared to the previous year.

2. Improve the wastewater treatment system from the paint washing process to be 100% chemical treatment ; allowing the treated water to be reused in the painting washing process.

Operational Result in 2020 : Reduce the cost of water supply by 9.44% per year compared to traditional healing system.

3. Water quality is measured every year in accordance with the standard of Ministry of Industry for the control of the effluents from the factory.

Operational Result in 2020 : the value is in the normal range.

Industrial Waste Management

To prevent contamination to the environment, Sludge from the washing system in the production process will be sent for disposal to a hazardous waste disposal company that has been licensed to operate from the Department of Industrial Works.

Production Waste Management

The Company adopts the 3R Principle (Reduce, Reuse, Recycle) for use in the production process beginning from the production planning, working method improvement and providing knowledge and understanding to employees in order to minimize wastes from the production process. In addition, there is a system for suitably managing wastes generated from the production processes and each type of garbage in the factory properly in accordance with the law.

Operational Result

The Company has continuously launched campaigns on sorting out wastes before being discarded in order that the unused materials can be utilized and each type of wastes suitably managed.

Guidelines on Waste Reductions and General and Recycled Waste Management

In taking materials or papers such as packaging, scraps of metals, aluminums, plastic bottles, glass bottles, welding wires, welding rods, sandpapers and other materials for consumption for reuse should be used up before discarding.

Guidelines on Hazardous and Infectious Waste Management

In handling used oil to be taken to a solidly strong lid container to prevent leakage or leakage to the outer part of the container, when the operation is completed, the used oil shall be collected or transferred to the tank waiting for further disposal outside.

Chemicals, various types of paints, chemical pens and other pens should be used up before discarding or storing in suitable environment to extend their lifetimes.

Infectious wastes such as cotton swabs, gauzes, used plasters from first aid activities for all employees sustaining an accident shall be discarded in a stably strong receptacle that can prevent leakage or contamination to the place outside.

Waste or Unused Material Disposal

Making a notification and requesting for a permission to bring wastes or unused materials out of the factory annually according to the Ministry of Industry Notification, Rewaste or Unused Material Disposal, B. E. 2548 (A.D. 2005), before the expiration of the license or in case of the additional wastes or unused materials, a request for permission on the disposal of such additional particulars shall be resubmitted.

Operational Result in 2020

There was no complaint from Communities on pollution impacts about water pollution, air pollution and disturbing noise.

Occupational Health and Safety Management Guidelines

The Company is accredited with the Occupational Health and Safety Management System (TIS & OHSAS 18001) and has formed up a Safety Committee having the duties of planning, promoting and checking as well as making report directly to the Management.

With a commitment to conducting business by taking into account the safety of employees as the significant matter, the Company has mapped out a policy and management guidelines as the principles for practical implementation on safety, and a good working environment.

Operational Guidelines

5S Activities, the Heart in Creating Disciplines Towards Quality

- Enhancing and supporting employees at all levels to be knowledgeable and understandable about the operations and applying such knowledge and understandings for use in working strictly and continuously as if it is their regular mission.
- All Management levels must provide support, promote and monitor 5S activity operations as well as giving suggestions for solving problems in close concert and that such practice shall be considered an important mission.
- Making arrangement for the measurement results to be entered in the KPI data of all Departments.

Occupational Health and Safety Training Ready to Cope with Contingent Emergency Situation

The Company provides training on emergency preparedness to cope with any contingent emergency such as fire evacuation drills, first aid and resuscitation as well as other safety issues for employees at all levels.



Working Environment Inspection

Providing to cause the assessments on the occupational health and safety in work process on a regular basis and monitoring follow-ups for use in improving the operations to reduce the risk of work-related injury or illness. Employees performing the risk-related duty will receive special health checks and health care in consistent with the results of the checks obtained.

The Company provides the annual health check-up as a measure of comprehensive health care for the employees with additional regular health check-ups depending on their risk factors. In 2020, Rattarin Hospital was selected to conduct the medical examinations during the month of November 2020, with 212 employees or 97.24% of all targeted groups of employees receiving the medical examinations.



Operational Result in 2020

Topic	Target	Actual	Evaluate Result
1. fatal Accident (Op duty) อุบัติเหตุในงานถึงขั้นเสียชีวิต	0	0	✓
2. Major accident (Lost organ - On duty) อุบัติเหตุในงานถึงขั้นสูญเสียอวัยวะ	0	0	✓
3. Major accident (Absent (more than 3 day) on duty) อุบัติเหตุในงานถึงขั้นหยุดงาน	0	2 case	✗
4. Other accident (Small Injury - On duty) อุบัติเหตุในงานไม่รุนแรงและไม่หยุดงาน	0	0 case	✓
5. Property Damage อุบัติเหตุ ทำให้ทรัพย์สินเสียหาย	0	3 case	✗
6. Number of days of accidental death or occupational disease จำนวนวันที่เสียชีวิตจากอุบัติเหตุ หรือโรคจากการทำงาน	0	0	✓
7. IFR (All accident Cases)	0	4.30	✗
8. ISR (All accident Cases)	0	35.32	✗
9. Compliance form internal and external (CAR)	0	2 case	✗

Social Management

Responsibility to Employees

The Company places the importance on the matter of respecting human rights and business ethics where the practical guidelines of which are set forth under the Code of Conduct in respect of the equality and non-discrimination, the appropriate and fair compensation to all employees, enhancing the employees to carry on learning continuously, placing importance on knowledge transfer development and opening the opportunities for career advancement in an appropriate and fair manner including strictly complying with the Labor Law.

Freedom of Expression

The Company entrusts the Welfare Committee to be a representative to listen to comments and gather suggestions through various communication channels such as questionnaires, suggestion boxes or making complaints for presenting to the Management for use in the improvement of the quality of life of the employees.

Compensation and Welfare

In addition to the direct compensation in the form of wages, the Company provides other welfare for the employees and their families in the other forms: such as, the Provident Funds, Social Security Insurance Fund, financial assistances, diligent premiums for employees who come to work regularly, etc.

Employees' Competency Development

The Company believes that personnel in the organization are deemed to be the important workforce for the sustainable growth and success of the organization to push towards achieving the goal efficiently and effectively which will rely on knowledge, ability and skills together with a positive attitude and happiness in working. The Company therefore places the importance on the development of personnel competency by allowing employees with the comprehensive opportunity to learn and increase their skills, whether it is a training by experts in various fields both internally and externally, teaching by supervisors or skill development at workplace.



Operational Results in 2020

On the Job Training

Procedures: Defining necessary knowledge and skill courses of each job position to be assigned to the supervisors or instructors responsible for teaching the employees in such positions from the inception date to commence duties and review the teaching as appropriate along with the evaluation after teaching.

Training Course Operational Result of all 142 Topics in 2020

Training Hours : 18,422 hours.

Number of Participants 18,422 Persons

Internal Training

Procedures: Organizing training courses as necessary and according to the nature of jobs to increase efficiency and working quality by dividing them into the refresher training and new training courses.

Item	Environment and Work Safety Courses	Training Hours	Number of People	Total Training Hours
1	Awareness Training of Quality, Environment, Safety and 5S Standards, Class 1/2020	6	43	258
2	Awareness Training of Quality, Environment, Safety and 5S Standards, Class 2/2020	6	51	306
3	Awareness Training of Quality, Environment, Safety and 5S Standards, Class 3/2020	6	49	294
4	Awareness Training of Quality, Environment, Safety and 5S Standards, Class 4/2020	6	38	228
5	Awareness Training of Quality, Environment, Safety and 5S Standards, Class 5/2020	6	21	126
Total		30	202	1212

Item	Review Courses and new employees Training	Training Hours	Number of People	Total Training Hours
1	Regulation Welfare and Code of Conduct Review, Class 1/2020	3	96	288
2	Regulation Welfare and Code of Conduct Review, Class 2/2020	3	78	234
3	Regulation Welfare and Code of Conduct Review, Class 3/2020	3	21	63
4	Training on Introduction to Work, Class 1/2020	6	10	60
5	Training on Introduction to Work, Class 2/2020	6	7	42
6	Review training on knowledge management activities and suggestions for improvement.	3	35	105
7	Training to review knowledge in reading for production drawing No. 1/2020	6	18	108
8	Products (Cable Tray) knowledge Review Training No. 1/2020	6	18	108
9	Training on Introduction to Work, Class 3/2020	6	4	24
10	Training on Introduction to Work, Class 4/2020	6	6	36
11	Regulation Welfare and Code of Conduct 2nd Review, Class 1/2020 (Morning)	3	43	129
12	Regulation Welfare and Code of Conduct 2nd Review, Class 1/2020 (Afternoon)	3	43	129
13	Regulation Welfare and Code of Conduct 2nd Review, Class 2/2020 (Morning)	3	48	144
14	Regulation Welfare and Code of Conduct 2nd Review, Class 2/2020 (Afternoon)	3	44	132
15	Regulation Welfare and Code of Conduct 2nd Review, Class 2/2020 (Remaining)	3	23	69
Total		63	494	1671

Item	Occupational safety and health Courses	Training Hours	Number of People	Total Training Hours
1	Training review of emergency plans for new employees ; Class 1/2020	6	10	60
2	2020 Review Training on cranes	3	19	57
3	Crane Operator, Signalers and Material binders Training	12	22	264
4	Training review of emergency plans for new employees ; Class 2/2020	6	7	42
5	Crane Operator, Signalers and Material binders Training	12	11	132
6	Training review of emergency plans for new employees ; Class 3/2020	6	4	24
7	ISO 45001 : 2018 Introduction & Internal Auditor Training	18	44	792
8	First Aid Review Training	3	21	63
9	Review Training for Fire Drill and Emergency suspension from chemical spills and building collapse	3	21	63
10	Initial Fire Training 2020	6	89	534
11	Fire and escape drills for the year 2020	1	199	199
12	Training review of emergency plans for new employees ; Class 4/2020	6	6	36
Total		82	453	2266

Item	Other Courses	Training Hours	Number of People	Total Training Hours
1	Taxation Knowledge Training List of conditions and deductions	1	129	129
Total		1	129	129

Training Course Operational Result of all 33 Training Courses in 2020

Training Hours: 5,287 hours.

Number of Participants 1,278 Persons

External Training

Procedures: Sending employees to participate in the training courses organized by external institutions.

Item	Public Training Courses	Training Hours	Number of People	Total Training Hours
1	Liquid Petrolatum Operators	12	4	48
2	Safety officer at work Supervisor level, Class 1/2020	12	1	12
3	Safe driving, strengthen traffic discipline	6	3	18
4	Supervisor skills, work order, assignments and job tracking	6	1	6
5	Review of knowledge on the course of the gas supervisor	6	1	6
6	Modern bookkeeper	6.3	1	6.3
7	Meeting to provide knowledge about Social Security, Class 4	6	1	6
8	Case study in accordance with accounting reporting standards.	6.3	1	6.3
9	Internal audit requirements ISO 9001: 2015	12	3	36
10	Permission and display the standard mark Meeting	2	1	2
11	Internal audit requirements ISO 9001: 2015 (2)	18	3	54
12	Hearing opinions on (draft) wage rates according to skill standards Seminar	4.3	1	4.3
13	Accounting system implementation n accordance with the reporting standards	6.3	2	12.6
14	Fundamentals of corporate IT governance	6.3	1	6.3
15	INTERMACH 2020	5	12	60
16	AMADA Visiting	1.3	3	3.9
17	Safety officer at work	12	2	24
18	Accounting techniques and key elements to correct errors in financial statements.	6	2	12
19	Accurate preparation and cost recording For accountants	6	2	12
Total		139.8	45	335.7

Training Course Operational Result of all 19 Courses in 2020

Training Hours: 335.70 hours.

Number of Participants 45 Persons

Employees Care

The Company still adheres to organize the guidance of the Happy Workplace theme for use in caring the employees to make the personnel happy and have a work-life balance.

However, due to the outbreak of COVID-19 during the year 2020, the Company has a policy to refrain from conducting internal activities that require integration or close contact and Outside activities to prevent the spread of COVID-19 in workplace. And in order for the business to continue smoothly and with minimal impact, the Company has taken care of employees by providing protective equipment, both masks and alcohol gels; Including the company access control with temperature measurement before entering the work area, enhancing all employees wear masks during work, providing alcohol gel spot, set up social distancing principles, and regulate all employees notify in advance if traveling to a risky area.

Financial Position and Operation Results



Audit Committee Report 2020

SCI Electric Public Company Limited

The Audit Committee comprises 3 qualified independent directors who have independent, knowledge, expertise and experience in accounting, finance, investment, as well as the company's business operations and qualified as required by the regulations of Securities and Exchange (SEC) and The Stock Exchange of Thailand (SET). They have each term for a period of 3 years. In 2020, there were 6 meetings in which the the Audit Committee attended every meeting as follows:

Mrs. Pranee Phasipol,	Chairman of the Audit Committee	attended 6/6 times;
Mrs. Chattong Tippayakalin,	Audit Committee	attended 6/6 times;
Ms. Chaovana Viwatpanachati,	Audit Committee	attended 6/6 times;

The Audit Committee had performed duties according to the Charter as assigned by the Company's Board of Directors, which is in accordance with the announcement of the Stock Exchange of Thailand and the principles of good corporate governance. Each meeting, the executives, internal auditors and auditor are participated to provide information on relevant agendas, including considering issues, exchanging ideas that are beneficial to management.

Conclusion on the significant operations of Audit Committee in 2020 which were as follows:

1. Reviewed the quarterly and annual financial statements for the year 2020

The Audit Committee reviewed the quarterly and annual financial statements for the year 2020 of SCI Electric Public Company Limited and its subsidiaries together with the management, internal auditor and the auditor by considering the accuracy and completeness of financial statements, the significant adjustments, the accounting estimates and the changed accounting policies included the impact of new financial reporting standard and the preparation for new financial reporting standards to be released to ensure that the financial statements are prepared correctly in accordance with the Thai Financial Reporting Standards, including complying with relevant laws, regulations and the requirements. The auditor has performed the work on accordance with the auditing standards and issued the opinion that the financial statements present fairly in all material respect.

2. Reviewed the disclosure of connected transactions between the Company and connected persons/companies

The Audit Committee reviewed the disclosure of connected transactions between the Company and connected persons/companies and transactions that may have conflicts of interest to ensure that the company has complied with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. By reviewed and confirmed with the management that no significant irregularities have been found. The connected transaction is a normal business transaction of the company and reasonable, including the disclosure of complete and sufficient information by adhering to good corporate governance policies.

3. Reviewed the effectiveness of internal control system

The Audit Committee places the importance on duty performances on internal audit of the Company and its subsidiaries on the aspects of the operations, the use of resources, safeguarding the properties, error, damage, leakage, waste, fraud and reliability the financial statements and compliance with company policies in accordance with the laws and regulations.

The Audit Committee also reviewed the performance of independence internal auditor, DIA Audit Company Limited, who worked with the Company's internal auditor, by considered the independence, the performance of duties according to the specific annual audit plan as well as the advice and recommendation which be in line with the Company's strategy and direction to create added value. The Audit Committee also reviewed the appropriateness of the workforce and knowledge development and skills of the Company's internal auditor.

From the assessment of internal control systems in accordance with COSO guidelines, the Company's internal auditors expressed the opinion that the internal control of the company is sufficient and effective. In additionally, the management has cooperated in make improvements as suggested by the Audit Committee and the Company's internal audit continuously. That is demonstrated the importance of the Company's internal control.

4. Consideration to appoint the auditor for the year 2020

The Audit Committee considered the appointment of auditors for 2020 by taking into account the qualifications, knowledge, expertise with satisfactory results including considering the independence and rotation of the auditors in accordance with the relevant rules of the Securities and Exchange Commission, it is appropriate to comply with the auditor's ethics. Therefore, proposing to the Board of Directors for approval at the Annual General Meeting to appoint of auditor for 2020 from AST Master Company Limited, from either the following auditor of AST Master Co., Ltd.;

- | | |
|--------------------------------|-----------------|
| 1. Mr. Pradit Rodloytuk | CPA No. 218 or; |
| 2. Ms. Nongram Laoha-areedilok | CPA No.4334 or; |
| 3. Ms. Pornpip Lerttanonsak | CPA No.7633. |

The proposed audit fee of 2020 for SCI Electric Public Company Limited is Baht 2,050,000.00. As well as considering the appropriateness of the appointment of the auditors of the subsidiaries in Thailand and overseas.

5. Review of the financial internal control system

The Audit Committee reviewed the financial internal control with the finance and accounting department to ensure the accuracy and completeness of financial reports, the compliance of financial report and structured the internal control for finance operation and evaluate that the financial controls are sufficient and effective.

6. Reviewed the risk management

The Risk Management Committee, consisting of executives at all levels, has given importance to risk management, assessing both internal and external factors and the opportunity to make an impact by considering the goals and objectives of the Company to prevent and mitigate risks, which will impact to the business operation, to the acceptable risk. The Risk Management Committee reports progress on quarterly basis. The Audit Committee has reviewed the effectiveness and considering the adequacy and suitability of risk management, which the Company should consider defining the business management strategies to be diversified to comply with the changing environment.

7. Meeting with the auditor without the management

The Audit Committee held a meeting with the auditors without the management in order to discuss and exchange ideas relating to the important issues on the internal controls, the preparations of financial statements, the disclosure, the operation problem and co-operations from the management which apparently revealed that there was no unusual issue. The Auditors could carry out their duties with independency, received good co-operations from the management and staff and the internal control system are adequate and appropriate.

8. Consideration of the Charter of the Audit Committee and Internal Audit Department

The Audit Committee reviewed the Audit Committee Charter to ensure that the operations are complete and have responsibilities in accordance with the best practices of the Securities and Exchange Commission of Thailand and suitable for business. They also considered the rules of the Internal Audit Department for the operation to comply with the internal audit standard.

9. Compliance with the law and regulations

The Audit Committee reviewed the Company's operations that comply with the laws, and the regulations, announcement, orders and requirements of the Stock Exchange of Thailand and the laws relating to the Company's business and considered together with the company secretary, opined that the company had fully complied with relevant laws and regulations.

10. Evaluated the Audit Committee performance

The Audit Committee required the evaluating of performance on annually to ensure that the Audit Committee's performances are efficient and effective as well as achieve the objectives in accordance with the charter and as assigned by the Board of Directors. In the year 2020, the evaluation results appears that o the Audit Committee has performed their duties sufficiently.

In conclusion, the Audit Committee had performed its duties and responsibilities accordingly as specified under the Audit Committee Charter, exercised its knowledge, competency, caution, prudence with due care and was independent in performing the duties. In addition, the Audit Committee had given creative opinions and various recommendations for the benefits of the stakeholders equally. The Audit Committee was of the view that the Company's Financial Report was accurately, reliable and adequate disclosure in accordance with Thai Financial Reporting Standards. The Company also executed actions in compliance with the Laws and obligations relating to the carrying out of business operations including good corporate governance, sufficient risk management, appropriate and effective internal control systems and auditing.

Signed : 

(Mrs. Pranee Pasiphol)

Chairman of the Audit Committee

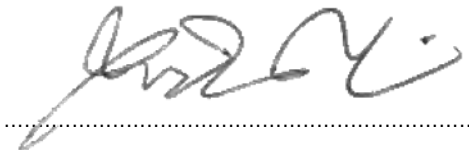
Report of the Board of Directors' Responsibilities for the financial statement

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries. The aforementioned financial statements have been prepared in accordance with Generally Accepted Accounting Principles, using appropriate accounting policy consistently employed by the Company as well as applying careful judgment and best estimation. Important information is adequately disclosed in the notes to financial statements.

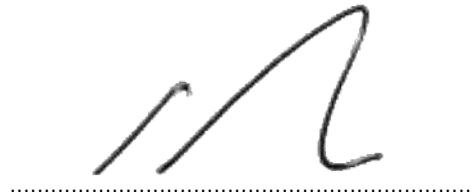
The Board of Directors has provided and maintained an effective internal controls system to reasonably ensure that accounting records are accurate, complete and adequate to protect its assets.

To accomplish this task, the Board of Directors has appointed an Audit Committee, which consists of Independent Directors responsible for the quality of financial statements and internal controls system, whose comments on these issues are readily included in the Audit Committee Report in this Annual Report.

