



Information and Communication
Networks Public Company Limited

PROFESSIONAL TELECOMMUNICATION SYSTEM INTEGRATOR FOR HIGHEST CUSTOMER SATISFACTION

Annual Report 2020



Business Operation



Business Operation Determination

The Company has strong determination to run the business direction through moral, ethical, merit principle and corporate governance code of conduct. Telecommunication innovation and solutions are developed for the highest customers' satisfaction in both of our products and services. Moreover, the Company also takes responsibility to all stakeholders equally, together with community, society and environment.



Vision

To become the leader in engineering and digital technology, with the advancement of innovative products and excellent services guaranteed with the highest customer satisfaction under the principles of good corporate governance.



Mission

- Develop all employees with enhanced knowledge and expertise to keep pace with changes in technology consistently and appropriately.
- Ensure the highest satisfaction of customers by providing products and services to effectively meet all consumers' demands.
- Foster organizational ethics and take into account the importance of sustainable environment, community, and society.
- Grow the business consistently and firmly in order to generate sustainable returns to shareholders and all stakeholders in accordance with good corporate government principles.



Core Value

- Attitude
- Happiness
- Sustainability





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Information and Communication Networks Public Company Limited (ICN), one of Thailand's leading Telecommunication Systems Integrator, was established on 13 September 2007. ICN was launched by the group of telecom veterans who have decades of experience in Thailand telecommunication arena, to provide quality solutions for the increasing demand of telecommunication services in Thailand.

Information and Communication Networks Public Co., Ltd. held the 2020 Annual General Meeting of Shareholders on 22 April 2020 at D.K.J. Building, M Floor, Latphrao, Bangkok with prevention measures against the spread of COVID-19 accordance to the recommendations of the Department of Disease Control, Ministry of Public Health.



On 26 September 2020, Ms. Patnarin Maliwal, Director and Chief Financial Officer, of ICN has been invited by SET as a guest speaker under the topic of "Growth Mindset & Decision Making" in order to share knowledge and experiences for the adoption in daily life to 13 social enterprise businesses who participates in SET Social Impact Gym 2020 project.

Ms. Patnarin Maliwal, Director and Chief Financial Officer, of ICN received token of appreciation from Dr. Pakorn Peetathawatchai, President of SET as a volunteer coach for the project of "SET Social Impact Gym 2020" under the concept of Idea-to-I done to provide management knowledge and share business experiences as well as develop the potential of social enterprise entrepreneurs for Volunteers Social Enterprise Co., Ltd. to strengthen business capability while expanding social impacts towards sustainable development.



On 11 November 2020, The Board of Directors' Meeting of the Company No. 5/2020 has resolved to appoint Mr. Monchai Manepairoj to be Chairman of the Executive Committee and appoint Mr. Pornchai Krivichian to take the position of Chief Executive Officer with effective date from 1 December 2020 onwards.

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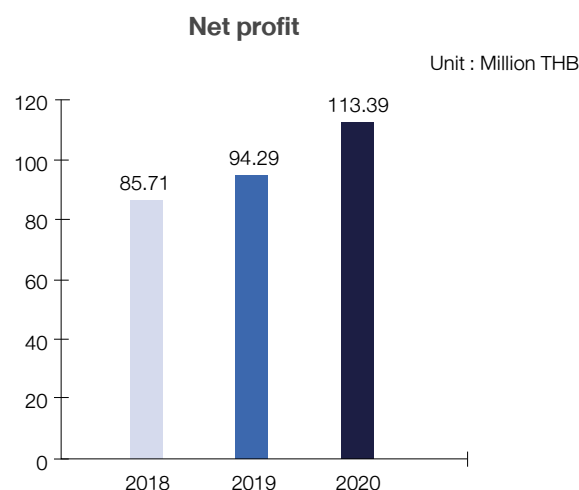
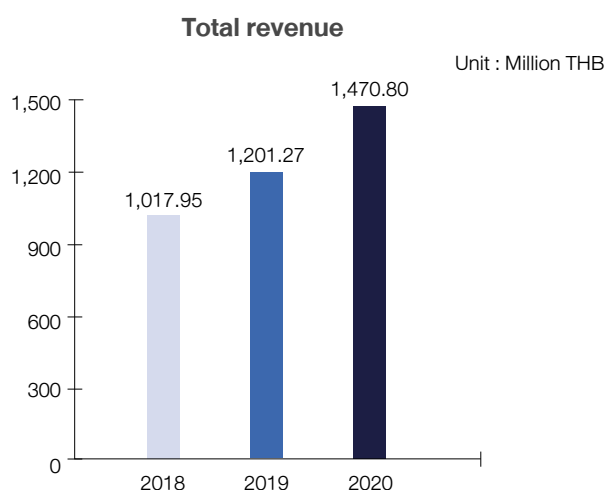
Financial Highlights