The Board of Directors is of the opinion that the Company's overall internal controls system is adequate and suitable and has rendered reasonably credibility to the reliability of the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2020



Mr. Noppol Milinthanggoon
Chairman



Mr. Kriangkrai Pheanvitayaskul
Chief Executive Officer

Connected transactions for the year ended 31 December 2020

Conflicts of interest may arise during the course of transactions between the Company and other persons. The connected transactions may be the transactions with the shareholders and/or the executives, including the transactions with related companies of which the shareholders and/or executives may have conflict of interest. The nature of relationships is described below :

Name of Interested or Related party/ Company	Relationship	Nature of Transaction	Million Baht				Explanation of the executive regarding the necessity and reasonability	The Audit Committee's Opinion
			Transaction value		Transaction balance			
			FY 2020	FY 2019	FY 2020	FY 2019		
Transactions between Parent Company ("SCI") and subsidiaries								
Ajikawa & SCI Metal Tech Co., Ltd. ("SCIMT")	Subsidiary	Purchased goods and services	93.36	84.95	-	-	SCI purchased hot-dip galvalnizes service, as a production process, and purchased se-mi finished goods, as a part of Cable Tray. Also, in the event that the product cannot be produced in time of Cablr Tray.	The Audit Committee is of the opinion that the transaction is reasonable because it is a continuous process to support the production of Cable Tray. In addition, the selling price is not less than the cost incurred.
		Trade payable	-	-	33.42	16.95	Cost plus margin.	
		Office and Land Rental	2.15	2.15	-	-	SCI let the subsidiary to rent the office space at Sukumvit office for sale section and leased land in Phan Thong District, which is part of the subsidiary company's factory. Rental rates are comparable to the market price.	The Audit Committee is of the opinion that the transaction is reasonable because the use of space in the Group to benefit. In addition, the prices charged are not lower than the market price.
		Management fee	4.20	4.20	-	-	SCI provides services for the management of various trading transactions.	The Audit Committee is of the opinion that the transaction is reasonable dur to the use of resource management together which the service charge is not lower than the cost price.
		Other receivable	-	-	2.81	2.81	Service charges are cost plus margin.	
		Dividend income	37.80	32.40	37.80	21.60	SCI received return on investment at the same rate as other shareholders.	The Audit Committee is of the opinion that the transaction is reasonable because it is a normal transaction that the Company should receive from the investment.

Connected transactions for the year ended 31 December 2020

Name of Interested or Related party/ Company	Relationship	Nature of Transaction	Million Baht				Explanation of the executive regarding the necessity and reasonability	The Audit Committee's Opinion	
			Transaction value		Transaction balance				
			FY 2020	FY 2019	FY 2020	FY 2019			
Transactions between Parent Company ("SCI") and subsidiaries									
Ajikawa & SCI Metal Tech Co., Ltd. ("SCIMT") (Cont'd)	Subsidiary	Loan to subsidiary** (Interest rate 2.50%)						SCI provides loan to subsidiary for returned the borrowing and for cash-flow operation. In addition, it can reduced the Group's financial cost Interest rate is charged by apply bank interest rate received plus margin. SCI provides services for the management of various trading transactions. Service charges are cost plus margin.	The Audit Committee is of the opinion that the transaction is reasonable because it is the. financial management of the Group in order to reduce interest expenses The Audit Committee is of the opinion that the transaction is reasonable dur to the use of resource management together which the service charge is not lower than the cost price.
		Beginning	-	-	49.00	61.00			
		Add	--	-	35.00	-			
		(Less)	-	-	(12.00)	(12.00)			
		Ending	-	-	72.00	49.00			
		Interest income	1.82	1.36	-	-			
		Interest receivable	-	-	0.15	0.10			
Tad Salen Power Co., Ltd. ("TSL")	Subsidiary	Management fee	0.60	-	-	-	0.30	-	
		Other receivable	-	-	0.40	-	-		
		Advance receivable	-	-	1.92	-	-		
		Loan to subsidiary** (Interest rate 2.50%)							
		Beginning	-	-	125.01	134.31			
		(Less)	-	-	(6.00)	(9.30)			
		Ending	-	-	119.01	125.01			
Interasia Trading Co.,Ltd.("Inter")	Subsidiary	Interest income	3.06	3.22	-	-	-		
		Interest receivable	-	-	0.50	-	-		
		Office Rental	0.06	0.06	-	-	-		
		Rental rates are comparable to the market price.							
		Management fee	0.15	1.11	-	-	-		
		Other receivable	-	-	1.36	1.20			
		The Audit Committee is of the opinion that the transaction is reasonable dur to the use of resource management together which the service charge is not lower than the cost price.							

Connected transactions for the year ended 31 December 2020

Name of Interested or Related party/ Company	Relationship	Nature of Transaction	Million Baht				Explanation of the executive regarding the necessity and reasonability	The Audit Committee's Opinion
			Transaction value		Transaction balance			
			FY 2020	FY 2019	FY 2020	FY 2019		
Transactions between Parent Company ("SCI") and subsidiaries								
Interasia Trading Co.,Ltd.("Inter") (Cont'd)	Subsidiary	Loan to subsidiary** (Interest rate 2.50%)						The Audit Committee is of the opinion that the transaction is reasonable because it is the. financial management of the Group in order to reduce interest expenses
		Beginning	-	-	40.00	-		
		Add	-	-	-	40.00		
		Ending	-	-	40.00	40.00		
		Interest income	1.00	0.54	-	-		
	Interest receivable	-	-	-	-			
SCI Metal Tech (Myanmar) Co.,Ltd. ("SCIMT MM")	Subsidiary	Loan to subsidiary** (Interest rate 2.50%)						The Audit Committee is of the opinion that the transaction is reasonable because it is the. financial management of the Group in order to reduce interest expenses
		Beginning	-	-	16.87	-		
		Add (Less)	-	-	8.86	16.87		
		Ending	-	-	25.73	16.87		
		Interest income	0.59	0.01	-	-		
		Interest receivable	-	-	0.65	0.01		
	Advance receivable	-	-	4.35	3.16			
Angle & Fairy Ltd. ("Angle")	Shareholder of SCIMT MM	Consultation fee	2.77	2.77	-	-		The Audit Committee is of the opinion that the transaction is reasonable because the transaction is necessary to enable the subsidiary to proceed in accordance with the plan
		Prepaid – consultation fee	-	-	-	2.77		

Loan to subsidiary ** recorded in financial statements The interest rate is adjusted to the market rate. From January 1, 2020 to meet TFRS9 standard.

Connected transactions for the year ended 31 December 2020

Name of Interested or Related party/ Company	Relationship	Nature of Transaction	Million Baht				Explanation of the executive regarding the necessity and reasonability	The Audit Committee's Opinion
			Transaction value		Transaction balance			
			FY 2020	FY 2019	FY 2020	FY 2019		
Transactions between SCI Metal Tech (Myanmar) Co.,Ltd (“SCIMT MM”) and subsidiaries in the Group								
Ajikawa & SCI Metal Tech Co., Ltd. (“SCIMT”)	Subsidiary in the Group	Purchased steel structure	-	0.31	-	-	SCIMT MM bought steel structures and installation services for a factory as specific design.	The Audit Committee is of the opinion that the transaction is a necessary item in order to meet a specific design. In addition, the selling price is not less than the cost incurred.
		Purchase goods and service	1.50	-	-	-		
		Trade payable	-	-	5.46	4.20	Cost plus margin	
		Accounting service	1.70	0.93	-	-	SCIMT MM doesn't have enough staff for the preparation of the financial statements. The Group therefore asked SCIMT to help prepare the financial statements	
		Other payable	-	-	1.03	1.03	Service charges are cost plus margin.	
Interasia Trading Co.,Ltd.(“Inter”)	Subsidiary in the Group	Advance payable	-	-	1.41	1.41	SCIMT MM has a limitations in withdrawing money from Myanmar, making it impossible to disburse expenses such as travel expenses of executives paid in Thailand. Allowance for employees sent to work	The Audit Committee is of the opinion that the transaction is reasonable because the transaction is necessary to enable the subsidiary to proceed in accordance with the plan
		Purchased goods and services	15.00	45.07	-	-	SCIMT MM let Inter as the raw material supplier, inspection the standardized and nd compare prices to find the right price	
		Trade payable	-	-	57.22	42.89	Cost plus margin.	
Transactions between Interasia Trading Co.,Ltd. and Joint Venture								
Yuemmai (Thailand) Co.'Ltd	Joint Venture	Purchased goods	-	8.41	-	-	Inter is a supplier of standardized products and compare prices to find the right price.	The Audit Committee is of the opinion that the transaction is a necessary to help procure products with reasonable cost. In addition, the selling price is not less than the cost incurred.
		Trade receivable	-	-	-	-	Cost plus margin.	

Measures and procedures for approving the related transactions

The Company has measures to protect shareholders by stipulating measures to control inter-company transactions or subsidiaries with persons who may have conflicts of interest, having a stake or may have a conflict of interest in the future according to the announcement of the Securities and Exchange Commission of Thailand (SET). The connected transactions must take into account the company's best interests, the fairness, the justification of the transaction, and in accordance with the normal market prices. The consideration of the related transactions between the Company and the persons who might have conflict of interest and are a shareholder or the management of such company, such shareholder or such management shall not take part in the approval process. The related transaction must be approved by both the Audit Committee and Board of Directors..

Policy and Trend of Related Transaction in the Future

The policy for approval of related party transactions will be in accordance with the procedure that must be considered by the Board of Directors and the Audit Committee. The criteria used as a guideline is that related businesses must offer products or services that meet standards or market prices, not beneficial to related parties which may result in transfer of benefits to those who have conflicts of interest with the company. The connected transactions that may occur in the future, the Company shall comply with the laws concerning securities and stock exchange and the regulations, announcement, orders and requirements of the Stock Exchange of Thailand as well as to comply with the requirement concerning the disclosure of the related transactions and the acquisition and disposal of the material assets of the Company including compliance with the accounting standards specified by the Accountants and the Certified Public Auditors Association of Thailand and Federation of Accounting Professional.

The trend of connected transactions will be the sales of related products and services and intercompany loan to help finance the business operations, which is considered a normal transaction. However, if there is a related transaction of the Company with a person who might have conflict of interest or the stakeholder or who might have conflict of interest in the future, the Company shall appoint the Audit Committee to give opinion on necessary and reasonableness of such transaction and appropriateness of price of the items so as to be in accordance with the general market price and with the conditions that is not difference from other third parties. In addition, the Company shall disclose the related transactions in the note to the financial statement, which has been audited by the auditors of the Company.

Independent Auditor's Report

To the Board of Directors and Shareholders of SCI Electric Public Company Limited

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

The ability to repay the outstanding of trade receivables and unbilled completed works from a receivable, totaling net amount of approximately Baht 603.99 million

Refer to Note 10 of the financial statements, as at 31 December 2020, the Company has trade receivables and unbilled completed works relating to the long-term construction service contract with a government agency in a foreign country ("the employer"), totaling net amount of approximately Baht 603.99 million accounted for 20.59% and 25.92% of total assets in the consolidated and separate statement of financial position, respectively. During 2018, the service rendered under the construction contract was suspended due to the change in project's plan of the employer and does not have any progress on such matter currently and the employer has delayed the payments under the contract. Therefore, management has estimated the allowance for expected credit losses of Baht 315.25 million. I focused on this area because the estimation of the probability of default and amount to be collected from such receivable involved of significant management's judgement and assumptions.

My procedure in relation to the assessment of the reasonableness of the estimation of the probability of default and amount to be collected from such receivable included:

- Understood the internal control related to the follow up of the long overdue receivable and unbilled completed work, including understood the management's discretion in considering the opportunity of the recoverable of such outstanding balances.
- Sent receivable confirmation and subsequent payments from such receivable (if any) or verification of any evidence indicating that the employer accept the debt with the Company, such as the service contract, work acceptance documents in the past, minutes between the Company and the employer, etc.
- Considered the enforcement of the contract as well as inquired the opinion of the legal consultant of the Company and understood and evaluated legal consultant opinion. Inquired legal consultant about any impact of the law recently announced in the year 2020 in the employer's country that might have impact on stipulation or enforcement of the contract.
- Reviewed the management's reasonableness in assessing feasibility of the project and the payments of trade receivables and unbilled completed works.
- Evaluated the reasonableness of the loss in the past and repayment period of receivable assessed by managements in order to determine whether there are any matters indicating the management's bias in using estimation in the past.

- Examined the progress meeting minute related to the change in scope of work, minutes between the Company and the employer (if any) and tested the preparation of the budget by inquiring the engineer who is responsible for the project in detail including checking the relevant supporting documents.
- Assessed the economic environment factors that might affect the repayment of such employer.
- Evaluated the adequacy and appropriateness of the disclosure in financial statements relating to trade receivables and unbilled completed work.

Revenue recognition

The Group's revenue from sales is considered as a material amount and have direct impact to the Group's profit or loss and it is a key indicator of operating results and to which financial statements users pay attention, including the Group has provided a large number of sales to customers. There is, therefore a risk with respect to the amount and timing of revenue recognition. As a result, I focused on this matter. Accounting policy of revenue recognition and detail of revenue from sales and rendering of services were disclosed in Notes 5.19 and 37 to the financial statements, respectively.

I have examined the revenue recognition by assessing and testing the efficiency of internal controls of the Group with respect to the revenue cycle, and with special consideration giving to expanding the scope of the testing which respond to the accuracy and revenue recognition period in the financial statements of the Group. Applying a sampling method to select sale transactions to assess whether revenue was accurate and appropriate recognized in consistence with the conditions stipulated in relevant document and in compliance with the Group's revenue recognition policy. On a sampling basis, examining supporting documents for actual revenue recognition transactions occurring during the year and near the end of the accounting period.

Reviewing credit notes that the Group issued after the period-end. Performing analytical procedures to detect possible irregularities in sales transactions throughout the accounting period, particularly for accounting entries made through journal vouchers.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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



NONGRAM LAOHAAREEDILOK

Certified Public Accountant

Registration No. 4334

AST Master Co., Ltd.

25 February 2021

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

In Baht

		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalents	9	228,550,205	206,473,395	115,988,209	119,927,007
Trade and other current receivables	10	578,677,417	464,401,486	266,772,929	225,638,742
Unbilled completed works	12	577,222,516	732,227,678	569,890,516	708,361,110
Current portion of long-term loans					
to related companies	8.2	-	-	14,888,710	12,000,000
Dividends receivable	8.2	-	-	37,799,300	21,599,600
Inventories	13	380,863,692	338,663,840	76,089,970	63,589,674
Other current financial assets	14	88,967,920	108,609,133	88,967,920	102,729,455
Current tax assets		750,445	1,309,519	750,439	436,961
Other current assets		260,100	199,624	61,203	104,081
Total current assets		1,855,292,295	1,851,884,675	1,171,209,196	1,254,386,630
NON-CURRENT ASSETS					
Deposits at banks					
pledged as collateral	15	100,408,889	83,002,888	95,251,247	77,898,398
Non-current non-cash financial					
assets pledged as collateral	16	16,513,600	16,761,600	6,192,600	6,285,600
Investment in subsidiaries	17.1	-	-	626,199,420	583,230,454
Investment in joint ventures	17.2	73,403,193	92,402,715	103,562,500	118,562,500
Long-term loans to					
related companies	8.2	-	-	198,438,125	218,878,882
Property, plant and equipments	18	581,228,632	612,909,076	105,425,975	117,025,296
Right-of-use assets	19	92,583,951	-	5,006,752	-
Right in service					
concession arrangement	20	186,942,206	196,173,981	-	-
Intangible assets	20	2,267,328	3,596,269	829,324	995,626
Deferred tax assets	21	9,517,978	7,899,048	3,948,308	2,909,173
Income tax refundable	22	14,240,251	16,753,226	13,557,046	13,120,085
Prepaid leased land		-	85,902,856	-	-
Other non-current assets		1,000,461	1,088,066	280,821	465,910
Total non-current assets		1,078,106,489	1,116,489,725	1,158,692,118	1,139,371,924
TOTAL ASSETS		2,933,398,784	2,968,374,400	2,329,901,314	2,393,758,554

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

(Ms. Aunada Phrutthinarakorn) Director

(Mr. Sirichai Phrutthinarakorn) Director

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2020

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term loans					
from financial institutions	23	20,000,000	-	10,000,000	-
Trade and other current payables	24	965,845,846	923,785,770	722,672,104	678,474,619
Contract liabilities	25	106,059,566	22,078,920	27,626,496	3,909,399
Long-term loans					
from financial institutions					
classified as current liabilities	23	334,305,677	338,348,318	-	-
Current portion of lease liabilities	26	1,664,320	1,604,423	1,212,351	1,162,724
Corporate income tax payable		12,244,535	-	-	-
Total current liabilities		1,440,119,944	1,285,817,431	761,510,951	683,546,742
NON-CURRENT LIABILITIES					
Lease liabilities	26	1,651,056	2,020,470	1,115,087	1,032,532
Non-current provisions					
for employee benefit	27	53,740,089	47,616,234	25,784,673	22,691,355
Other non-current provisions	28	5,296,181	5,318,010	-	-
Total non-current liabilities		60,687,326	54,954,714	26,899,760	23,723,887
TOTAL LIABILITIES		1,500,807,270	1,340,772,145	788,410,711	707,270,629

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

 (Ms. Aunada Phrutinarakorn) Director

 (Mr. Sirichai Phrutinarakorn) Director

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2020

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
<u>LIABILITIES AND</u>					
<u>SHAREHOLDERS' EQUITY</u>					
<u>(CONTINUED)</u>					
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
750,000,000 common shares,					
Baht 1 par value		750,000,000	750,000,000	750,000,000	750,000,000
Issued and paid-up share capital					
750,000,000 common shares,					
Baht 1 par value		750,000,000	750,000,000	750,000,000	750,000,000
Share premium		879,037,983	879,037,983	879,037,983	879,037,983
Retained earnings (deficit)					
Appropriated					
Legal reserve	29	29,400,000	29,400,000	29,400,000	29,400,000
Unappropriated		(201,964,100)	(6,325,041)	(117,036,620)	27,954,107
Differences from changes in					
shareholding proportion					
		5,848,967	5,848,967	-	-
Other components of equity		(32,893,936)	(35,744,862)	89,240	95,835
Total equity attributable to					
the parent company					
		1,429,428,914	1,622,217,047	1,541,490,603	1,686,487,925
Non-controlling interests		3,162,600	5,385,208	-	-
TOTAL SHAREHOLDERS' EQUITY		1,432,591,514	1,627,602,255	1,541,490,603	1,686,487,925
TOTAL LIABILITIES AND					
SHAREHOLDERS' EQUITY					
		2,933,398,784	2,968,374,400	2,329,901,314	2,393,758,554

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

 (Ms. Aunada Phruttnarakorn) Director

 (Mr. Sirichai Phruttnarakorn) Director

SSCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2020	2019	2020	2019
Revenues					
Revenues from sales		1,326,634,451	1,067,148,434	460,827,839	399,395,747
Revenues from services		74,623,617	35,515,166	19,128,839	-
Other income	31	10,062,179	21,840,082	61,296,365	54,726,284
Total revenues		1,411,320,247	1,124,503,682	541,253,043	454,122,031
Expenses					
Cost of sales		1,144,061,508	976,566,103	371,802,358	323,261,223
Cost of services		67,279,930	31,377,336	16,096,266	-
Selling expenses		39,734,111	42,326,624	20,941,505	24,307,412
Administrative expenses		131,154,767	123,402,032	84,434,487	73,908,321
Other expense	32	2,889,537	34,717,608	188,451	26,964,250
Other gains		(162,926)	(757,079)	(162,926)	(666,151)
Total expenses		1,384,956,927	1,207,632,624	493,300,141	447,775,055
Profit (loss) from operating activities		26,363,320	(83,128,942)	47,952,902	6,346,976
Finance costs		(20,669,663)	(24,099,312)	(247,393)	(158,576)
Impairment loss on financial assets	33	(170,811,981)	(23,619,952)	(178,733,722)	(23,821,726)
Share of loss from					
investment in joint ventures	17.2	(4,722,739)	(6,279,910)	-	-
Loss before income tax					
income (expense)		(169,841,063)	(137,128,116)	(131,028,213)	(17,633,326)
Income tax income (expense)	35	(13,119,466)	(326,468)	1,037,486	274,282
Loss for the years		(182,960,529)	(137,454,584)	(129,990,727)	(17,359,044)
Other comprehensive income:					
Items to be reclassified to profit or loss					
in subsequent years					
Change in fair value of long-term investments		47,360	213,576	(6,595)	55,620
Differences on exchange translating					
of the financial statements		2,903,128	(19,711,214)	-	-
Total items to be reclassified to profit or loss					
in subsequent years		2,950,488	(19,497,638)	(6,595)	55,620

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

 (Ms. Aunada Phruttnarakorn) Director

 (Mr. Sirichai Phruttnarakorn) Director

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2020	2019	2020	2019
Items not to be reclassified to profit or loss in subsequent years					
Actuarial gain		-	3,579,603	-	2,206,893
Other comprehensive income for the years		2,950,488	(15,918,035)	(6,595)	2,262,513
Total comprehensive income for the years		(180,010,041)	(153,372,619)	(129,997,322)	(15,096,531)
Loss for the years attributable to:					
Equity holders of the parent		(180,639,059)	(134,825,671)	(129,990,727)	(17,359,044)
Non-controlling interests		(2,321,470)	(2,628,913)	-	-
Loss for the years		(182,960,529)	(137,454,584)	(129,990,727)	(17,359,044)
Total comprehensive income for the years attributable to:					
Equity holders of the parent		(177,788,133)	(150,228,909)	(129,997,322)	(15,096,531)
Non-controlling interests		(2,221,908)	(3,143,710)	-	-
Total comprehensive income for the years		(180,010,041)	(153,372,619)	(129,997,322)	(15,096,531)
Basic loss per share attributable to equity holders of the parent					
Loss per share (Baht per share)	36	(0.24)	(0.18)	(0.17)	(0.02)
Weighted average number of common shares (share)		750,000,000	750,000,000	750,000,000	750,000,000

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

 (Ms. Aunada Phrutthinarakorn) Director

 (Mr. Sirichai Phrutthinarakorn) Director

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

Director _____ Director _____
 (Ms. Aunada Phruttinarakorn) (Mr. Sirichai Phruttinarakorn)

**SCI ELECTRIC PUBLIC COMPANY LIMITED
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

In Baht							
	Note	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		Other components of equity	
				Appropriated for legal reserve	Unappropriated	Long-term investments	Total shareholders' equity
Balance as at 1 January 2019		750,000,000	879,037,983	29,400,000	80,603,108	40,215	1,739,081,306
Dividend paid	30	-	-	-	(37,496,850)	-	(37,496,850)
Loss for the year		-	-	-	(17,359,044)	-	(17,359,044)
Other comprehensive income for the year		-	-	-	2,206,893	55,620	2,262,513
Total comprehensive income for the year		-	-	-	(15,152,151)	55,620	(15,096,531)
Balance as at 31 December 2019		750,000,000	879,037,983	29,400,000	27,954,107	95,835	1,686,487,925
Balance as at 1 January 2020		750,000,000	879,037,983	29,400,000	27,954,107	95,835	1,686,487,925
Dividend paid	30	-	-	-	(15,000,000)	-	(15,000,000)
Loss for the year		-	-	-	(129,990,727)	-	(129,990,727)
Other comprehensive income for the year		-	-	-	-	(6,595)	(6,595)
Total comprehensive income for the year		-	-	-	(129,990,727)	(6,595)	(129,997,322)
Balance as at 31 December 2020		750,000,000	879,037,983	29,400,000	(117,036,620)	89,240	1,541,490,603

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

_____ Director
 (Ms. Aunada Phrutthinarakorn)

_____ Director
 (Mr. Sirichai Phrutthinarakorn)

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	In Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (loss) before income tax income (expense)		(169,841,063)	(137,128,116)	(131,028,213)	(17,633,326)
Adjustment to reconcile profit (loss) to net cash provided by (used in) operating activities					
Unrealized loss on foreign exchange rate		313,186	16,873,260	390,243	16,404,208
(Gain) loss on disposal of investments in opened-end fund	14	115,032	(1,298,747)	113,778	(1,242,312)
Gain on changes in fair value of investments in opened-end fund	14	(162,926)	(757,079)	(162,926)	(666,151)
Gain on disposal of investment in a joint venture	17.2	(723,217)	-	-	-
Dividend income from a subsidiary	8.3	-	-	(37,799,300)	(32,399,400)
Interest income		(2,216,716)	(5,541,050)	(14,579,852)	(10,446,720)
Impairment loss on financial assets	33	170,811,981	23,619,952	178,733,722	23,821,726
Premium of government bond	16	307,200	306,970	84,756	84,524
Share of loss from investment in joint ventures	17.2	4,722,739	6,279,910	-	-
Impairment of investment in a joint venture	17.2	-	-	-	4,799,900
Depreciation of plant and equipments	18	42,246,282	51,472,644	9,866,315	10,337,046
Depreciation of right-of-use assets	19	3,190,300	-	842,381	-
Loss on disposal equipments		306,160	1,741,098	74,673	732,932
Amortization on intangible assets and right in service concession arrangement	20	10,538,283	11,869,201	197,610	233,520
Non-current provisions for employee benefit	27	8,843,434	17,688,312	4,022,814	7,793,654
Amortization of bank fee	23	387,017	473,927	-	-
Interest expense		20,282,646	23,625,385	247,393	158,576
Profit from operating activities before change in operating assets and liabilities		89,120,338	9,225,667	11,003,394	1,978,177
(Increase) decrease in operating assets					
Trade and other current receivables		(132,439,489)	(162,588,727)	(57,508,264)	(87,279,373)
Unbilled completed work		(2,594,271)	(23,866,568)	(19,128,839)	-
Inventories		(42,199,852)	(106,053,627)	(12,500,296)	(21,913,292)
Other current assets		60,476	662,743	42,878	3,025,106
Long-term trade receivables		-	57,813	-	-
Prepaid leased land		-	8,745,130	-	-
Other non-current assets		276,958	(358,852)	185,089	(9,000)
Increase (decrease) in operating liabilities					
Trade and other current payables		32,806,538	156,807,156	46,716,695	14,243,753
Contract liabilities		83,980,646	(1,301,093)	23,717,097	(1,654,966)

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

(Ms. Aunada Phruttnarakorn) Director

(Mr. Sirichai Phruttnarakorn) Director

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES					
(CONTINUED)					
Cash received (paid) from operating activities		29,011,344	(118,670,358)	(7,472,246)	(91,609,595)
Interest received		2,748,124	4,963,349	2,530,599	10,396,854
Income tax paid		(3,256,146)	(3,250,514)	(750,439)	(436,961)
Income tax received		3,633,141	-	-	-
Payment for non-current provisions					
for employee benefit	27	(2,719,579)	(2,106,880)	(929,496)	(2,106,880)
Net cash provided by (used in) operating activities		29,416,884	(119,064,403)	(6,621,582)	(83,756,582)
CASH FLOWS FROM INVESTING ACTIVITIES					
Increase in deposits at banks pledged as collateral		(17,406,001)	(37,404,250)	(17,352,849)	(37,351,735)
Cash received from loans to related companies	8.2	-	-	23,338,599	21,294,370
Cash received from disposal of					
other current financial assets	14	316,199,878	345,078,016	299,321,454	339,278,016
Cash received from short-term loans					
to other company	11	-	5,200,000	-	5,200,000
Cash received from other investments		-	298,643	-	-
Proceeds from disposal of equipments		-	1,630,323	-	1,630,323
Dividend received		-	-	21,599,600	10,799,800
Cash received from disposal in investment					
in joint venture	17.2	15,000,000	-	15,000,000	-
Cash paid for purchase					
of other current financial assets	14	(297,023,087)	(183,165,821)	(286,023,087)	(180,665,821)
Cash paid for loans to related companies	8.2	-	-	(36,698,920)	(56,867,490)
Cash paid for addition investment in subsidiaries	17.1	-	-	(7,164,694)	-
Cash paid for addition investment in joint ventures	17.2	-	(19,799,900)	-	(19,799,900)
Cash paid for intangible assets	20	(228,258)	(901,455)	(31,308)	(34,308)
Cash paid for acquisition of right-of-use assets					
(supplement disclosured of cash flows information)		(481,924)	-	(481,924)	-
Cash paid for acquisition of property,					
plant and equipments					
(supplement disclosured of cash flows information)		(16,796,750)	(25,119,229)	(2,263,108)	(9,967,524)
Net cash provided by (used in) investing activities		(736,142)	85,816,327	9,243,763	73,515,731

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

(Ms. Aunada Phruttnarakorn) Director

(Mr. Sirichai Phruttnarakorn) Director

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from short-term loans					
from financial institutions	23	20,000,000	50,745,295	10,000,000	-
Cash paid for short-term loans					
from financial institutions	23	-	(57,728,948)	-	-
Cash paid for long-term loans					
from financial institutions	23	(3,282,980)	(12,406,740)	-	-
Cash paid for lease liabilities	26	(1,755,285)	(2,085,095)	(1,313,586)	(2,285,482)
Cash paid for finance costs		(9,275,199)	(23,533,438)	(247,393)	(158,576)
Dividend paid	30	(15,000,700)	(37,497,450)	(15,000,000)	(37,496,850)
Net cash used in financing activities		(9,314,164)	(82,506,376)	(6,560,979)	(39,940,908)
Differences on translating of the financial statements		2,710,232	(68,511)	-	-
Net increase (decrease) in cash and cash equivalents		22,076,810	(115,822,963)	(3,938,798)	(50,181,759)
Cash and cash equivalents, beginning of years		206,473,395	322,296,358	119,927,007	170,108,766
Cash and cash equivalents, ending of years	9	228,550,205	206,473,395	115,988,209	119,927,007
SUPPLEMENT DISCLOSURE OF CASH FLOWS INFORMATION					
Cash paid for acquisition of property, plant and equipments					
Acquisition of property, plant and equipments during the years	18	(17,562,051)	(25,287,229)	(2,263,108)	(10,135,524)
Increase in accounts payable from acquisition of assets		765,301	-	-	-
Assets acquired under lease liabilities	26	-	168,000	-	168,000
Cash paid for acquisition of property, plant and equipments		(16,796,750)	(25,119,229)	(2,263,108)	(9,967,524)
Cash paid for acquisition of right-of-use assets					
Acquisition of right-of-use assets during the years	19	(1,927,692)	-	(1,927,692)	-
Assets acquired under lease liabilities	26	1,445,768	-	1,445,768	-
Cash paid for acquisition of right-of-use assets		(481,924)	-	(481,924)	-
Reclassified income tax refundable from current tax assets		1,120,166	3,633,141	436,961	-

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

(Ms. Aunada Phruttnarakorn)

Director

(Mr. Sirichai Phruttnarakorn)

Director

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

SCI Electric Public Company Limited (“the Company”) established in Thailand. The address of its registered office is as follows:

Head office is located at 107/1 Moo 1, Bangna-Trad Road, Bangprieng, Bangbo, Samutprakarn.

The branch is located at 1, Soi Udomsuk 45, Udomsuk Road, Bangjak, Prakanong, Bangkok.

The Company registered to convert its company from a limited company to be a public company limited and changed its company name from “SCI Electric Manufacturer Company Limited” to “SCI Electric Public Company Limited” with the Ministry of Commerce on 1 May 2015.

The Company was listed on the Stock Exchange of Thailand and the Company’s stocks were traded on the Stock Exchange of Thailand since 13 October 2015.

For purpose of report, the Company and its subsidiaries and joint ventures together referred to as “the Group”.

The principal business operations of the Group are as follows:

1. Manufacture and sell of low and medium voltage electrical switch board, cable tray, and power cord support device.
2. Manufacture and sell high-voltage transmission line tower, telecommunication tower, galvanizing steel structure and sell of wiring electric equipment and hot-dip galvanized service.
3. Services of project management under the Engineering, Procurement and Construction (EPC) contract.
4. Selling of electricity produced from the hydroelectric power plant.

The Coronavirus disease 2019 Pandemic

The Coronavirus 2019 (COVID-19) pandemic in Thailand during the beginning of the year 2020 and the epidemic situation in other countries which recently have ongoing cases of COVID-19 infected people continuously. As a result, Thailand Government issued measures to control the spread of COVID-19 during the time and at control areas announced by the government, such as the announcement of the Emergency Decree on Public Administration in Emergency Situations, temporary closing of many places, suspension of services from various service places and refraining from activities, etc. These matters resulted in an overall economic slowdown and impacted global business and industries. However, the Group’s management is now paying close attention to the development of the COVID-19 pandemic and has continuously evaluating its impacts on the operation. In this regard, the management has used estimates and judgement in respect of various issues as the situation has evolved.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); Interpretations and guidelines promulgated by Thailand Federation of Accounting Professions (“TFAC”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies;

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 7.

For the convenience of the user, an English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

The consolidated financial statements relate to SCI Electric Public Company Limited (“SCI”) and its subsidiaries and joint ventures (together referred to as “the Group”).

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Details of the subsidiaries and joint ventures are as follows:

		Percentage of holding		
	Country of Incorporation	2020	2019	Nature of Business
<u>Holding by SCI</u>				
<u>Subsidiaries</u>				
Ajikawa & SCI Metal Tech Co., Ltd. (“SCIMT”)	Thailand	99.99	99.99	Manufacture of high-voltage transmission line tower, telecommunication tower and galvanized steel structure
SCI Holding Co., Ltd. (“SCIH”)	Thailand	99.99	99.99	Holding company
SCI Metal Tech (Myanmar) Co., Ltd. (“SCIMTMM”)	The Republic of the Union of Myanmar	96.19	96.19	Manufacture of high-voltage transmission line tower, telecommunication tower and galvanized steel structure
Interasia Trading Co., Ltd. (“Inter”)	Thailand	99.99	99.99	International sale of raw material
<u>Joint Ventures</u>				
T Utilities Co., Ltd. (“TU”)	Thailand	45.00	45.00	Invest in company and basic infrastructure
SCI Enesys Co., Ltd. (“SE”)	Thailand	40.00	40.00	Sale of cable tray and related equipments
Yuemmai (Thailand) Co., Ltd. (“YM”)	Thailand	-	49.00	Trading and renting mobile phone
<u>Holding by SCIH</u>				
Tad Slen Power Co., Ltd. (“TSL”)	The Lao People’s Democratic Republic	100	100	Hydroelectric power generation

The significant transactions between the Company, the subsidiaries and joint ventures have been eliminated in the consolidated financial statements.

3. NEW FINANCIAL REPORTING STANDARDS AND ACCOUNTING TREATMENT GUIDANCE ISSUED BY THE FEDERATION OF ACCOUNTING PROFESSIONS

3.1 Financial reporting standards that became effective in the current year

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

3.1.1 Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

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

The effects of the adoption of these standards on the Group's financial statements are described below:

- The measurement method of impairment of financial assets

The Group is to recognise an allowance for expected credit losses on its financial assets, and they are no longer necessary for a credit-impaired event to have occurred. The Group's management has considered that the recognition of credit losses does not have any significant impact on the adjustment of retained earnings (deficit) as at 1 January 2020.

- Recognition of loans to related companies

The Group measures the fair value of loans to related companies carried interest rates lower than market rates, as the present value of all future expected cash receipts discounted using the prevailing market rates of interest for a similar instrument. The Group considers the difference between amount of loans to related companies and the fair value of loans at the initial date, as the fund contribute to related companies and presented as part of investment in related companies. The Group adjusted the fair value of loans as at 31 December 2019 and treat it as the new gross carrying amount of loans to related companies at the date of initial application of this standard.

The Group adopted these financial reporting standards which the cumulative effect of initial application of these financial reporting standard is recognised as an adjustment to the financial information as at 1 January 2020, and the comparative financial information was not restated (Note 4).

3.1.2 TFRS 16 Leases

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

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

For leases previously classified as finance leases, the Group recognised the carrying amount of the finance lease asset and lease liability as at 1 January 2020, as the carrying amount of the right-of-use asset (Note 19) and the lease liability (Note 26). In addition, in applying this TFRS for the lease contracts exist before 1 January 2020, for the first time, the Group has used the following practical expedients permitted by the standard:

- The accounting for operating leases with a remaining lease term of less than 12 months from 1 January 2020 as short-term leases
- Elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an Arrangement contains a Lease.

The impact on reclassifications to financial information as at 1 January 2020 is shown in Note 4.

3.2 Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation"

The Federation of Accounting Professions announced Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation". Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the year of uncertainty relating to this situation.

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36 Impairment of Assets.

3.3 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

During the year 2020, The Federation of Accounting Professions has issued the Notification regarding the revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, totaling 16 number, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after 1 January 2021 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to reference to the Conceptual Framework in TFRSs, revising the definition of materiality, definition of business and accounting requirement for Interest Rate Benchmark Reform.

In addition, in January 2021, The Federation of Accounting Professions has issued the Notification regarding a revision from year 2020 of five Thai Financial Reporting Standards, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after 1 January 2022 onwards. The most of the changes directed towards revisions of accounting requirement for Covid-19-Related Rent Concessions which meet specified conditions (effective for financial statements for the period beginning on or after 1 June 2020) and Interest Rate Benchmark Reform-Phase 2.

The Group's management will adopt the relevant TFRSs in the preparation of Group's financial statements when they become effective. The Group's management is on the evaluating process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

4. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW THAI FINANCIAL REPORTING STANDARDS

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

In Baht				
Consolidated financial statements				
		The impact of financial reporting standards related to financial instruments	The impact of TFRS 16	
Statements of financial position	31 December 2019			1 January 2020
Current assets				
Trade and other current receivables	464,401,486	-	(1,978,570)	462,422,916
Non-current assets				
Property, plant and equipments	612,909,076	-	(7,173,310)	605,735,766
Right-of-use assets	-	-	95,054,736	95,054,736
Prepaid leased land	85,902,856	-	(85,902,856)	-

In Baht				
Separate financial statements				
		The impact of financial reporting standards related to financial instruments	The impact of TFRS 16	
Statements of financial position	31 December 2019			1 January 2020
Current assets				
Trade and other current receivables	225,638,742	(168,904)	-	225,469,838
Current portion of long-term loan to related companies	12,000,000	2,667,163	-	14,667,163
Non-current assets				
Investment in subsidiaries	583,230,454	35,804,272	-	619,034,726
Long-term loan to related companies	218,878,882	(38,302,531)	-	180,576,351
Property, plant and equipment	117,025,296	-	(4,914,399)	112,110,897
Right-of-use assets	-	-	4,914,399	4,914,399

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

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

In Baht					
Consolidated financial statements					
Classification and measurement in accordance with TFRS 9					
	Carrying amounts under the former basis	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets					
as at 1 January 2020					
Cash and cash equivalents	206,473,395	-	-	206,473,395	206,473,395
Trade receivables	437,890,017	-	-	437,890,017	437,890,017
Other current financial assets					
- Investments in					
opened-end fund	59,198,320	59,198,320	-	-	59,198,320
- Investments in promissory					
notes due within 1 year	49,410,813	-	-	49,410,813	49,410,813
Deposits at banks					
pledged as collateral	83,002,888	-	-	83,002,888	83,002,888
Non-current non-cash financial assets					
pledged as collateral	16,761,600	-	16,761,600	-	16,761,600
Total financial assets	852,737,033	59,198,320	16,761,600	776,777,113	852,737,033

In Baht					
Separate financial statements					
Classification and measurement in accordance with TFRS 9					
	Carrying amounts under the former basis	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets					
as at 1 January 2020					
Cash and cash equivalents	119,927,007	-	-	119,927,007	119,927,007
Trade receivables	205,194,850	-	-	205,194,850	205,194,850
Other current receivables					
- related companies	7,635,949	-	-	7,635,949	7,635,949
Long-term loan to					
related companies	195,243,514	-	-	195,243,514	195,243,514
Dividend receivable	21,599,600	-	-	21,599,600	21,599,600
Other current financial assets					
- Investments in					
opened-end fund	53,318,642	53,318,642	-	-	53,318,642
- Investments in promissory					
notes due within 1 year	49,410,813	-	-	49,410,813	49,410,813

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

		In Baht			
		Separate financial statements			
		Classification and measurement in accordance with TFRS 9			
	Carrying amounts under the former basis	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Deposits at banks					
pledged as collateral	77,898,398	-	-	77,898,398	77,898,398
Non-current non-cash financial assets					
pledged as collateral	6,285,600	-	6,285,600	-	6,285,600
Total financial assets	736,514,373	53,318,642	6,285,600	676,910,131	736,514,373

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

5. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these consolidated and separate financial statements are as follows:

5.1 Investment in Subsidiaries and Joint venture

Subsidiaries

Subsidiaries are all entities over which the Group has the power to control. The Group controls an entity when the Group is exposed, or has the rights, to variable returns from its investment with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains or losses on transactions between the Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries in separate financial statements are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

Joint venture

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method in the consolidated financial statements. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity - accounted investees, until the date on which joint control ceases.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in joint ventures are recognised in the profit or loss.