(Unit: MB)

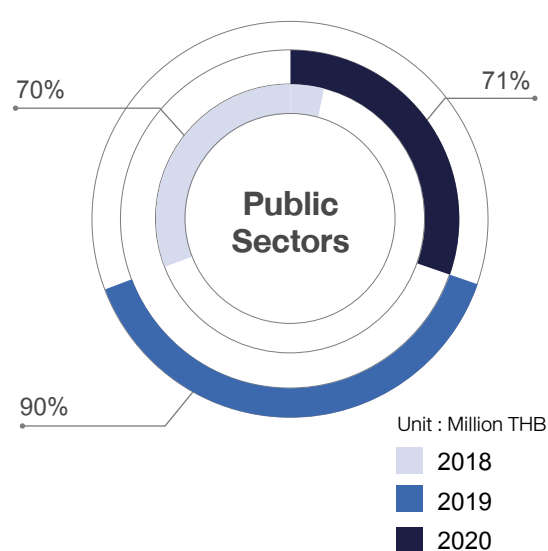
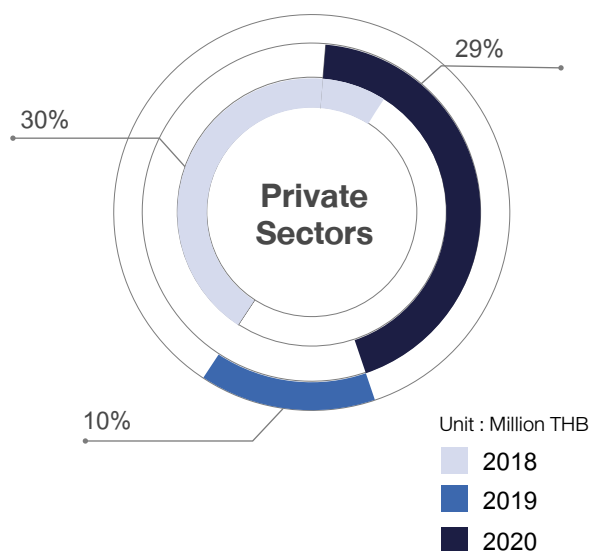
At the End of Period	2020*	2019*	2018
Financial Status			
Total Assets	1,472.47	1,207.11	854.18
Total Liabilities	875.96	634.00	335.13
Total Shareholders' Equity	596.51	573.11	519.05
Business Performance			
Sales and Services Revenue	1,469.86	1,198.72	1,015.55
Total Revenue	1,470.80	1,201.27	1,017.95
Cost of Sales and SG&A	1,328.54	1,082.89	910.07
Net Profit (Loss)	113.39	94.29	85.71
Financial Ratio			
Gross Margin (%)	15.26%	15.87%	16.85%
Net Profit (%)	7.59%	7.80%	8.42%
RoE (%)	19.84%	17.49%	16.88%
Earnings per Share (Baht/Share)	0.25	0.21	0.19
D/E Ratio	1.53	1.15	0.65
Book Value (Baht/Share)	1.27	1.23	1.15

*Presented as consolidated financial statements due to the purchase of shares of Expert Engineering and Communication Company Limited (EEC) on 2 January 2019