In the separate financial statements, investments in joint ventures are accounted for using the cost method.

A list of the subsidiaries and joint ventures is disclosed in Note 8.

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

5.2 Foreign currency translation

The Company translates the foreign currency transactions to Thai Baht by using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

5.3 Translation of foreign currency financial statements

The financial statements of subsidiaries in other country have been prepared in the currency of the US Dollar which is the functional currency. The operation results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as other components of equity.

5.4 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits held at call at financial institutions, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions. Bank overdrafts are presented under current liabilities in the statement of financial position.

5.5 Trade receivables and contract assets

Trade receivables are recognized when the Group has unconditional rights to receive compensation under the contract. If the Group recognizes revenue before having unconditional rights to receive compensation, the amount of compensation is recognized as contract assets, which will be shown as unbilled completed works in the financial statements (Note 12).

Contract assets are measured at the amount of consideration that the Group is entitled to, less impairment losses (if any).

Policies applicable from 1 January 2020

Trade receivables are stated at their invoice value less allowance for expected credit losses.

For trade receivables and contract assets that do not contain significant financing components, the Group applies a simplified approach in calculating expected credit losses. Allowance for expected credit losses is estimated based on the Group's historical credit loss experience, analysis of current financial position of receivables, adjusted for factors that are specific to the debtors, forecast about the future payments of the receivables, assessment of general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The allowance for expected credit losses is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized in profit or loss.

Bad debt will be written-off when incur.

Policies applicable prior to 1 January 2020

Trade receivables are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within administrative expenses.

5.6 Investments

Policies applicable from 1 January 2020

Investments other than investments in subsidiaries and joint ventures are classified based on the cash flow characteristics of the financial asset and the business model in which they are managed. Management

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments in opened-end fund presented in the statement of financial position at fair value through profit or loss. The fair value determines based on net asset value of investment unit as at the end of reporting period.

Investments in non-marketable equity securities and other investments represent bills of exchange and promissory notes with original maturities of more than 3 months but less than 12 months are presented in the statement of financial position at amortized cost using the effective interest rate method less allowance for expected credit losses (if any).

Investments in debt securities which intended to be held for an indefinite period of time and may be sold in response to liquidity needs, presented at fair value through other comprehensive income. The fair value determined based on quoted bid price at the statement of financial position date by reference to the Thai Bond Dealing Centre.

Policies applicable prior to 1 January 2020

Investments other than investments in subsidiaries and joint ventures are classified into trading investments, available-for-sale investments and held to maturity investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.

Investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments and available-for-sale investments are subsequently measured at fair value. The fair value of trading investments determines based on net asset value of investment unit as at the end of reporting period. Fair value of available-for-sale investments is based on quoted bid price at the statement of financial position date by reference to the Thai Bond Dealing Centre. The unrealised gains and losses of trading investments are recognised in the profit or loss. The unrealised gains and losses of available-for-sale investments are recognised in other comprehensive income.

Held-to-maturity investments are carried at amortised cost using the effective interest rate method less allowance for impairment (if any).

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount of the investment is recognized in profit or loss.

5.7 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by the weighted average method. 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 charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises design costs, raw materials, direct labor, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs. Net reliable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories according to the Group's accounting policy.

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

5.8 Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

The Group recognizes revenue from construction contracts over time only if the Group can reasonably measure its progress towards complete satisfaction of the construction performance obligation. In the case that the Group is not able to reasonably measure the outcome of a construction performance, but the Group expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Group recognise revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Measuring progress has been determined using input method which is calculated as a proportion of the actual completed construction costs to total budget costs.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When measuring progress, the Group excludes from the measure of progress any goods or services for which the Group does not transfer control to a customer. Conversely, the Group includes in the measure of progress any goods or services for which the Group transfers control to a customer when satisfying that performance obligation.

The Group's construction contracts typically are fixed price which payments from customers are based on a billing schedule as established in each contract. The Group recognizes trade receivables when the Group has the right to receive payments according to such billing schedule indicated in the contracts.

Contract assets represent the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer which determined by costs incurred plus recognised profits (less recognised losses) exceed progress billings and presented as unbilled completed works.

Contract liabilities represent the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or the amount is due) from the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue. The Group's contract liabilities consist of advance received and unearned income which is determined as progress billings exceed costs incurred plus recognised profits (less recognised losses).

5.9 Property, plant and equipment

Property, plant and equipment are initially recorded at cost. All assets except land are stated at historical cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of plant and equipment is calculated on the straight line method over the estimated useful lives as follows:

Buildings and buildings improvement	20 - 40	years
Machineries and equipments	5 - 20	years
Office equipments	2 - 8	years
Vehicles	5	years

When assets are sold or retired, the Group will write-off both the assets and related accumulated depreciation from the accounts and will recognize any gain or loss from retirement of the asset in profit or loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful lives of the related asset.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with the carrying amount and are included in operating profit.

Work-in-progress is stated at cost. These assets are not depreciated until such time as the relevant assets are completed and ready for their intended operational use.

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

5.10 Right in service concession arrangement

Right in service concession arrangement is measured initially at its cost. Costs comprise construction costs of dam, others related equipments, related transaction costs and borrowing costs. The subsidiary records borrowing costs directly attributable to the construction of dam from the starting of the project until the dam is ready for its intended use. The right in service concession arrangement is amortized on a straight-line basis over the period of the Concession agreement of 30 years.

Expenditure on the Environmental and Social expenses are environmental expenses in comply with the Water Resources and Environmental Administration (WREA) which are amortized on a straight-line basis over the period of the Concession agreement of 30 years.

5.11 Intangible assets

Right to use computer software recorded as intangible assets at the acquiring cost plus processing fee for assets to be ready for their intended use. Software costs are amortized as an expense by the straight-line method over a useful lives period of 5 - 10 years.

5.12 Impairment loss of non-financial assets

Assets that have an indefinite useful lives, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows. Non-financial assets other than goodwill that suffered impairment is reviewed for possible reversal of the impairment at each reporting date.

5.13 Accounting for leases - where company is the lessee

Policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

Right-of-use assets

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

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities

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is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

Policies applicable to 1 January 2020

Long-term agreements for lease of assets, in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases of assets, where the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding by considering each agreement separately. The corresponding rental obligations, net of finance charges, are included in liabilities. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The assets acquired under finance leases is depreciated over the shorter period of the useful lives of the asset and the lease term.

5.14 Borrowings

Borrowings are recognised initially at the fair value of consideration received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities to the extent that the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

5.15 Current income tax and deferred tax

The tax expense for the period comprises current income tax and deferred tax.

Current income tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognizes deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

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Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

5.16 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The post-employment benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method. Actuarial gains or losses arising from experience adjustments or changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

5.17 Provisions

Provisions for environmental restoration and legal claims are recognised 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 the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

5.18 Share Capital

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

5.19 Revenue and expense recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties for example value added tax or other output taxes and is after deduction of any trade discounts and volume rebates.

Revenue from assets construction service

For assets construction contract, which mutually agreed before commencing related work, the customer controls assets under construction as which the Group's performance creates or enhances such assets. Therefore, revenues have been recognized over time of construction using input method (Note 5.8) for measuring progress of construction. This method measures progress as a proportion of the actual completed construction costs to total budget costs. The Group determines that input method is able to reasonably depict the Group's performance in transferring control of goods or services promised to a customer.

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Revenue from sales of goods

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers at agreed delivery place. For contracts that permit the customers to return the goods (if any), revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue from sales of electricity is based on the actual electricity that sold to the Electricite Du Laos at the agreed tariff rate as stipulated in the Power Purchase Agreement.

Other incomes and expense

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

Other incomes and expenses are recognized on accrual basis.

5.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

5.21 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive committee that makes strategic decisions.

5.22 Transactions with related persons and companies

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 Company, 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.

5.23 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities;
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly;
- Level 3 - Use of unobservable inputs such as estimates of future cash flows.

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

Fair values of assets and liabilities are disclosed in Note 38.

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5.24 Financial instruments

The Group initially recognizes a financial instrument at fair value, other than financial instrument measured at fair value through profit or loss, plus transaction costs. However, for trade receivables and contract assets without a significant financing component is initially measured at the transaction price as disclosed in accounting policy regarding revenue recognition.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss, unless it qualifies for recognition as some other type of asset.

Classification and measurement of financial assets

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income or amortized cost. The classification is derived by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows or the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

If the Group revises its estimates of payments or receipts, the Group adjusts the gross carrying amount of the financial asset to reflect actual or revised estimated contractual cash flows, as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate. The adjustment is recognised in profit or loss as income or expense.

Fair value through other comprehensive income

A financial asset will be measured at fair value through other comprehensive income when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the value of financial assets are taken through other comprehensive income, except for the recognition of impairment losses and interest income using effective interest rate method. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

Fair value through profit or loss

A financial asset that does not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss which are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

Except for derivatives, at initial recognition, the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derivative

Derivative assets or liabilities (if any) are classified and measured at fair value to profit or loss.

Impairment of financial assets

The Group recognize an allowance for expected credit losses on its financial assets which measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for

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trade receivables and contract assets that do not contain significant financing components, in which the Group applies a simplified approach to determine the lifetime expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses of receivables and contract assets at each reporting date. It is based on its historical credit loss experience and adjusted for forecast factors specific to the debtors and the economic environment, including time value of money as appropriate.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

6. FINANCIAL RISK MANAGEMENT

6.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department under policies approved by the Board of Directors. The Group's treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board of Risk Management provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments, and investment excess liquidity.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

As at 31 December 2020 the Group was exposed to foreign currency risk in respect of significant financial assets and liabilities denominated in the following currencies:

	Currency	Consolidated financial statements		Seperate financial statements	
		Foreign currency	Baht	Foreign currency	Baht
Assets	US Dollars	21,069,020	629,276,842	21,207,161	633,402,753
Liabilities	US Dollars	20,234,628	611,223,372	20,234,628	611,223,372

Foreign currency assets mainly represent trade receivables and contract assets. Foreign currency liabilities mainly represent trade payables.

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of assets and liabilities to USD currency.

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The following table details the Group's sensitivity to a 5% appreciate and depreciate in Thai Baht against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at 31 December 2020 for a 5% change in US Dollars currency rates as follows:

In Million Baht

	Consolidated financial statements		Seperate financial statements	
	Assets	Liabilities	Assets	Liabilities
Profit (loss)				
5% appreciate	(31)	31	(32)	31
5% depreciate	31	(31)	32	(31)

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has no significant interest-bearing assets. The Group's policy is to maintain approximately the rate of MLR of its borrowings in fixed rate instruments.

Credit risk

The Group is exposed to credit risks mainly relating to its trade receivables. As management manages the risk by adopting appropriate credit control policies to ensure that services and goods are provided only to customers with a suitable credit history. The Group estimated the allowance for expected credit losses based on the management assessment on the customers' ability to pay debt outstanding at the end of the reporting period.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the Group's treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

6.2 Fair value estimation

The fair values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes (if any) is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

7. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of financial statements in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand also requires the Group's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

Estimates, assumption and judgements 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. Significant judgements and estimates are as follows:

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Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgements regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgements regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognises revenue over time if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognised over time, the management is required to use judgements regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on a proportion of the actual completed construction costs to date to total budget costs.

Estimated of construction project costs

The Group estimate costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, including labour costs, construction overheads, other direct costs and indirect systematically allocated costs to be incurred to completion of construction, taking into account the direction of the movement in construction material price, labour costs and other costs. Estimates are reviewed regularly when there is change in scope of work or whenever actual costs differ significantly from the figures used in the original estimate.

Allowance for expected credit losses of trade receivables and contract assets (2020)

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement to estimate the expected credit losses arising from each receivable, based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for doubtful accounts (2019)

The Group analyze receivables aging together with the assessment of receivables' financial status as the basis in determination of allowance for doubtful accounts. The age range and status of receivables have been also taken into consideration of allowance for doubtful accounts.

Allowance for net realizable value of inventories

The Group considers the allowance for net realizable value based on the estimate of selling price in the ordinary course of business and normal condition of inventory. The net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Property plant and equipment, right-of-use assets and right in service concession arrangement

In determining depreciation of plant and equipment, right-of-use assets and right in service concession arrangement, the management is required to make estimates of the useful lives and residual values of plant and equipment and to review estimate useful lives and residual values when there are any changes.

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In addition, the management is required to review property, plant and equipment, right-of-use assets and right in service concession arrangement, for impairment on a periodical basis and records impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Investments in subsidiaries and joint ventures

Management reviews the impairment of investments in subsidiaries and joint ventures and they are subject to impairment if there is an indication they may be impaired, and impairment losses are recorded in the period when it is determined that their recoverable amount is lower than the carrying amount.

The impairment analysis of investments in subsidiaries and joint ventures requires management to make subjective judgments concerning estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to determine the present value of those cash flows. The cash flow estimates are based on currently available information about the operations and require management to make judgments regarding future market conditions and future revenues and expenses relevant to the assets or the cash generating units subject to the review. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

Lease (2020)

In determining whether a contract is, or contains, a lease, the management is required to use judgement regarding whether a contract conveys the right to control the use of an identified asset.

Leases (2019)

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Post-employment benefits - defined benefit plans

Employee post-employment benefit obligation 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.

The present value of the employee post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions includes the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee post-employment benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee post-employment benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee post-employment benefit obligations.

The Group determines the sensitivity analysis of the key assumptions for employee benefit obligations referencing current market conditions as disclosed in Note 27.

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8. TRANSACTIONS WITH RELATED PERSONS AND COMPANIES

8.1 Relationship and pricing policy

The relationship and pricing policies among the Company, subsidiaries, joint venture and related persons and companies are as follows:

	<u>Relationship</u>
<u>Subsidiaries</u>	
Ajikawa & SCI Metal Tech Co., Ltd.	Shareholding by the Company and directorship
SCI Holding Co., Ltd.	Shareholding by the Company and directorship
SCI Metal Tech (Myanmar) Co., Ltd.	Shareholding by the Company and directorship
Tad Slen Power Co., Ltd.	Shareholding by the subsidiary and directorship
Interasia Trading Co., Ltd.	Shareholding by the Company and directorship
<u>Joint ventures</u>	
T Utilities Co., Ltd.	Shareholding by the Company and directorship
SCI Enesys Co., Ltd.	Shareholding by the Company and directorship
Yuemmai (Thailand) Co., Ltd.	Shareholding by the Company and directorship
<u>Related companies</u>	
AG Ajikawa Corporation Co., Ltd.	Shareholder of the Company
Star Rail Co., Ltd.	Directorship
Angel & Fairy Co., Ltd.	Shareholder of a subsidiary
<u>Related persons</u>	
Aunada Phruttnarakorn	Shareholder and Director
Sirichai Phruttnarakorn	Shareholder and Director
Kriangkrai Pheanvitayaskul	Shareholder and Director
	<u>Pricing policies</u>
Loan to	Interest charged at rate of 2.5% per annum
Sales/ service income	Cost plus margin
Cost of goods sold/ service	Cost plus margin
Consulting	At contract price which had been agreed upon
Guarantee	No fee charged

* On 15 January 2020, the Company sold the investment in Yuemmai (Thailand) Co., Ltd. to the shareholder of such company. Therefore, the Group and Yuemmai (Thailand) Co., Ltd. have not related entities since the date that the Company sold such investment (Note 17.2).

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8.2 Balances between the Company, related persons and companies

Significant balances among the Company, related persons and companies presented in the statement of financial position as at 31 December are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Other receivables (Note 10)				
Subsidiaries	-	-	10,830,681	7,635,949
Prepaid expenses (Note 10)				
Related company	-	2,772,800	-	2,772,800
Advance payments for goods (Note 10)				
Subsidiary	-	-	77,200	-
Dividend receivable				
Subsidiary	-	-	37,799,300	21,599,600
Trade payables (Note 24)				
Subsidiary	-	-	33,408,202	16,952,327
Accrued expenses (Note 24)				
Subsidiary	-	-	9,351	-
<u>Current-portion of long term loan to</u>				
Subsidiaries	-	-	14,888,710	12,000,000
<u>Long-term loan to</u>				
Subsidiaries	-	-	198,438,125	218,878,882

The movements of long-term loan to related companies for the years ended 31 December, are as follows:

	In Baht	
	Separate financial statements	
	2020	2019
Subsidiaries		
Balance as at 31 December	230,878,882	195,305,762
Adjustment (Note 4)	(35,635,368)	-
Balance as at 1 January	195,243,514	195,305,762
Increase in loans provided under the loan agreement during the period	43,863,614	56,867,490
Transfer of the loan amount which is greater than the fair value of loans provided during the period, as investments in subsidiaries (Note 17.1)	(7,164,694)	-

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	In Baht	
	Separate financial statements	
	2020	2019
Refund of loan	(23,338,599)	(21,294,370)
Interest income	12,580,622	-
Loss from revising estimated receipts	(7,857,622)	-
Balance, at the end of years	213,326,835	230,878,882

The maturity periods of long-term loans to as at 31 December, are as follows:

	In Baht	
	Separate financial statements	
	2020	2019
Due within 1 year	14,888,710	12,000,000
Due more than 1 years	198,438,125	218,878,882
Total long-term loans to related companies	213,326,835	230,878,882

Long-term loans to related companies are the loans which will be repaid within 6 - 18 years (2019 : 3 - 13 years) from the date of loan agreements and bear interest at the rate of 2.5% per annum according to the loan agreements. The Company adjusted the amount of loan with the market interest rate to measure and recognize fair value of loans at the initial date.

8.3 Revenues and expenses transactions between the Company, related persons and companies

Revenues and expenses transactions among the Company, related persons and companies for the years ended 31 December, are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Sale and service income				
Subsidiary	-	-	64,000	-
Joint venture	-	8,414,485	-	-
Related company	8,039,776	3,613,329	-	-
Total	8,039,776	12,027,814	64,000	-
Interest income				
Subsidiaries	-	-	12,580,622	5,190,204
Other income				
Subsidiaries	-	-	7,158,423	8,119,986

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	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Dividend income				
Subsidiary	-	-	37,799,300	32,399,400
Purchase of goods and service				
Subsidiary	-	-	93,361,640	84,950,148
Related companies	2,772,800	2,772,800	2,772,800	2,772,800
Total	2,772,800	2,772,800	96,134,440	87,722,948

Directors and managements' remuneration

Directors and managements' remuneration for the years ended 31 December, are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term benefits	33,432,416	31,622,404	26,024,834	24,568,696
Post-employment benefits	1,711,307	2,388,240	1,466,472	2,217,038
Total	35,143,723	34,010,644	27,491,306	26,785,734

9. CASH AND CASH EQUIVALENTS

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash	1,545,232	3,222,627	1,195,360	2,799,467
Deposit at banks - current accounts	136,156,724	128,958,990	64,753,370	62,200,852
Deposit at banks - saving accounts	86,942,259	71,954,206	50,039,479	54,236,508
Deposit at banks - fixed accounts	-	10,730	-	10,730
Cheque due but not deposited	3,905,990	2,326,842	-	679,450
	228,550,205	206,473,395	115,988,209	119,927,007

As at 31 December 2020, saving deposits bear interest at rates between 0.05% to 0.50% per annum (2019 : 0.05% to 0.70% per annum).