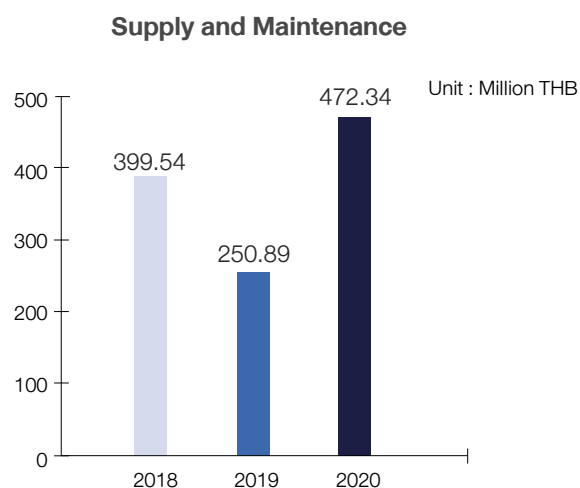
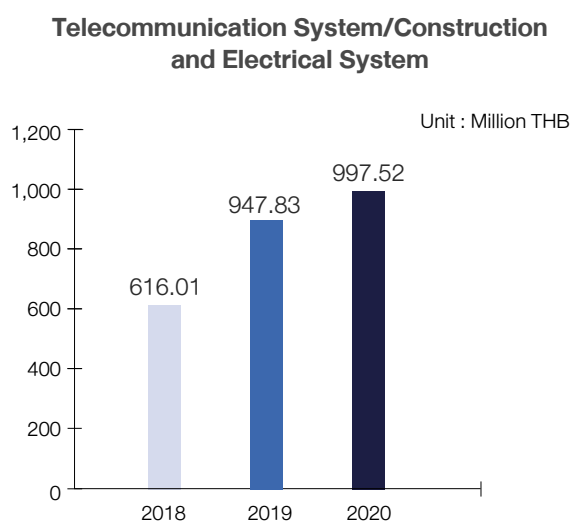
Revenue in Proportion



*Presented as consolidated financial statements due to the purchase of shares of Expert Engineering and Communication Company Limited (EEC) on 2 January 2019



Revenue Classified by Business Type



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Message from Chairman of the Board, Chairman of the Executive Committee and Chief Executive Officer



(Mr. Segsan Roylapcharoenporn)
Chairman of the Board Officer (Middle)



(Mr. Monchai Manepairoj)
Chairman of the Executive Committee (Left)



(Mr. Pornchai Krivichian)
Chief Executive Officer (Right)



The year 2020 was a remarkable year for all mankind. The world has encountered one of the biggest crisis due to the outbreak of the new coronavirus 2019 or COVID-19, which has been so unexpectedly causing severe impact on the economy, income, employment and cash flow of businesses. Although the invention of the vaccine was successful but up till now the outbreak situation has persisted and it is difficult to predict when it will be over. During the COVID-19 pandemic, the Company realized the importance on the safety, good health and well-being of employees, partners and all relevant stakeholders by implementing various measures such as cleaning and disinfecting its workplace, adopting work from home measure for employees to reduce congestion in the office and arranging necessary prevention measures for the 2020 Annual General Meeting of Shareholders, etc.

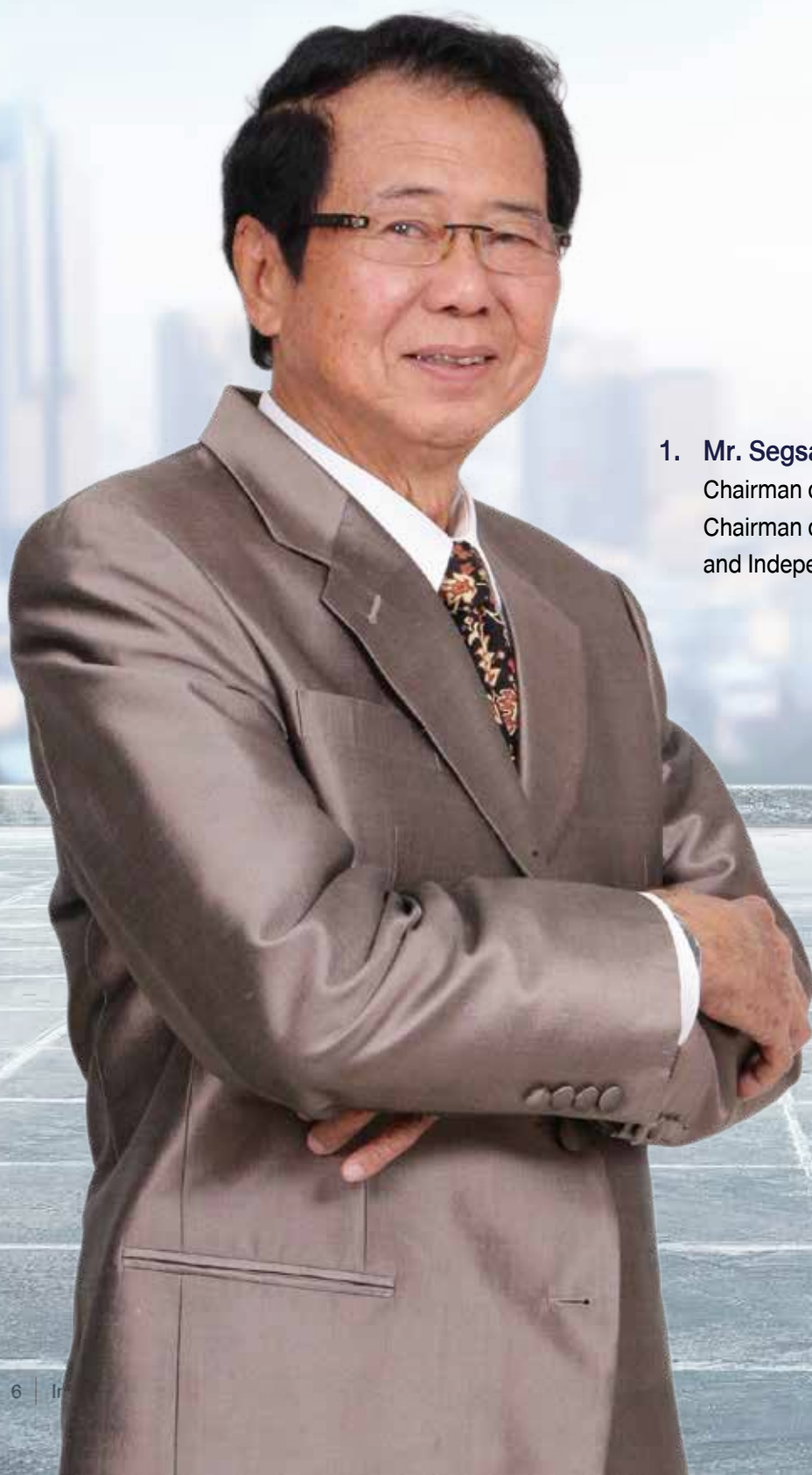
In the part of business operation, the Company as a telecommunication company had also been affected from this pandemic, for instance, inaccessibility of project sites as per COVID-19 measures to minimize the number of persons to enter their premises. However, the Company has re-visited and adjusted the project plans as well as arranged further source of fund to support the liquidity of the Company for a smooth operation in accordance to the new circumstance. As of now, the Company has been able to continue the project work as usual. In the meanwhile, the various projects have been awarded e.g. Filter project, IP Access, ICT and Health Tech system procurement project, maintenance for fiber optic cables, and supply of security system for Cloud. As a result, the Company's 2020 performance remained reflecting the strength of its business operations. The Company reported 1,470.80 million THB in total revenue and 113.39 million THB in net profit with the growth rates of 22.44% and 20.27% respectively, when compared to 2019. The Company also

had the backlog of 1,673 million THB. Moreover, during the yearend 2020, a DWDM expansion for Backhaul and Border project with the total project value of 444.48 million THB is under contract preparation with the customer. This shall strengthen the backlog of year 2021. In 2020, the Board of Directors of the Company has appointed Mr. Pornchai Krivichian as Chief Executive Officer with effective date from 1 December 2020 who will be a major factor to drive and lead the Company into multiple dimensions along with expanding the customer base. Mr. Monchai Manepairoj remains his position as Director and Chairman of the Executive Committee. For the year 2021, the Company reinforces in existing business, partakes in project biddings corresponding to designated business plan as well as information technology development and digital technology.

Lastly, on behalf of the Company's Board of Directors, executives and employees, Information and Communication Networks Public Company Limited would like to express our gratitude to all shareholders, investors, business partners and all stakeholders for your continuous support with confidence and trust in our business operations during the challenging year of COVID-19 crisis and other economic problems. The Company remains committed to develop high quality and efficiency of services with telecommunication expertise to keep up with changes of technology in order to ensure highest satisfaction of customer and generate consistent returns to all shareholders and stakeholders along with the emphasis on human resource development, promoting good health and well-being, together with preserving the environment and creating social benefits for the strong and sustainable growth under the principles of good governance and good corporate governance.