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10. TRADE AND OTHER CURRENT RECEIVABLES

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - other companies	493,366,593	370,447,252	179,659,033	137,752,085
Trade receivables - service				
agreement of foreign project	81,019,098	81,315,589	81,019,098	81,315,589
Total trade receivables	574,385,691	451,762,841	260,678,131	219,067,674
<u>Less</u> Allowance for credit losses of trade receivables				
- other companies	(1,886,856)	(1,010,756)	(1,886,856)	(1,010,756)
<u>Less</u> Allowance for credit losses of trade receivables				
- service agreement of foreign project	(27,798,540)	(12,862,068)	(27,798,540)	(12,862,068)
Trade receivables - net	544,700,295	437,890,017	230,992,735	205,194,850
Other receivables - related				
companies (Note 8.2)	-	-	10,830,681	7,635,949
Other receivables - other companies	5,938,376	7,871,396	5,757,391	6,154,284
Revenue Department receivables	2,961,193	2,612,218	-	-
Prepaid expenses	7,784,920	7,132,211	2,313,044	3,880,859
Prepaid expenses - related				
companies (Note 8.2)	-	2,772,800	-	2,772,800
Advance payments for goods	17,292,633	6,122,844	16,801,878	-
Advance payments for goods				
- related company (Note 8.2)	-	-	77,200	-
Total	578,677,417	464,401,486	266,772,929	225,638,742

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Aging of trade receivables are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Within credit terms	227,511,629	225,620,958	54,989,891	72,782,069
Overdue less than 3 months	154,830,109	71,582,344	69,832,255	29,614,042
Overdue 3 - 6 months	22,497,646	69,315,390	15,545,007	31,886,504
Overdue 6 - 12 months	46,124,440	2,017,185	23,331,743	2,017,185
Overdue over 12 months	123,421,867	83,226,964	96,979,235	82,767,874
Total trade receivables	574,385,691	451,762,841	260,678,131	219,067,674
<u>Less</u> Allowance for credit losses				
of trade receivables - other companies	(1,886,856)	(1,010,756)	(1,886,856)	(1,010,756)
<u>Less</u> Allowance for credit losses				
of trade receivables - service agreement of foreign project	(27,798,540)	(12,862,068)	(27,798,540)	(12,862,068)
Trade receivables - net	544,700,295	437,890,017	230,992,735	205,194,850

As at 31 December 2020, the Company has outstanding receivables, relating to the construction service contract with a government agency in a foreign country ("the employer") of Baht 81.02 million and unbilled completed works relating to such contract of Baht 838.22 million (Note 12), which was previously considered the allowance for credit losses in the statement of financial position as of 31 December 2019, amounting to Baht 145.78 million (for trade receivable of Baht 12.86 million and unbilled completed works of Baht 132.92 million). These determines based on the discounted cash flows expected to be received in the future which management expected that the project will continue after the employer has concluded on the modification of the employer's domestic electricity pole infrastructure plan.

During the year 2020, the management has been monitoring the progress of the employer all along. Due to the current COVID-2019 situation and the restructured the organization of the employer at the end of 2020 to take care of the power grid construction including dams, are causing more delay in such projects. However, the Company believes that the high voltage transmission line project is still necessary to generate income for the employer's country in the future.

In 2020, the Group's management estimated the repayment opportunities from such receivable based on the assessment of the current economic conditions with such changes. In addition, the employer's country has been downgraded by the Credit Rating Agency, resulting in an increase in the employer's country of financial risk. Therefore, the management considers that there is a degree of uncertainty about the timing at which the project will resume operations, which could affect the amount that may be paid by receivable delay than previous expected. The Company has considered recognizing the additional expected credit losses of such receivable, amounting to Baht 170.00 million (for trade receivable of Baht 14.98 million and unbilled completed works of Baht 155.02 million (Note 12)). Therefore, as at 31 December 2020, the expected credit losses are Baht 315.25 million, consisted of trade receivable of Baht 27.80 million and unbilled completed works of Baht 287.45 million (Note 12).

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As at 31 December 2020 and 2019, the Group does not have the factoring receivables with financial institutions. The normal credit term for general customers ranging 30 - 90 days. Set out below is the movement in the allowance for expected credit losses of trade receivables - other companies and trade receivables - service agreement of a foreign project:

	In Bath	
	Consolidated financial statements	Separate financial statements
As at 1 January 2020	13,872,824	13,872,824
Expected credit losses (reversal)	15,859,470	15,859,470
Unrealised gain on foreign exchange rate	(46,898)	(46,898)
As at 31 December 2020	29,685,396	29,685,396

The Group has recognized a loss allowance of 100% against all receivables over 1 year past due because historical experience has indicated that these receivables are generally not recoverable. Except for large foreign project receivable and any debtors who paid after the end of the reporting period which will be determined lifetime expected credit loss based on assessment at each individual debtor.

For large foreign project receivable, the Group recognizes the allowance for lifetime expected credit losses which is estimated based on the analysis of current financial position of receivable, forecast about the future payments of receivable with considering of general economic conditions that may have an impact to receivable and adjusted for factors that are specific to the receivable, including the determination of time value of money.

For other trade receivables which overdue not more than 1 year as at 31 December 2020, the Group determines lifetime expected credit loss using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. Management does not record the expected credit losses calculated from such provision matrix because it has not material to the financial statements.

11. SHORT-TERM LOAN TO OTHER COMPANY

As at 31 December 2018, the Company had the short-term loan to other company, amounting to Baht 5.20 million which fully provided allowance for doubtful accounts. The Company filed the lawsuit for debt repayment and the Appeal Court's judgment on 19 March 2018 ordered the Company won the case.

Subsequently in March 2019, the Company received payments from such company of Baht 5.20 million and reversed the allowance for doubtful accounts to bad debt recovery and in August 2019, the Company received interest compensated on such loan from filing a Civil lawsuit, net of Baht 1.88 million. The Company recorded both transactions as other income in the statement of comprehensive income for the year ended 31 December 2019.

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12. UNBILLED COMPLETED WORKS

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Construction revenues recognized to date	1,196,087,797	1,121,464,181	1,105,077,854	1,085,949,015
Less Installments due to date	(164,697,041)	(92,964,187)	(81,019,098)	(81,315,589)
Less Loss on foreign exchange rate	(166,713,454)	(163,349,502)	(166,713,454)	(163,349,502)
Unbilled completed works	864,677,302	865,150,492	857,345,302	841,283,924
Less Allowance for credit losses - service agreement of a foreign project	(287,454,786)	(132,922,814)	(287,454,786)	(132,922,814)
Unbilled completed works - net	577,222,516	732,227,678	569,890,516	708,361,110

Allowance for credit losses above is related to loss expected to be incurred from contract assets arising from the construction service contract with a government agency in a foreign country (Note 10).

Set out below is the movement in the allowance for expected credit losses of unbilled complete works - service agreements of a foreign project are as follow:

In Bath

	Consolidated financial statements	Separate financial statements
As at 1 January 2020	132,922,814	132,922,814
Expected credit losses	155,016,630	155,016,630
Unrealised gain on foreign exchange rate	(484,658)	(484,658)
As at 31 December 2020	287,454,786	287,454,786

Loss on foreign exchange rate occurred from the accumulated amount of the differences from the translation of unbilled completed works and installment due to date which denominated in foreign currency to Thai Baht at the exchange rate prevailing at the statement of financial position date.

Significant outstanding contract

As at 31 December 2020 and 2019, the Company has entered in to the Service Agreement for the transmission line and substation project with the contract revenue value of US Dollar 416.55 million. The Company has recognized revenues related to the service agreement to date of US Dollar 30.78 million which incurred unbilled completed works of US Dollar 28.06 million. In March 2019, the Company received a letter from the employer to postpone the working period. According to the contract, the period of completion is 46 months from the effective date of contract, which was due in August 2020. However, the contract is not immediately expired and the legal advisor has opinion that the contract is still in force and binding on the parties because the employer has a letter confirming that the work under the contract is still ongoing and will continue. The confirmation letter can be used as a reference for the extension of the project period. The management forecasts that outstanding revenues in the contract of US Dollar 385.77 million would begin to recognize income from 2023 onwards.

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13. INVENTORIES

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Raw materials	213,355,470	207,737,018	32,030,949	27,065,601
Work in process	129,581,498	104,048,241	27,454,023	26,696,928
Finished goods	37,272,021	26,878,581	16,604,998	9,827,145
Goods in transit	654,703	-	-	-
Total	380,863,692	338,663,840	76,089,970	63,589,674

14. OTHER CURRENT FINANCIAL ASSETS

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Investments in opened-end fund	79,200,478	59,198,320	79,200,478	53,318,642
Investments in promissory notes				
due within 1 year	9,767,442	49,410,813	9,767,442	49,410,813
Total	88,967,920	108,609,133	88,967,920	102,729,455

The fair values of investments in opened-end fund which is measured fair value through profit or loss, are as follows :

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cost	79,037,552	58,253,360	79,037,552	52,475,205
Unrealized gain	162,926	944,960	162,926	843,437
Fair value at ending of year	79,200,478	59,198,320	79,200,478	53,318,642

The amortized cost of investment in promissory notes due within 1 year are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Contract consideration receivables	10,000,000	50,000,000	10,000,000	50,000,000
Deferred interest	(232,558)	(589,187)	(232,558)	(589,187)
Amortized cost at ending of years	9,767,442	49,410,813	9,767,442	49,410,813

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The movements of other current financial assets are as follow:

	In Baht					
	Consolidated financial statements					
	For the year ended 31 December 2020			For the year ended 31 December 2019		
	Investments in opened-end fund	Investments in promissory notes due within 1 year	Total	Investments in opened-end fund	Investments in promissory notes due within 1 year	Total
Net book value, at beginning of years	59,198,320	49,410,813	108,609,133	227,942,494	40,000,000	267,942,494
Purchase of investments	258,000,000	39,023,087	297,023,087	27,500,000	155,665,821	183,165,821
Disposal of investments	(238,045,736)	(78,154,142)	(316,199,878)	(198,300,000)	(146,778,016)	(345,078,016)
Interest received	-	(1,845,858)	(1,845,858)	-	(3,365,656)	(3,365,656)
Interest income for the years	-	1,333,542	1,333,542	-	3,888,664	3,888,664
Gain (loss) on disposal of investment	(115,032)	-	(115,032)	1,298,747	-	1,298,747
Changes in fair value	162,926	-	162,926	757,079	-	757,079
Net book value, at the end of years	79,200,478	9,767,442	88,967,920	59,198,320	49,410,813	108,609,133

	In Baht					
	Separate financial statements					
	For the year ended 31 December 2020			For the year ended 31 December 2019		
	Investments in opened-end fund	Investments in promissory notes due within 1 year	Total	Investments in opened-end fund	Investments in promissory notes due within 1 year	Total
Net book value, at beginning of years	53,318,642	49,410,813	102,729,455	218,910,179	40,000,000	258,910,179
Purchase of investments	247,000,000	39,023,087	286,023,087	25,000,000	155,665,821	180,665,821
Disposal of investments	(221,167,312)	(78,154,142)	(299,321,454)	(192,500,000)	(146,778,016)	(339,278,016)
Interest received	-	(1,845,858)	(1,845,858)	-	(3,365,656)	(3,365,656)
Interest income for the years	-	1,333,542	1,333,542	-	3,888,664	3,888,664
Gain (loss) on disposal of investment	(113,778)	-	(113,778)	1,242,312	-	1,242,312
Changes in fair value	162,926	-	162,926	666,151	-	666,151
Net book value, at the end of years	79,200,478	9,767,442	88,967,920	53,318,642	49,410,813	102,729,455

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15. DEPOSITS AT BANKS PLEDGED AS COLLATERAL

As at 31 December 2020, the Group and the Company have bank accounts totaling Baht 100.41 million and Baht 95.25 million, respectively (31 December 2019: Baht 83.00 million and Baht 77.90 million, respectively) pledged as collateral for short-term loans from financial institutions (Note 23) and letters of guarantee issued by bank (Note 39).

16. NON-CURRENT NON-CASH FINANCIAL ASSETS PLEDGED AS COLLATERAL

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value, beginning of years	16,761,600	16,801,600	6,285,600	6,300,600
Amortized of premium government bond	(307,200)	(306,970)	(84,756)	(84,524)
Changes in fair value	59,200	266,970	(8,244)	69,524
Net book value, at the end of years	16,513,600	16,761,600	6,192,600	6,285,600

As at 31 December 2020, the Group and the Company have the government bond amounting to Baht 16.51 million and Baht 6.19 million, respectively (31 December 2019: Baht 16.76 million and Baht 6.29 million, respectively) which were measured at fair value through other comprehensive income, were pledged as collateral for short-term loans facilities from financial institutions (Note 23).

17. INVESTMENT IN SUBSIDIARIES AND JOINT VENTURES

17.1 Investment in subsidiaries

The movements in investment in subsidiaries in the separate financial statements for the years ended 31 December, are as follows:

	In Baht	
	2020	2019
Balance as at 31 December	583,230,454	583,230,454
Adjustment (Note 4)	35,804,272	-
Net book value as at 1 January (revised)	619,034,726	583,230,454
Transfer of the loan amount which is greater than the fair value of loans provided during the years, as investments in subsidiaries (Note 8.2)	7,164,694	-
Net book value, at the end of years	626,199,420	583,230,454

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Details of subsidiaries as at 31 December are as follows:

		In Baht				
		Separate financial statements				
		31 December 2020		31 December 2019		
Country of incorporation	Shareholding percentage	Investment at cost method	Allowance for impairment of investment	Investment at cost method	Allowance for impairment of investment	Investment-net
		2020	2019			
Subsidiaries						
Ajikawa & SCI Metal Tech Co., Ltd.	99.99	99.99	202,089,871	-	202,089,871	194,363,500
SCI Holding Co., Ltd.	99.99	99.99	102,399,600	-	102,399,600	102,399,600
SCI Metal Tech (Myanmar) Co., Ltd.	96.19	96.19	282,478,765	-	282,478,765	276,467,654
Interasia Trading Co., Ltd.	99.99	99.99	18,942,825	-	18,942,825	9,999,700
Subsidiary's shares held by SCIH						
Tad Slen Power Co., Ltd.	100.00	100.00	20,288,359	-	20,288,359	-
Total						
			626,199,420	-	583,230,454	583,230,454

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Ajikawa & SCI Metal Tech Co., Ltd.

Transactions incurred during the year of 2020

The board of directors' meeting No. 2/2020 of the subsidiary on 23 December 2020, passed a resolution to approve the interim dividend payment from the operation results of the nine-month period ended 30 September 2020 at Baht 35 per share to the shareholders of 1,080,000 shares, totaling of Baht 37.80 million. Such dividend will pay to the shareholders in January 2021.

Transactions incurred during the year of 2019

According to the resolution of the 2018 annual general meeting of shareholders of the subsidiary on 30 April 2019, the meeting approved the dividend payment from the operating results of year 2018 at the rate of Baht 10 per share to the shareholders of 1,080,000 shares, totaling of Baht 10.80 million. The subsidiary paid such dividend to the shareholders in May 2019.

The board of directors' meeting No.3/2019 of the subsidiary on 25 December 2019, passed a resolution to approve the interim dividend payment from the retained earnings at Baht 20 per share to the shareholders of 1,080,000 shares, totaling of Baht 21.60 million. Such dividend was paid to the shareholders in January 2020.

17.2 Investment in joint ventures

The movements of investment in joint ventures are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	At equity method		At cost	
	2020	2019	2020	2019
Net book value, beginning of years	92,402,715	78,882,725	118,562,500	103,562,500
Additional acquired	-	19,799,900	-	19,799,900
Disposal of investments	(15,000,000)	-	(15,000,000)	-
Gain from disposal of investment	723,217	-	-	-
Share of loss from investment in joint ventures	(4,722,739)	(6,279,910)	-	-
Allowance for impairment loss on investment	-	-	-	(4,799,900)
Net book value, ending of years	73,403,193	92,402,715	103,562,500	118,562,500

The Group recognized share of profit (loss) from investments in joint ventures, as follows:

Company's name	In Baht	
	Consolidated financial statements	
	Share of profit (loss)	
	2020	2019
T Utilities Co., Ltd.	(3,295,717)	(1,780,074)
SCI Enesys Co., Ltd.	(1,427,022)	1,023,281
Yuemmai (Thailand) Co., Ltd.	-	(5,523,117)
Total	(4,722,739)	(6,279,910)

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Yuemmai (Thailand) Co., Ltd.

Transactions incurred during the year of 2020

The Company's Board of Directors' Meeting No. 1/2020, dated 14 January 2020, passed a resolution to approve the disposal of all the preferred shares that the Company holds 97,999 shares, at the selling price of Baht 15 million, to the shareholder of Yuemmai (Thailand) Co., Ltd. Therefore, the Company recorded the allowance for impairment loss on investment of Baht 4.80 million in the separate statement of financial position as at 31 December 2019.

Consequently, during the first quarter of 2020, the Company received money from the disposal of the shares in the amount of Baht 15 million and the investment in such company was disposed from the consolidated and separate financial statements for the current year. The Group has gain on disposal of investment in the consolidated financial statements for the year ended 31 December 2020 amounting to Baht 723,217 (Note 31).

Transactions incurred during the year of 2019

According to the Company's Board of Directors' Meeting No. 1/2019, dated 21 January 2019, the meeting passes a resolution to approve the joint investment with Gold Elite Paris (Thailand) Co., Ltd. by establishment the new company with the registered share capital of Baht 20 million. The Company will invest in the proportion of 49% of the registered share capital, in the amount not exceeding than Baht 30 million. The new established company's main objective shall be conducting business of trading and renting mobile phones including spare parts in relating to all types of mobile phones. Subsequently in March 2019, the Company paid investment in new company in the amount of Baht 19.80 million which is the investment in preferred share of 97,999 shares. On 14 March 2019, such company registered with the Ministry of Commerce the establishment of a company in the registered name of "Yuemmai (Thailand) Co., Ltd."

However, the Company's Board of Directors' Meeting No. 1/2020 on 14 January 2020, passed a resolution to approve the disposal of all the preferred shares that the Company holds 97,999 shares, at the selling price of Baht 15 million, to the shareholder of Yuemmai (Thailand) Co., Ltd. Therefore, the Company recorded the allowance for impairment loss on investment of Baht 4.80 million in the separate statement of financial position as at 31 December 2019.

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17.2.1 Details of joint ventures

Company's name	Nature of business	Country of incorporation	Shareholding percentage as at 31 December	In Baht			
				Consolidated financial statements		Separate financial statements	
				At equity method	2019	2020	At cost
T Utilities Co., Ltd.	Invest in company and basic infrastructure	Thailand	45	45	72,331,641	75,627,358	99,562,500
SCI Enesys Co., Ltd.	Sale of cable tray and related equipments	Thailand	40	40	1,071,552	2,498,574	4,000,000
Yuemmai (Thailand) Co., Ltd.	Trading and renting mobile phones	Thailand	-	49	-	14,276,783	19,799,900
Total					73,403,193	92,402,715	123,362,400
Less: Allowance for impairment loss on investment							
- Yuemmai (Thailand) Co., Ltd.					-	-	(4,799,900)
Investment in joint ventures					73,403,193	92,402,715	118,562,500

17.2.2 Summarized financial information of joint ventures

Financial informations of joint ventures are summarized below:

Summary of statement of financial position	In Baht			
	2020		2019	
	The group of T Utilities Co., Ltd.	SCI Enesys Co., Ltd.	The group of T Utilities Co., Ltd.	Yuemmai (Thailand) Co., Ltd.
Total current assets	41,417,251	2,880,518	74,622,809	17,180,386
Total non-current assets	163,068,984	590,745	114,822,676	2,240,865
Total current liabilities	(8,251,835)	(598,482)	(7,085,397)	(657,680)
Total non-current liabilities	(22,722,250)	(193,900)	(1,524,423)	(35,353)
Non-controlling interests	(17,091,765)	-	(17,091,464)	-
Net assets	156,420,385	2,678,881	163,744,201	18,728,218

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	In Baht			
	2020		2019	
	The group of T Utilities Co., Ltd.	SCI Enesys Co., Ltd.	The group of T Utilities Co., Ltd.	SCI Enesys Co., Ltd.
				Yuemmai (Thailand) Co., Ltd.
Summary of statement of comprehensive income				
Total revenues	12,881,219	5,854,682	42,586,229	50,648,715
Profit (loss) for the years	(7,323,816)	(3,567,555)	(3,955,720)	2,558,204
Reconciliation to carrying amount				
Net assets brought forward at 1 January	163,744,201	6,246,436	167,699,921	-
Increase in share capital	-	-	-	30,000,000
Profit (loss) for the years	(7,323,816)	(3,567,555)	(3,955,720)	(11,271,782)
Net assets as at 31 December	156,420,385	2,678,881	163,744,201	18,728,218
Group's share in joint ventures (%)				
Group's share in joint ventures	45	40	45	49
Goodwill	70,389,173	1,071,552	73,684,890	9,176,827
	1,942,468	-	1,942,468	5,099,956
Joint venture's carrying amount	72,331,641	1,071,552	75,627,358	14,276,783

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18. PROPERTY, PLANT AND EQUIPMENTS

	In Baht					
	Consolidated financial statements					
	Land	Buildings and buildings improvement	Machineries and equipment	Office equipment	Vehicles	Construction in progress
						Total
As at 1 January 2019						
Cost	47,223,750	461,436,454	396,936,080	35,803,930	30,584,136	976,509,750
Less Accumulated depreciation	-	(91,797,423)	(177,209,056)	(19,152,347)	(13,097,214)	(301,256,040)
Net book value	47,223,750	369,639,031	219,727,024	16,651,583	17,486,922	675,253,710
Transactions during the year ended						
31 December 2019						
Net book value, beginning of year	47,223,750	369,639,031	219,727,024	16,651,583	17,486,922	675,253,710
Acquisition	-	449,601	9,580,335	1,629,742	2,005,000	25,287,229
Disposals/ write-off	-	(5,001,964)	(845,273)	(72,610)	(2,460,606)	(8,380,453)
Transfer in (out)	-	6,035,603	11,301,993	360,825	-	2,856,299
Depreciation	-	(18,199,009)	(25,650,435)	(5,445,878)	(2,177,322)	(51,472,644)
Exchange differences on translation financial statements	-	(20,583,176)	(9,786,754)	(193,227)	(71,908)	(30,635,065)
Net book value, end of year	47,223,750	332,340,086	204,326,890	12,930,435	14,782,086	612,909,076
As at 31 December 2019						
Cost	47,223,750	444,554,989	403,953,981	36,440,244	26,558,611	960,037,404
Less Accumulated depreciation	-	(112,214,903)	(199,627,091)	(23,509,809)	(11,776,525)	(347,128,328)
Net book value	47,223,750	332,340,086	204,326,890	12,930,435	14,782,086	612,909,076
Net book value, as at 31 December 2019	47,223,750	332,340,086	204,326,890	12,930,435	14,782,086	612,909,076
Adjustment for right-of-use assets as at 1 January 2020 (Note 4)						
Cost	-	-	-	(127,742)	(9,209,566)	(9,337,308)
Less Accumulated depreciation	-	-	-	18,723	2,145,275	2,163,998
Transfer-out right-of-use assets (Note 19)	-	-	-	(109,019)	(7,064,291)	(7,173,310)
As at 1 January 2020 (as revised)						
Cost	47,223,750	444,554,989	403,953,981	36,312,502	17,349,045	950,700,096
Less Accumulated depreciation	-	(112,214,903)	(199,627,091)	(23,491,086)	(9,631,250)	(344,964,330)
Net book value	47,223,750	332,340,086	204,326,890	12,821,416	7,717,795	605,735,766

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	In Baht					
	Consolidated financial statements					
	Land	Buildings and buildings improvement	Machineries and equipment	Office equipment	Vehicles	Construction in progress
						Total
Transactions during the year ended						
31 December 2020						
Net book value, as at 1 January 2020	47,223,750	332,340,086	204,326,890	12,821,416	7,717,795	1,305,829
Acquisition	-	-	2,598,806	1,567,391	-	13,395,854
Disposals/ write-off	-	-	(274,361)	(31,799)	-	-
Transfer in (out)	-	-	4,297,587	-	-	(4,297,587)
Transfer of assets from dued lease agreements	-	-	-	-	992,958	-
Depreciation	-	(13,553,842)	(22,604,429)	(5,465,601)	(622,410)	-
Exchange differences on translation financial statements	-	(607,411)	67,192	30,122	9,087	(8,691)
Net book value, end of year	47,223,750	318,178,833	188,411,685	8,921,529	8,097,430	10,395,405
As at 31 December 2020						
Cost	47,223,750	443,540,705	401,240,240	37,190,189	18,942,289	10,395,405
Less Accumulated depreciation	-	(125,361,872)	(212,828,555)	(28,268,660)	(10,844,859)	-
Net book value	47,223,750	318,178,833	188,411,685	8,921,529	8,097,430	10,395,405
						958,532,578
						(377,303,946)
						581,228,632
In Baht						
	Separate financial statements					
	Land	Buildings and buildings improvement	Machineries and equipment	Office equipment	Vehicles	Construction in progress
						Total
As at 1 January 2019						
Cost	27,365,000	71,709,222	41,955,310	22,775,468	19,322,065	360,825
Less Accumulated depreciation	-	(18,682,063)	(26,188,730)	(10,997,040)	(8,029,984)	-
Net book value	27,365,000	53,027,159	15,766,580	11,778,428	11,292,081	360,825
						183,487,890
						(63,897,817)
						119,590,073

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	In Baht						
	Separate financial statements						
	Land	Buildings and buildings improvement	Machineries and equipment	Office equipment	Vehicles	Construction in progress	Total
Transactions during the year ended 31 December 2019							
Net book value, beginning of year	27,365,000	53,027,159	15,766,580	11,778,428	11,292,081	360,825	119,590,073
Acquisition	-	-	7,952,185	678,730	1,140,000	364,609	10,135,524
Disposals/ write-off	-	-	(25,780)	(26,900)	(2,310,575)	-	(2,363,255)
Transfer in (out)	-	-	-	360,825	-	(360,825)	-
Depreciation	-	(3,367,793)	(1,930,545)	(3,761,640)	(1,277,068)	-	(10,337,046)
Net book value, end of year	27,365,000	49,659,366	21,762,440	9,029,443	8,844,438	364,609	117,025,296
As at 31 December 2019							
Cost	27,365,000	71,709,222	48,396,773	23,339,052	15,420,729	364,609	186,595,385
Less Accumulated depreciation	-	(22,049,856)	(26,634,333)	(14,309,609)	(6,576,291)	-	(69,570,089)
Net book value	27,365,000	49,659,366	21,762,440	9,029,443	8,844,438	364,609	117,025,296
Adjustment for right-of-use assets as at 1 January 2020 (Note 4)							
Cost	-	-	-	(127,742)	(6,705,566)	-	(6,833,308)
Less Accumulated depreciation	-	-	-	18,723	1,900,186	-	1,918,909
Transfer-out right-of-use assets (Note 19)	-	-	-	(109,019)	(4,805,380)	-	(4,914,399)
As at 1 January 2020 (as revised)							
Cost	27,365,000	71,709,222	48,396,773	23,211,310	8,715,163	364,609	179,762,077
Less Accumulated depreciation	-	(22,049,856)	(26,634,333)	(14,290,886)	(4,676,105)	-	(67,651,180)
Net book value	27,365,000	49,659,366	21,762,440	8,920,424	4,039,058	364,609	112,110,897

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	In Baht						
	Separate financial statements						
	Land	Buildings and buildings improvement	Machineries and equipment	Office equipment	Vehicles	Construction in progress	Total
Transactions during the year ended 31 December 2020							
Net book value, as at 1 January 2020	27,365,000	49,659,366	21,762,440	8,920,424	4,039,058	364,609	112,110,897
Acquisition	-	-	601,453	667,234	-	994,421	2,263,108
Disposals/ write-off	-	-	(74,013)	(660)	-	-	(74,673)
Transfer in (out)	-	-	1,359,030	-	-	(1,359,030)	-
Transfer of assets from due lease agreements	-	-	-	-	992,958	-	992,958
Depreciation	-	(3,356,989)	(2,446,910)	(3,830,963)	(231,453)	-	(9,866,315)
Net book value, end of year	27,365,000	46,302,377	21,202,000	5,756,035	4,800,563	-	105,425,975
As at 31 December 2020							
Cost	27,365,000	71,709,222	49,574,132	23,585,409	10,322,640	-	182,556,403
Less Accumulated depreciation	-	(25,406,845)	(28,372,132)	(17,829,374)	(5,522,077)	-	(77,130,428)
Net book value	27,365,000	46,302,377	21,202,000	5,756,035	4,800,563	-	105,425,975

As at 31 December 2020, the net book value of property, plant and equipment of the Group and the Company amounting to Baht 110.35 million and Baht 73.67 million, respectively (31 December 2019: Baht 117.78 million and Baht 77.02 million, respectively) are mortgaged as collateral for loans facilities from financial institutions (Note 23).

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19. RIGHT-OF-USE ASSETS

	In Baht						
	Consolidated financial statements			Separate financial statements			
	Prepaid leased land	Office equipment	Vehicles	Total	Office equipment	Vehicles	Total
As at 1 January 2020 (as revised)							
Cost	94,476,660	127,742	9,209,566	103,813,968	127,742	6,705,566	6,833,308
Less Accumulated depreciation	(6,595,234)	(18,723)	(2,145,275)	(8,759,232)	(18,723)	(1,900,186)	(1,918,909)
Net book value	87,881,426	109,019	7,064,291	95,054,736	109,019	4,805,380	4,914,399
Transactions during the year ended 31 December 2020							
Net book value, as at 1 January 2020	87,881,426	109,019	7,064,291	95,054,736	109,019	4,805,380	4,914,399
Increase in assets' lease agreement during the year	-	-	1,927,692	1,927,692	-	1,927,692	1,927,692
Transfer of assets from dued lease agreements	-	-	(992,958)	(992,958)	-	(992,958)	(992,958)
Depreciation	(2,076,566)	(31,936)	(1,081,798)	(3,190,300)	(31,936)	(810,445)	(842,381)
Differences on translating of the financial statements	(215,219)	-	-	(215,219)	-	-	-
Net book value, end of year	85,589,641	77,083	6,917,227	92,583,951	77,083	4,929,669	5,006,752
As at 31 December 2020							
Cost	94,132,183	127,742	9,529,781	103,789,706	127,742	7,025,781	7,153,523
Less Accumulated depreciation	(8,542,542)	(50,659)	(2,612,554)	(11,205,755)	(50,659)	(2,096,112)	(2,146,771)
Net book value	85,589,641	77,083	6,917,227	92,583,951	77,083	4,929,669	5,006,752

As at 31 December 2020, a subsidiary has prepaid leased land for the 48 years at the Republic of the Union of Myanmar, amounting to US Dollar 2.87 million (31 December 2019: US Dollar 2.93 million), which has been included as part of right-of-use assets above.

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20. INTANGIBLE ASSETS AND RIGHT IN SERVICE CONCESSION ARRANGEMENT

	In Baht			
	Consolidated financial statements			Separate financial statements
	Right in service concession arrangement	Expenditure on restoration of environmental and water resources	Total	Software program
As at 1 January 2019				
Cost	279,744,738	381,194	280,125,932	16,236,968
Less Accumulated amortization	(57,783,042)	(78,417)	(57,861,459)	(10,447,014)
Net book value	221,961,696	302,777	222,264,473	5,789,954
Transactions during the year ended 31 December 2019				
Net book value, beginning of year	221,961,696	302,777	222,264,473	5,789,954
Acquisition	951,898	-	951,898	901,455
Transfer out	(2,856,299)	-	(2,856,299)	-
Amortization	(8,837,911)	(13,651)	(8,851,562)	(3,017,639)
Exchange differences on translation	(15,313,425)	(21,104)	(15,334,529)	(77,501)
financial statements	195,905,959	268,022	196,173,981	3,596,269
Net book value, end of year	255,253,129	353,942	255,607,071	17,043,584
As at 31 December 2019				
Cost	(59,347,170)	(85,920)	(59,433,090)	(13,447,315)
Less Accumulated amortization	195,905,959	268,022	196,173,981	3,596,269
Net book value	(260,470)	(280)	(260,750)	(2,527,307)
Transactions during the year ended 31 December 2020				
Net book value, beginning of year	195,905,959	268,022	196,173,981	3,596,269
Acquisition	-	-	-	228,258
Amortization	(8,957,267)	(13,758)	(8,971,025)	(1,567,258)
Exchange differences on translation	(260,470)	(280)	(260,750)	10,059
financial statements	186,688,222	253,984	186,942,206	2,267,328
Net book value, end of year				-
				829,324

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	In Baht		
	Consolidated financial statements		Separate financial statements
	Right in service concession arrangement	Expenditure on restoration of environmental and water resources	Software program
As at 31 December 2020		Total	Software program
Cost	254,322,434	352,652	17,266,843
Less Accumulated amortization	(67,634,212)	(98,668)	(14,999,515)
Net book value	186,688,222	253,984	2,267,328
			3,554,241
			(2,724,917)
			829,324

As at 31 December 2020 and 2019, according to Concession Agreement ("CA"), the subsidiary included the expense occurred during the construction period of US Dollar 11,807 which related to implementing and complying with its Environmental obligation to comply with the Water Resources and Environmental Administration (WREA) Act and the obligation for major overhaul of US Dollar 175,331 (Note 28). The obligations was recorded as cost of asset and amortized over 30 years as the agreement period in CA. The remaining amortization period is 22 years from 31 December 2020.

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21. DEFERRED TAX ASSETS

Deferred tax are calculated on temporary differences, using a principal tax rate of 20%. The deferred tax related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group which are summarized below:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for credit losses	377,371	214,975	377,371	202,151
Non-current provisions for employee benefit	10,748,018	9,523,246	5,156,935	4,538,271
Non-current non-cash financial assets pledged as collateral	-	(7,924)	-	-
Deferred tax assets	11,125,389	9,730,297	5,534,306	4,740,422
Deferred tax liabilities				
Right-of-use assets	(1,531,103)	(1,638,603)	(1,531,103)	(1,638,603)
Investments in opened-end fund	(32,585)	(168,687)	(32,585)	(168,687)
Non-current non-cash financial assets pledged as collateral	(43,723)	(23,959)	(22,310)	(23,959)
Deferred tax liabilities	(1,607,411)	(1,831,249)	(1,585,998)	(1,831,249)
Deferred tax assets - net	9,517,978	7,899,048	3,948,308	2,909,173

The movements of deferred tax account is as follows

	In Baht			
	Consolidated financial statements			2020
	2019	Recognized in profit or loss	Recognized in other comprehensive income	
Deferred tax assets				
Allowance for credit losses	214,975	162,396	-	377,371
Non-current provisions for employee benefit	9,523,246	1,224,772	-	10,748,018
Non-current non-cash financial assets pledged as collateral	(7,924)	-	7,924	-
Total deferred tax assets	9,730,297	1,387,168	7,924	11,125,389
Deferred tax liability				
Right-of-use assets	(1,638,603)	107,500	-	(1,531,103)
Investments in opened-end fund	(168,687)	136,102	-	(32,585)
Non-current non-cash financial assets pledged as collateral	(23,959)	-	(19,764)	(43,723)
Total deferred tax liabilities	(1,831,249)	243,602	(19,764)	(1,607,411)
Deferred tax assets - net	7,899,048	1,630,770	(11,840)	9,517,978

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The movements of deferred tax account is as follows

	In Baht			
	Separate financial statements			2020
	2019	Recognized in profit or loss	Recognized in other comprehensive income	
Deferred tax assets				
Allowance for credit losses	202,151	175,220	-	377,371
Non-current provisions for employee benefit	4,538,271	618,664	-	5,156,935
Total deferred tax assets	4,740,422	793,884	-	5,534,306
Deferred tax liability				
Right-of-use assets	(1,638,603)	107,500	-	(1,531,103)
Investments in opened-end fund	(168,687)	136,102	-	(32,585)
Non-current non-cash financial assets pledged as collateral	(23,959)	-	1,649	(22,310)
Total deferred tax liabilities	(1,831,249)	243,602	1,649	(1,585,998)
Deferred tax assets - net	2,909,173	1,037,486	1,649	3,948,308

Deferred tax assets and liabilities are offset when the income taxes related to the same taxation authority. Deferred tax assets and deferred tax liabilities in the consolidated statements of financial position are presented at net amount of assets and liabilities incurred in each entity.

22. INCOME TAX REFUNDABLE

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Income tax refundable	24,102,963	26,615,938	13,557,046	13,120,085
<u>Less</u> Allowance for diminution in value of assets	(9,862,712)	(9,862,712)	-	-
Total	14,240,251	16,753,226	13,557,046	13,120,085

As at 31 December 2020, the Company and a subsidiary have withholding income tax and prepaid income tax of Baht 13.56 million and Baht 10.54 million, respectively (31 December 2019: Baht 13.12 million and Baht 13.50 million, respectively). The Company and a subsidiary are in process of refundable such taxes. For conservative purpose, the subsidiary recorded the allowance for diminution in value of assets of Baht 9.86 million due to improbability in tax refundable.

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23. LOANS FROM FINANCIAL INSTITUTIONS

The Group's loans are borrowings denominated in Thai Baht and US Dollar.

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current liabilities				
Promissory notes	20,000,000	-	10,000,000	-
Long-term loans from financial institutions	334,305,677	338,348,318	-	-
- classified as current liabilities				
Total loans	354,305,677	338,348,318	10,000,000	-

The movements of loans are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value, beginning of years	338,348,318	383,352,580	-	-
Received from short-term loan	20,000,000	50,745,295	10,000,000	-
Payments on short-term loan	-	(57,728,948)	-	-
Payments on long-term loan	(3,282,980)	(12,406,740)	-	-
Amortized bank fee	387,017	473,927	-	-
Exchange differences on translation financial statements	(1,146,678)	(26,087,796)	-	-
Net book value, ending of years	354,305,677	338,348,318	10,000,000	-

Short-term loans from financial institution

As at 31 December 2020, the Group and the Company have promissory note of Baht 20 million and Baht 10 million, respectively, bearing interest rate at 4% and MLR - 1.5% per annum with maturity period of 3-6 months. As at 31 December 2020, the Group have short-term loans facilities and other credit facilities from various local financial institutions of Baht 630 million (31 December 2019: Baht 550 million and US Dollar 7.50 million). The Company has short-term loans facilities of Baht 180 million (31 December 2019 : Baht 100 million and US Dollar 7.50 million). The loans are mortgaged by deposits at banks (Note 15), government bond (Note 16) and land, buildings and machineries (Note 18) and right to receive money under a project contract of the Company in the value of Baht 169.35 million (as at 31 December 2020, the Company has no outstanding receivable related to this project).

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Long-term loan in US Dollar

SCI Metal Tech (Myanmar) Co., Ltd. entered into a long-term agreement of US Dollar 14.10 million which consisted of credit facilities for construction building and factory and purchase of the machinery of US Dollar 11.60 million and for working capital of US Dollar 2.50 million. The loans bear interest rate at LIBOR 3 months plus 4% per annum and LIBOR 6 months plus 3.75% per annum, respectively.

The period of loan agreement is 7 years and 3 months. The first repayment date shall be the date falling twenty-one months from the first drawdown date on 21 June 2017 (credit facilities for construction building and factory and machinery). The loan is guaranteed by SCI Electric Public Company Limited and pledges the subsidiary's share which were owned by the Company and the Company's shares owned by some directors. According to the conditions stipulated in the loan agreements, the subsidiary is required to comply with certain terms and conditions by maintaining a ratio of debt coverage not less than 1.2.

As at 31 December 2020, the subsidiary has outstanding long-term loans of US Dollar 11.10 million (31 December 2019: US Dollar 11.20 million). As at 31 December 2019, the subsidiary is unable to maintain such ratio stipulated in the agreement. Therefore, an outstanding loan has been classified as current liabilities in the consolidated financial statements. However, on 31 March 2020, the subsidiary obtained a waiver letter from a creditor financial institution, which considered and approved the inability to maintain the said ratio, and not considered as a default event under the loan agreement only for the 2019 financial statements. Therefore, the Group still classified the loan as current liabilities as at 31 December 2020 according to the financial reporting standards.

Forward contract facilities

As at 31 December 2020, the Group has unutilized the forward contracts amounting to US Dollar 3 million and Baht 20 million (31 December 2019: US Dollar 2.42 million and Baht 20 million). The Company has unutilized the forward contracts amounting to US Dollar 2 million (31 December 2019: US Dollar 1.42 million).

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24. TRADE AND OTHER CURRENT PAYABLES

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables	285,397,831	248,024,798	52,079,057	26,785,740
Trade payables - service agreement	726,765,527	737,502,259	726,655,344	728,910,384
Trade payables - related companies (Note 8.2)	-	-	33,408,202	16,952,327
Total trade payables	1,012,163,358	985,527,057	812,142,603	772,648,451
<u>Less</u> Deferred discounts from devaluation expected cash flow to be paid to trade payable - service agreement	(114,695,075)	(115,167,801)	(114,695,075)	(115,167,801)
Trade payables - net	897,468,283	870,359,256	697,447,528	657,480,650
Accrued expenses	32,101,057	30,960,269	22,703,145	17,624,674
Accrued expenses - related companies (Note 8.2)	-	-	9,351	-
Accrued interest	11,099,394	91,947	-	-
Revenue Department payables	6,181,475	3,754,086	1,692,570	2,502,957
Other payables	18,995,637	18,620,212	819,510	866,338
Total	965,845,846	923,785,770	722,672,104	678,474,619

As at 31 December 2020, the Company has accrued cost not yet due which is trade payables relating to outstanding construction service contract (Note 12). Management forecasts that the Company would pay outstanding accrued cost not yet due relating to such contract after the Company receives payments for the services which has been rendered to the employer (Note 12). The Company records deferred discounts from devaluation expected cash flow to be paid to accrued cost not yet due in the future of Baht 114.70 million (31 December 2019 : Baht 115.17 million). Management believes that deferred discounts based on a discounted cash flow expected to be paid is accurate and appropriate for the circumstance.

25. CONTRACT LIABILITIES

As at 31 December contract liabilities consisted of:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Unearned income	90,232,800	22,078,920	11,799,730	3,909,399
Advance received from customer	15,826,766	-	15,826,766	-
Total contract liabilities	106,059,566	22,078,920	27,626,496	3,909,399
Revenue recognised in the current years previously included in contract liabilities balance at the beginning of the years	18,614,327	19,212,153	3,909,399	3,371,798

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26. LEASE LIABILITIES

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Minimum payments	3,447,654	3,815,620	2,433,798	2,331,832
<u>Less</u> Deferred interest charges	(132,278)	(190,727)	(106,360)	(136,576)
Present value of minimum payments amount	3,315,376	3,624,893	2,327,438	2,195,256
<u>Less</u> Current portion	(1,664,320)	(1,604,423)	(1,212,351)	(1,162,724)
Lease liabilities due				
between 1 - 5 years	1,651,056	2,020,470	1,115,087	1,032,532

The movements of lease liabilities for the years ended 31 December, are as follows:

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Balance at beginning of the year	3,624,893	5,541,988	2,195,256	4,312,738
Addition from lease agreement during the year	1,445,768	168,000	1,445,768	168,000
Increase from interest	135,317	189,903	107,083	158,576
Payments	(1,890,602)	(2,274,998)	(1,420,669)	(2,444,058)
Balance at ending of the year	3,315,376	3,624,893	2,327,438	2,195,256
<u>Less</u> Current portion	(1,664,320)	(1,604,423)	(1,212,351)	(1,162,724)
Lease liabilities due				
between 1 - 5 years	1,651,056	2,020,470	1,115,087	1,032,532

Expenses related to the lease agreements recognized in profit or loss as follows:

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
For the years ended 31 December				
Depreciation of right-of-use assets	3,190,300	3,390,769	842,381	1,092,367
Interest expense on lease liabilities	135,317	189,903	107,083	158,576
Expense relating to short-term lease	1,857,578	2,255,337	989,929	1,569,700
Total	5,183,195	5,836,009	1,939,393	2,820,643

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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27. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movements in the present value of non-current provisions for employee benefit for the years ended 31 December, are as following:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value, beginning of years	47,616,234	39,500,273	22,691,355	19,763,197
Past service cost	-	9,296,306	-	4,037,624
Current service cost	8,161,013	7,362,456	3,706,773	3,260,120
Interest expense	682,421	1,029,550	316,041	495,910
Employee benefit paid	(2,719,579)	(2,106,880)	(929,496)	(2,106,880)
Classified as accrued employee benefit (included in "Accrued expenses" (Note 24))	-	(2,990,967)	-	-
Actuarial gains	-	(4,474,504)	-	(2,758,616)
Net book value, ending of years	53,740,089	47,616,234	25,784,673	22,691,355

Expense recognized in statement of comprehensive income is presented in the following line items:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
For the years ended 31 December				
Cost of sale and service	5,376,097	11,355,188	1,707,840	3,679,602
Selling expenses	1,159,403	2,038,691	769,678	1,216,292
Administrative expenses	2,307,934	4,294,433	1,545,296	2,897,760
Total expense recognized in profit or loss	8,843,434	17,688,312	4,022,814	7,793,654
Recognized in other comprehensive income				
Remeasurements of employee benefit obligations	-	(4,431,907)	-	(2,359,804)
Actuarial gain or loss arising from				
- Demographic assumptions changes				
- Financial assumptions changes	-	2,748,470	-	1,280,409
- Experience adjustment	-	(2,791,067)	-	(1,679,221)
Total amount recognized in other comprehensive income	-	(4,474,504)	-	(2,758,616)
Total	8,843,434	13,213,808	4,022,814	5,035,038

As at 31 December 2020 and 2019, the weighted average duration of the payments for long-term employee benefit of the Group was approximately 8 - 10 years.

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Principal actuarial assumptions at the reporting date

	Consolidated financial statements	
	2020	2019
Discount rate	1.41 - 1.47% per annum	1.41 - 1.47% per annum
Salary increase rate	5.00% per annum	5.00% per annum
Employee turnover rate	Scale related to age ranging from 0 - 30%	Scale related to age ranging from 0 - 30%
Mortality rate	According to Thailand TMO 2017 tables	According to Thailand TMO 2017 tables

	Separate financial statements	
	2020	2019
Discount rate	1.41% per annum	1.41% per annum
Salary increase rate	5.00% per annum	5.00% per annum
Employee turnover rate	Scale related to age ranging from 0 - 27%	Scale related to age ranging from 0 - 27%
Mortality rate	According to Thailand TMO 2017 tables	According to Thailand TMO 2017 tables

Sensitivity analysis

Reasonably possible changes at the reporting date to the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

In Baht

Employee benefit obligation	Consolidated financial statements		Separate financial statements	
	Change 1%		Change 1%	
	Increase	Decrease	Increase	Decrease
As at 31 December 2020				
Discount rate	(3,821,925)	4,332,960	(1,681,476)	1,912,961
Salary increase rate	4,834,166	(4,339,834)	2,238,798	(2,002,247)
Employee turnover rate	(4,194,921)	3,481,007	(1,817,812)	1,000,410

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

On 5 April 2019, the Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days compensation at the latest wage rate.

The law is effective after 30 days from the date announced in Royal Gazette. This change is considered a post-employment benefits plan amendment. The Company and its subsidiaries recorded the effect of the change by recognising past service costs as expenses in the statement of comprehensive income for the year ended 31 December 2019.

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28. OTHER NON-CURRENT PROVISIONS

According to the Concession Agreement related to the right to use the area to build a dam to produce hydroelectric power, the subsidiary has obligations after constructions and has some negotiations with the related regulators for the payments and the obligation for major overhaul before transferring the assets to the grantor at the end of concession period.

As at 31 December 2020, the subsidiary recognized a long-term provision of US Dollar 175,331 or equivalent to Baht 5.30 million (31 December 2019: US Dollar 175,331 or equivalent to Baht 5.32 million).

29. LEGAL RESERVE

Under the Public Limited Company Act., B.E. 2535, 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. The legal reserve is non-distributable.

30. DIVIDEND PAYMENT

According to the Company's Board of Directors' Meeting No. 3/2020, dated 26 March 2020, the meeting passes a resolution to approve the interim dividend from the retained earnings of the Company at Baht 0.02 per share to the shareholder of 750 million shares, totaling of Baht 15 million. Such dividend was paid to the shareholders on 20 April 2020.

At the General Shareholders Meeting No. 1/ 2019 on 30 April 2019, the shareholders had a resolution to approve for dividend payment from the retained earnings of the Company at Baht 0.05 per share to the shareholder of 750 million shares, totaling of Baht 37.50 million. Such dividend was paid to the shareholders in May 2019.

31. OTHER INCOME

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Dividend income (Note 8.3)	-	-	37,799,300	32,399,400
Interest income - related companies (Note 8.3)	-	-	12,580,622	5,190,204
Interest income - other companies	2,216,716	5,541,050	1,999,230	5,256,516
Management income (Note 8.3)	-	-	7,158,423	8,119,986
Gain on disposal of investment in joint venture	723,217	-	-	-
Gain on disposal in fair value of investment in opened-end fund	-	1,298,747	-	1,242,312
Other income	7,122,246	15,000,285	1,758,790	2,517,866
Total	10,062,179	21,840,082	61,296,365	54,726,284

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32. OTHER EXPENSE

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loss on foreign exchange rate - net	2,468,345	32,976,510	-	21,431,418
Loss on disposal equipments	306,160	1,741,098	74,673	732,932
Loss on disposal of investments in opened-end fund	115,032	-	113,778	-
Impairment loss on investment in joint venture	-	-	-	4,799,900
Total	2,889,537	34,717,608	188,451	26,964,250

33. IMPAIRMENT LOSS ON FINANCIAL ASSETS

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Credit losses of trade receivables and contract assets - service agreement of foreign project	170,000,000	-	170,000,000	-
Credit losses (reversal) of trade receivables - other companies and other receivables (excluding foreign project receivable)	811,981	(6,997,129)	876,100	(6,795,355)
Loss on discounted cash flows expect to receive from receivable net of amounts due to payables related to the agreement	-	30,617,081	-	30,617,081
Loss from revising estimated receipts	-	-	7,857,622	-
Total	170,811,981	23,619,952	178,733,722	23,821,726

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34. EXPENSE BY NATURE

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Raw material and consumables used	884,177,459	676,339,960	308,171,340	238,038,066
Employee benefit expense	316,701,450	272,184,316	119,181,932	88,520,689
Depreciation and amortization	55,974,865	63,341,845	10,906,306	10,570,566
Loss on foreign exchange rate - net	2,468,345	32,976,510	-	21,431,418
Loss on impairment of investment in joint venture	-	-	-	4,799,900
Loss on discounted cash flows expect to receive from receivable net of amounts due to payables related to the agreement	-	30,617,081	-	30,617,081
Credit losses of trade receivables and contract assets - service agreement of foreign project	170,000,000	-	170,000,000	-

35. INCOME TAX (INCOME) EXPENSE

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current income tax	14,750,236	1,941,134	-	-
Deferred tax	(1,630,770)	(1,614,666)	(1,037,486)	(274,282)
Income tax (income) expense	13,119,466	326,468	(1,037,486)	(274,282)

Information about deferred tax further disclosed in Note 21.

As at 31 December 2020 and 2019 the Group has not recognized deferred tax assets in respect of loss carry forward expired in 2021 - 2025 and 2020 - 2024 respectively, as follows:

	In Million Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets in respect of unrecognized loss carry forward	59.81	45.05	13.88	14.42
Reconciliations of effective tax rate				

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loss before income tax (income) expense	(169,841,063)	(137,128,116)	(131,028,213)	(17,633,326)
Corporate income tax rate	20 - 25%	20 - 25%	20%	20%
Tax calculated at a tax rate	(37,463,737)	(32,121,773)	(26,205,643)	(3,526,665)
Tax effects of: Income not subject to tax	(88,000)	-	(7,647,860)	(7,838,951)
Non-deductible expenses	38,066,545	10,493,494	36,771,483	8,715,187
Additional expense deductions allowed	(3,419,646)	(2,480,785)	(1,532,924)	(946,785)
Tax losses for the years	19,040,130	26,050,198	-	3,597,214
Utilize tax losses during the years	(1,385,056)	-	(1,385,056)	-
Current income tax	14,750,236	1,941,134	-	-
Changes of temporary differences	(1,630,770)	(1,614,666)	(1,037,486)	(274,282)
Income tax (income) expense presented in the statement of comprehensive income	13,119,466	326,468	(1,037,486)	(274,282)

For the years 2020 and 2019, corporate income tax rate of the Company and its domestic subsidiaries are 20%. For a subsidiary in Myanmar for the business of manufacture of high-voltage transmission line, telecommunication tower and galvanized steel structure, the corporate income tax rate is apply at 25%. In addition, the corporate income tax rate for the business of electricity produced from the hydroelectric power plant of a subsidiary in Laos is 24%.

36. BASIC LOSS PER SHARE

Basic loss per share is calculated by dividing the net loss for the years attributable to shareholders of the Company by the weighted average number of common shares issued during the year.

In Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loss for the years - Attributable to the equity holders of the parent (Baht)	(180,639,059)	(134,825,671)	(129,990,727)	(17,359,044)
Weighted average number of common shares for the years (shares)	750,000,000	750,000,000	750,000,000	750,000,000
Basic loss per share (Baht per share)	(0.24)	(0.18)	(0.17)	(0.02)

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37. SEGMENT INFORMATION

The managements divide its business into three main segments, which are manufacture of switch board, manufacture and galvanized services and others services, each mainly consisted of the following:

Manufacture of switch board	Manufacture and sell of low and medium voltage electrical switch board, cable tray and cable support equipment.
Manufacture and galvanized service	Manufacture high voltage line tower, telecommunication tower, and galvanizing steel structure and selling wiring equipment and hot dip galvanized service.
Services and others	Providing services of project management under the Engineering, Procurement and Construction (EPC) contract and selling of electricity produced from the hydroelectric power plant in The Lao People's Democratic Republic.

Geographical segment

The financial information by geographical segment, revenue and asset are classified follow by geographical of the Group's customers and location of asset, respectively.

Major customers

For the year 2020, the Group has revenue from 6 major customers, equivalent to 54% of sales and service income, 5 of which derived from manufacture and galvanized service segment (equivalent to 47% of sales and service income) and 1 of which derived from manufacture of switch board segment (equivalent to 7% of sales and service income) (for the year 2019: 6 major customers, equivalent to 48% of sales and service income, 5 of which derived from manufacture and galvanized service segment (equivalent to 40% of sales and service income) and 2 of which derived from manufacture of switch board segment (equivalent to 8% of sales and service income).

The timing of revenue recognition of satisfied performance obligation of the Group, are as follows:

In Million Baht

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Point in time	1,326.64	1,067.15	460.83	399.40
Over time	74.62	35.52	19.13	-
Total revenue from sales and services	1,401.26	1,102.67	479.96	399.40

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The segment information of the Group, are presented below:

In Million Baht

	Consolidated financial statements				
	For the year ended 31 December 2020				
	Manufacture of switch board	Manufacture and galvanized service	Services and others	Eliminate	Total
Revenues from sales from external customers					
- Local	433.05	838.06	-	-	1,271.11
- Overseas	27.72	19.56	8.25	-	55.53
Inter-segment revenues	0.06	94.05	15.00	(109.11)	-
Total revenues from sales	460.83	951.67	23.25	(109.11)	1,326.64
Revenues from services from external customers					
- Local	-	-	74.62	-	74.62
Total revenues from services	-	-	74.62	-	74.62
Total revenues	460.83	951.67	97.87	(109.11)	1,401.26
Gross profit (loss)	89.03	99.77	0.80	0.32	189.92
Other income					10.06
Selling expenses					(39.74)
Administrative expenses					(131.15)
Other expense					(2.89)
Other gains					0.16
Financial costs					(20.67)
Impairment loss on financial assets					(170.81)
Share of loss from investment in joint ventures					(4.72)
Loss before income tax expense					(169.84)
Income tax expense					(13.12)
Loss for the year					(182.96)
Less loss attributable to non-controlling interests					(2.32)
Loss attributable to equity holders of the parent					(180.64)

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In Million Baht

	Consolidated financial statements				
	For the year ended 31 December 2019				
	Manufacture of switch board	Manufacture and galvanized service	Services and others	Eliminate	Total
Revenues from sales from external customers					
- Local	359.28	628.45	8.41	-	996.14
- Overseas	40.12	11.00	19.89	-	71.01
Inter-segment revenues	-	84.65	45.08	(129.73)	-
Total revenues from sales	399.40	724.10	73.38	(129.73)	1,067.15
Revenues from services from external customers					
- Local	-	-	35.52	-	35.52
Total revenues from services	-	-	35.52	-	35.52
Total revenues	399.40	724.10	108.90	(129.73)	1,102.67
Gross profit (loss)	76.14	9.60	9.09	(0.11)	94.72
Other income					21.84
Selling expenses					(42.33)
Administrative expenses					(123.40)
Other expense					(34.72)
Other gains					0.76
Financial costs					(24.10)
Impairment loss on financial assets					(23.62)
Share of loss from investment in joint ventures					(6.28)
Loss before income tax expense					(137.13)
Income tax expense					(0.33)
Loss for the year					(137.46)
Less loss attributable to non-controlling interests					(2.63)
Loss attributable to equity holders of the parent					(134.83)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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Assets and liabilities classified by segment as at 31 December 2020 and 2019 are as follows:

In Million Baht

	Consolidated financial statements							Eliminate	Total
	As at 31 December 2020								
	Manufacture of switch board		Manufacture and galvanized service		Services and others				
	Thai	Overseas	Thai	Overseas	Thai	Overseas			
Assets classified by segment									
Property, plant and equipments	105.43	-	109.32	366.82	0.05	2.18	(2.57)	581.23	
Right-of-use assets	5.01	-	1.98	85.59	-	-	-	92.58	
Right in service concession arrangement	-	-	-	-		186.94	-	186.94	
Other assets	1,584.28	-	689.44	92.15	191.14	639.25	(1,123.61)	2,072.65	
Total assets	1,694.72	-	800.74	544.56	191.19	828.37	(1,126.18)	2,933.40	
Liabilities classified by segment	160.62	-	442.83	467.01	68.87	776.72	(415.24)	1,500.81	
Total liabilities									

In Million Baht

	Consolidated financial statements							Eliminate	Total
	As at 31 December 2019								
	Manufacture of switch board		Manufacture and galvanized service		Services and others				
	Thai	Overseas	Thai	Overseas	Thai	Overseas			
Assets classified by segment									
Property, plant and equipments	117.03	-	114.13	384.73	0.07	2.41	(5.46)	612.91	
Right in service concession arrangement	-	-	-	-	-	196.17	-	196.17	
Other assets	1,499.91	-	573.24	175.65	142.40	799.32	(1,031.23)	2,159.29	
Total assets	1,616.94	-	687.37	560.38	142.47	997.90	(1,036.69)	2,968.37	
Liabilities classified by segment	93.53	-	347.24	424.47	41.40	760.73	(326.60)	1,340.77	
Total liabilities									

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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37. FAIR VALUE

The carrying amount of financial assets and liabilities, measured at amortized cost, include cash and cash equivalents, trade receivables, unbilled completed works, dividend receivable, short-term loans and long term loans classified as current liabilities from financial institutions, trade payables, accrued expenses and other payables. Their carrying values approximate to their fair values.

The Group determines Level 2 fair values of investment in debt instruments-unit trust have been determined based on quoted selling prices from the trading price announced by Asset Management companies.

The Group determines Level 3 fair values for short term loans to, have been estimated using discounted cash flows based on the Group's incremental borrowing rates for similar types of borrowings.

Fair values of assets and liabilities, which shown in the statement of financial position had been valued Level 2 and Level 3, are as follows:

	In Baht			
	Consolidated financial statements			
	Fair value			
	Carrying amount	Level 2	Level 3	Total
As at 31 December 2020				
<i>Current</i>				
Investments in opened-end fund measured at fair value through profit or loss	79,200,478	79,200,478	-	79,200,478
<i>Non-current</i>				
Investments in government bond measured at fair value through other comprehensive income	16,513,600	16,513,600	-	16,513,600
As at 31 December 2019				
<i>Current</i>				
Current investments - trading securities	59,198,320	59,198,320	-	59,198,320
<i>Non-current</i>				
Long-term investments pledged as collateral	16,761,600	16,761,600	-	16,761,600

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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In Baht

	Consolidated financial statements			
	Fair value			
	Carrying amount	Level 2	Level 3	Total
As at 31 December 2020				
<i>Current</i>				
Investments in opened-end fund measured at fair value through profit or loss	79,200,478	79,200,478	-	79,200,478
Current portion of long-term loan to related companies	14,888,710	-	14,888,710	14,888,710
<i>Non-current</i>				
Long-term loan to related companies	198,438,125	-	198,438,125	198,438,125
Investments in government bond measured at fair value through other comprehensive income	6,192,600	6,192,600	-	6,192,600
As at 31 December 2019				
<i>Current</i>				
Current investments - trading securities	53,318,642	53,318,642	-	53,318,642
<i>Non-current</i>				
Long-term investments pledged as collateral	6,285,600	6,285,600	-	6,285,600

39. COMMITMENT AND CONTINGENT LIABILITIES

As at 31 December 2020, the Group and the Company have letters of guarantee issued by banks for the payment of electricity fee and performance guarantee which are mortgaged by deposits at banks (Note 15) as follows:

	Consolidated financial statements	Separate financial statements
Baht	Baht 98.33 million	Baht 89.59 million
US Dollars	US Dollars 0.04 million	US Dollars 0.04 million

As at 31 December 2020, the Group and the Company have credit facilities for letter of guarantee issued by banks, totaling Baht 426 million and Baht 226 million, respectively. (31 December 2019: Baht 360 million and Baht 160 million, respectively) and the Company have credit facilities for letter of credit issued by banks totaling Baht 20 million (31 December 2019: None).

40. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at 31 December 2020, debt to equity ratio in the consolidated financial statements is 1.05:1 and in the separate financial statements is 0.51:1 (31 December 2019: debt to equity ratio is 0.82:1 and 0.42:1, respectively).

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

41. RECLASSIFICATIONS

Certain items in the financial statements for the year ended at 31 December 2019 have been reclassified to conform with reclassification of items in the financial statements for the year ended 31 December 2020, as follows:

In Baht

	Consolidated statement of financial position		
	As at 31 December 2019		
	Previous report	Reclassified	Revised
Trade and other current receivables	461,789,268	2,612,218	464,401,486
Current tax assets	-	1,309,519	1,309,519
Other current assets	4,121,361	(3,921,737)	199,624
Trade and other current payables	942,110,604	(18,324,834)	923,785,770
Contract liabilities	-	22,078,920	22,078,920
Other current liabilities	3,754,086	(3,754,086)	-

In Baht

	Separate statement of financial position		
	As at 31 December 2019		
	Previous report	Reclassified	Revised
Current tax assets	-	436,961	436,961
Other current assets	541,042	(436,961)	104,081
Trade and other current payables	679,881,061	(1,406,442)	678,474,619
Contract liabilities	-	3,909,399	3,909,399
Other current liabilities	2,502,957	(2,502,957)	-

In Baht

	Consolidated statement of comprehensive income		
	For the year ended 31 December 2019		
	Previous report	Reclassified	Revised
Other income	29,594,290	(7,754,208)	21,840,082
Cost of sales	982,095,704	(5,529,601)	976,566,103
Selling expenses	36,797,023	5,529,601	42,326,624
Administrative expenses	188,736,721	(65,334,689)	123,402,032
Other expense	-	34,717,608	34,717,608
Other gains	-	757,079	757,079
Impairment loss on financial assets	-	23,619,952	23,619,952

SCI ELECTRIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

In Baht

	Separate statement of comprehensive income		
	For the year ended 31 December 2019		
	Previous report	Previous report	Previous report
Other income	62,187,789	(7,461,505)	54,726,284
Cost of sales	328,790,824	(5,529,601)	323,261,223
Selling expenses	18,777,811	5,529,601	24,307,412
Administrative expenses	131,489,651	(57,581,330)	73,908,321
Other expense	-	26,964,250	26,964,250
Other gains	-	666,151	666,151
Impairment loss on financial assets	-	23,821,726	23,821,726

42. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuing by the Company's Board of Directors on 25 February 2021.

ANALYSIS AND EXPLANATION OF MANAGEMENT

Analysis and explanation will be discussed below; prepared on the consolidated financial statements for the years ended 31 December 2020 and 2019 (Audited). It should be read in conjunction with the consolidated financial statements and notes to those financial statements. The financial statements of the Group has been prepared in accordance with Thai Financial Reporting Standards (TFRS) unless otherwise specified.

Overall performance analysis

For the year 2020, the Group had total revenues of Baht 1,411.32 million, increased by Baht 286.82 million or increased 25.51% compared to that of Baht 1,124.50 million last year. Most of increased revenue comes from the construction of infrastructure in the country. The operation results of equity holders of the parent have a net loss of Baht 180.64 million, increased of loss by Baht 45.81 million or increased 33.98% as compared to the net loss of Baht 134.83 million incurred last year.

The mainly reason came from the fact that the Company had to recognize the expected credit loss for financial assets accordance with the accounting standard (TFRS 9) of Baht 170 million in the year 2020. The Company considered the expected credit loss from the high-voltage transmission tower and substation (500kV project) project that there is an uncertainty about the timing of the project to be resumed from many reasons such as the current situation of Covid-19, the reorganization of the employer to oversee the construction of transmission lines and hydro power plants. In addition, the Credit rating agency has downgraded the employer's country, resulting in an increase in the country's financial risk. However, the Company strongly believe that the 500kV project is still in need to generate revenue for the employer's country in the future and expected that the project will resume after the employer has reached a conclusion on their organizational restructuring and a guideline for energy management in the country. The expected credit loss had no effect on the Company's cash flow.

An overview of the operating results for the year 2020 compared to the same period in 2019 is shown in Table 1;

Table 1: Performance overview

Million Baht

Operation results	Consolidation			
	2020	2019	Increased (Decreased)	
			Amount	%
Revenues from sales	1,326.63	1,067.15	259.49	24.32
Revenues from services	74.62	35.52	39.11	110.12
Cost of sales	(1,144.06)	(976.57)	(167.50)	17.15
Cost of services	(67.28)	(31.38)	(35.90)	114.42
Gross porfit	189.92	94.72	95.20	100.50
Other incomes	10.06	21.84	(11.78)	(53.93)
Other gains	0.16	0.76	(0.59)	(78.48)
Selling expenses	(39.73)	(42.33)	2.59	(6.13)
Administrative expenses	(131.15)	(123.40)	(7.75)	6.28
Other expenses	(2.89)	(34.72)	31.83	(91.68)
Financial costs	(20.67)	(24.10)	3.43	(14.23)
Impairment loss on financial assets	(170.81)	(23.62)	(147.19)	623.17
Share of loss from investment in joint ventures	(4.72)	(6.28)	1.56	(24.80)
Profit (loss) before income tax income (expense)	(169.84)	(137.13)	(32.71)	23.86
Income tax income (expense)	(13.12)	(0.33)	(12.79)	3,918.61
Profit (loss) for the year	(182.96)	(137.45)	(45.51)	33.11
Attributable to non-controlling interests	(2.32)	(2.62)	0.30	(11.39)
Attributable to Equity holders of the parent	(180.64)	(134.83)	(45.80)	33.97

Remark: Other gains is gain from the fair value of the investment in open-end funds.

Revenue

For the year 2020, SCI Group had total revenues of Baht 1,411.32 million, increased by Baht 286.82 million or increased 25.51% compared to that of Baht 1,124.50 million last year with details as follows:

Revenue from sales of switchboard and cable tray increased by Baht 61.36 million or increased 15.36%. Increased came from the construction of Mass Rapid Transit system projects according to the Mass Rapid Transit Authority of Thailand (MRTA) plan and the construction of power stations both in Thailand and abroad.

Revenue from sales of steel structures and galvanized service increased by Baht 218.18 million or increased 34.12%. Increased came from the project to improvement of the transmission system in the lower South to strengthen the power system security system, solving the problem of power outages in the southern region, including promoting the expansion of the industrial sector to support competition in the framework of the Asean Economic Community ("AEC").

Revenue from electricity sales hydroelectric power plants decreased by Baht 11.64 million or decreased 58.49% due to flooding in front of the dam during the beginning of the fourth quarter of 2020. The equipment at the power plant was damaged and could not recognize revenue until the equipment has been repaired. The company has requested compensation from the insurance company for the damage and expects the repairs to be completed in the first quarter of 2021. The normal revenue recognition will resume in the second quarter of 2021.

Service revenues increased of Baht 39.10 million or increased 110.08% from the contract for replacing or strengthening the damaged of railway bridges, amounting to Baht 19.97 million and from the construction of a substation in the country, amounting to Baht 19.13 million. The high-voltage transmission tower and substation (500kV) project had no progress during the year 2020.

Revenue for the year 2020 compared to the same period in 2019 is shown in Table 2;

Table 2: Revenue structure of the Group

Million Baht

Revenue structures	Consolidation					
	2020		2019		Increased (Decreased)	
	Amount	%	Amount	%	Amount	%
Revenue from sales :						
Production of switch board and cable tray	460.76	32.65	399.40	35.27	61.36	15.36
Production steel structures and galvanized service	857.62	60.77	639.44	56.47	218.18	34.12
Electric power from Hydro Power Plant	8.26	0.59	19.90	1.76	(11.64)	(58.49)
Other	-	-	8.41	0.74	(8.41)	(100.00)
Revenue from sales	1,326.64	94.00	1,067.15	94.25	259.49	24.32
Revenue from services						
Project management service	74.62	5.29	35.52	3.14	39.10	110.08
Revenue from sales and services	1,401.26	99.29	1,102.67	97.39	298.59	27.08
Other income	10.06	0.71	21.84**	1.94	(11.78)	(53.94)
Total revenue	1,411.32	100.00	1,124.51	100.00	286.81	25.51

Remark: Other income comprised with Gain (loss) of write-off asset, Interest income and Gain (loss) on disposal investments.

** Reclassified as mentioned to the note of the financial statement No. 41

Costs and Expenses

SCI Group had costs and expenses of Baht 1,576.60 million, increased by Baht 320.49 million or increased 25.51% compared to that of Baht 1,256.11 million last year with details as follows:

Cost of sales increased by Baht 167.50 million or increased 17.15% in proportion to the revenue that was higher profit margin from the project to improve the transmission system and cable tray. The cost of service in the year 2020 increased of Baht 35.90 million or increased 114.42% which comes from the construction of a substation in the country and the contract for replacing or strengthening the damaged of railway bridges.

Other expenses decreased of Baht 31.83 million or decreased 91.68% which came from loss of the foreign exchange rate increased of Baht 30.51 million due to the exchange rate adjustment in US dollars at the end of the period.

Financial costs decreased by Baht 3.43 million or decreased 14.23% due to reduced interest rate of the long term loans of a subsidiary in Myanmar from assist the financial institutions due to the COVID-2019 situation

Impairment loss on financial assets increased of Baht 147.19 million or increased 623.17%. The Company had to recognize the expected credit loss for financial assets of Baht 170 million. The Company considered the expected credit loss from the high-voltage transmission tower and substation (500kV project) project due to the expected delay payment due to there is an uncertainty about the timing of the project to be resumed.

Costs and expenses for the year 2020 compared to the same period in 2019 is shown in Table 3;

Table 3: Costs and Expenses

Million Baht

Cost and Expenses	Consolidation					
	2020		2019		Increased (Decreased)	
	Amount	%	Amount	%	Amount	%
Cost of sales	1,144.06	72.57	976.57	77.75	167.50	17.15
Cost of services	67.28	4.27	31.38	2.50	35.90	114.42
Selling and Administrative expenses	170.89	10.84	165.73	13.19	5.16	3.11
Other expenses	2.89	0.18	34.72	2.76	(31.83)	(91.68)
Financial costs	20.67	1.31	24.10	1.92	(3.43)	(14.23)
Impairment loss on financial assets	170.81	10.83	23.62	1.88	147.19	623.17
Total costs and expenses	1,576.60	100.00	1,256.11	100.00	320.49	25.51

FINANCIAL POSITION ANALYSIS

Million Baht

Financial Position	Consolidation as 31 December			
	2020	2019	Increased (Decreased)	%
Assets				
Current assets	1,855.29	1,851.88	3.41	0.18
Non-current assets	1,078.11	1,116.49	(38.38)	(3.44)
Total assets	2,933.40	2,968.37	(34.98)	(1.18)
Liabilities				
Current liabilities	1,440.12	1,285.82	154.30	12.00
Non-current liabilities	60.69	54.95	5.73	10.43
Total liabilities	1,500.81	1,340.77	160.04	11.94
Share capital				
Issued and paid-up share capital	750.00	750.00	-	-
Share premium	879.04	879.04	-	-
Retained earnings				
Legal reserve	29.40	29.40	-	-
Unappropriated	(201.96)	(6.33)	(195.64)	3,093.09
Differences from changes in shareholding proportion	5.85	5.85	-	-
Other components of equity	(32.89)	(35.74)	2.85	(7.98)
Total equity attributable to the parent company	1,429.43	1,622.22	(192.79)	(11.88)
Non-controlling interests	3.16	5.39	(2.22)	(41.27)
Total Shareholder's equity	1,432.59	1,627.60	(195.01)	(11.98)

ASSETS

Total assets of the Group as at 31 December 2020 is Baht 2,993.40 million, decreased by Baht 34.98 million or decreased 1.18% compared to balance as at 31 December 2019 of Baht 2,968.37 million due to the following;

- Trade and other current receivables increased from delivered many projects of cable tray high-voltage transmission towers during the end of the year;
- Trade receivable and unbilled completed works of 500KV project decreased from recognize the expected credit loss for financial assets of the 500Kv project;
- Inventory increased from finished goods and work in process that is scheduled for 2021 of Mass Rapid Transit system projects and the project to improvement of the transmission system;
- Investment in joint ventures decreased due to sold the investment in Yuemmai (Thailand) Co., on 15 January 2020;
- Property, plant and equipment, Right-of-use assets and Right in service concession arrangement decreased from the depreciation recognized during the year and the result of foreign currency translation of assets in subsidiary companies in Myanmar and Laos PDR.

LIABILITIES

Total liabilities of the Group as at 31 December 2020 was Baht 1,500.81 million, increased by Baht 160.04 million or increased 11.94% compared to balance as at 31 December 2019 of Baht 1,340.77 million due to the following;

- Short-term loans from financial institutions increased to purchase equipment used in the construction of a domestic substation and to purchase raw materials for steel structure work of a subsidiary in Myanmar;
- Trade and other current liabilities increased from purchased inventory reserved for the customer orders;
- Contract liabilities increased from advance received of employers for the construction of the substation in the country, the transmission system improvement project and the cable tray projects, including the unearned income of electricity Hydroelectric power;

- Long-term loans decreased from repayment during the year under the loan agreement of a subsidiary in Myanmar;
- Employee benefit obligation increased as a result of the provisioning of employee benefit expenses based on the actuarial assessment.

SHAREHOLDERS' EQUITY

As 31 December 2020, total equity of the Group was Baht 1,432.59 million, decreased by Baht 195.01 million or decreased 11.98% due to the dividend payment for the year 2019, the operation result of the year 2020.

Other components of equity is the difference of foreign exchange rate from the translation of financial statements of foreign subsidiaries.

LIQUIDITY AND CASHFLOW ANALYSIS

Items	Million Baht	
	2020	2019
Net cash generate from (used in) operating activities	29.42	(119.06)
Net cash generate from (used in) investing activities	(0.74)	85.82
Net cash generate from (used in) financing activities	(9.31)	(82.51)
Currency translation differences	2.71	(0.07)
Net (decreased) increased in cash and cash equivalents	22.08	(115.82)

Net cash generate from operating activities of Baht 29.42 million came from improved operating results, excluding the adjustment of the 500Kv expected credit loss and the impact of the foreign exchange rate;

Net cash used in investing activities of Baht 0.74 million was used for purchased equipment of a subsidiary in Thailand and increased deposits to guarantee the credit facilities of a subsidiary in Myanmar, including receiving money from the disposal of investments in joint ventures;

Net cash used in financing activities of Baht 9.31 million was used for the repayment financial cost and the repayment of long-term loans of a subsidiary in Myanmar included dividend payment for the year 2019.

SIGNIFICANT FINANCIAL RATIO

Profitable Ratio	For the year ended 31 December		Changes
	2020	2019	
Gross Profit Margin (%)	13.55	8.59	4.96
EBITDA Margin (%)	(6.61)	(4.42)	(2.19)
Net Profit (loss) Margin (%)*	(12.81)	(11.91)	(0.82)
Earnings per Share (Baht)*	(0.24)	(0.18)	(0.06)

Remark: Based on Net profit (loss) attributable to Equity holders of the parent company.

The gross profit margin of the Group increased from the previous year came from the improvement of electrical transmission systems and the cable tray with higher gross margins. Because the cost of zinc raw materials has been reduced during the half of 2020.

EBITDA margin and net profit (loss) margin decreased from last year due to an adjustment of the 500Kv expected credit loss which affects the overall performance of the year 2020 which has improved compared to the previous year.

Leverage Ratio	As 31 December		Changes
	2020	2019	
Debt/Equity Ratio (Times)	1.05	0.82	0.22
Net Interest-bearing Debt to Total Shareholders' Equity Ratio (Times)	0.25	0.21	0.04

The Group has a higher debt to equity ratio due to a decrease in equity from the 2020 performance. The ratio of net interest-bearing debt to total shareholders' equity ratio has increased due to increased short-term borrowing from financial institutions to purchase raw materials and equipment for projects in domestic companies and overseas subsidiaries. In addition, the long-term loan repayment has been suspended in accordance with the period of the subsidiary contract in Myanmar due to the COVID-2019 situation.

Liquidity ratio	As 31 December		Changes
	2020	2019	
Current Ratio (Times)	1.29	1.44	(0.15)
Quick Ratio (Times)	0.56	0.49	0.06
Trade account receivable turnover (Times) ***	3.07	3.64	(0.57)
Average debt collection period (Days)	119	100	19

Remark: *** Calculated from trade accounts receivable and sales revenue excluding other businesses.

The Group's liquidity ratio decreased because the closely amount as previous year of current asset, which comprised from increased in trade accounts receivable –other and inventories offset with with the impact of the adjustment expected credit loss of 500Kv project. In addition, current liabilities increased from increased of short term loan, trade and other current liability and contract liabilities.

Increased in trade receivable turnover because trade accounts receivable - other increased by Baht 122.92 million or increased 33.18% compared to the previous year. This was in line with the increased of revenue from sales. The majority of trade customers accounting for 77.50 percent of total trade accounts receivable are trade accounts receivable that within credit term and the outstanding of overdue less than 3 months according to the trade accounts receivable schedule classified by aging as follows;

Schedule of trade accounts receivable classified by aging

Million Baht

Trade account receivable	Consolidation as 31 December					
	2020		2019		Increased (Decreased)	
	Amount	%	Amount	Amount	%	Amount
Within credit terms	227.51	46.11	225.62	60.91	1.89	0.84
Overdue less than 3 months	154.83	31.38	71.58	19.32	83.25	116.30
Overdue 3 - 6 months	22.50	4.56	69.32	18.71	-46.82	(67.54)
Overdue 6 - 12 months	46.12	9.35	2.02	0.54	44.11	2,186.57
Overdue over 12 months	42.40	8.59	1.91	0.52	40.49	2,118.44
Total trade receivables*	493.37	100.00	370.45	100.00	122.92	33.18

Remark: * Excluding the 500Kv project accounts receivable. With payment for more than 12 months.

The normal trade credit policy is about 30 – 90 days. The Group determines lifetime expected credit loss using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. Moreover, the Group has recognized a loss allowance of 100% against all receivables over 1 year past due because historical experience has indicated that these receivables are generally not recoverable.

In 2020, the average debt collection period was more days compared to the previous. The proportion of trade accounts receivable overdue between 6-12 months and over 12 months increased from 2019 due to the major trade receivables of the electrical transmission system improvement project and the cable tray, which the employers are overseas requested a postponement of debt repayment from the normal credit term from the COVID-2019 situation. This includes trade receivables for hydropower plants (small sizes) that have requested an extension of the repayment period due to lack of liquidity during the COVID-2019 situation as well. These trade accounts receivable from past experience can be called up under normal term credit. At present, the management has increased the measures for granting credit to debtors more stringent and continuously expedite the collection of outstanding debt.

For large foreign project receivable, the Group recognizes the allowance for lifetime expected credit losses which is estimated based on the analysis of current financial position of receivable, forecast about the future payments of receivable with considering of general economic conditions that may have an impact to receivable and adjusted for factors that are specific to the receivable, including the determination of time value of money.



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