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Board of Directors



1. **Mr. Segsan Roylapcharoenporn**
Chairman of the Board,
Chairman of the Audit Committee
and Independent Director



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2. **Mr. Monchai Manepairoj**
Director and Chairman of the
Executive Committee
(Authorized Director)

3. **Mr. Ronapoom Rungruangpol**
Director and Chairman of the
Risk Management Committee
(Authorized Director)

4. **Mr. Pira Laohasomboon**
Director
(Authorized Director)

5. **Mr. Chanachai Kulnoppaleark**
Independent Director and
Audit Committee

6. **Mr. Nithi Nakages**
Independent Director and
Audit Committee

7. **Ms. Patnarin Maliwal**
Director and Chief Financial Officer
(Authorized Director)

Ms. Tanankorn Klungpreamchitt is the Company Secretary appointed by the Board of Directors' Meeting No. 1/2019 on 20 February 2019.

Directors' Profile



Mr. Segsan Roylapcharoenporn

Chairman of the Board,
Chairman of the Audit Committee and Independent Director
Age: 76 years

Education

- Bachelor of Engineering (Telecommunication Engineering), King Mongkut's Institute of Technology Ladkrabang
- Director Certification Program (DCP) 107/2008

Working experience in the past 5 years

- 2017 - Present Chairman of the Board, Chairman of the Audit Committee and Independent Director
Information and Communication Networks PCL
- 2016 - Present University Council Committee Suan Dusit University
- 2009 Advisor to Chairman CAT Telecom PCL
- 2006 - 2008 Director CAT Telecom PCL

Shareholding (30/12/2020) : -

Relationship Directors and Executives : -



Mr. Monchai Manepairoj

Director and Chairman of the
Executive Committee
(Authorized Director)
Age: 58 years



Mr. Ronapoom Rungruangpol

Director and Chairman of the
Risk Management Committee
(Authorized Director)
Age: 70 year

Education

- Master of Information Systems, City University, USA
- Bachelor of Science, Kasetsart University
- Director Accreditation Program (DAP) 103/2013

Working experience in the past 5 years

- December 2020 - Present Director and Chairman of the Executive Committee
Information and Communication Networks PCL
- 2020 - Present Director
Expert Engineering and Communication Co., Ltd.
- 2014 - November 2020 Director and Chief Executive Officer
Information and Communication Networks PCL
- 2010 - 2013 Deputy Managing Director
Loxley Wireless PCL

Shareholding (30/12/2020) : 19.57%

Relationship Directors and Executives : -

Education

- Master of Industrial Education, Texas Southern University, USA
- Bachelor of Construction Technology, Texas Southern University, USA
- Bachelor of Laws, Sukhothai Thammathirat Open University
- Director Accreditation Program (DAP) 133/2017

Working experience in the past 5 years

- 2016 - Present Director and Chairman of the Risk Management Committee
Information and Communication Networks PCL
- 2014 - 2015 Director
Information and Communication Networks Co., Ltd.
- 2000 - Present Director
IDA Parcel Post Co., Ltd.
- 1996 - Present Director
Wang Pra Doo Co., Ltd.

Shareholding (30/12/2020) : 0.07%

Relationship Directors and Executives : -

**Mr. Pira Laohasomboon**

Director
(Authorized Director)
Age: 53 years

**Mr. Chanachai Kulnoppaleark**

Independent Director and
Audit Committee
Age: 57 years

Education

- Master of Telecom Management, Asian Institute of Technology
- Bachelor of Solid State Electronics, King Mongkut's Institute of Technology Ladkrabang
- Director Accreditation Program (DAP) 131/2016

Working experience in the past 5 years

- 2007 - Present Director
Information and Communication Networks PCL
- 2007 - 2014 Managing Director
Information and Communication Networks Co., Ltd.

Shareholding (30/12/2020) : 7.77%

Relationship Directors and Executives : -

Education

- Master of Business Administration, University of the Thai Chamber of Commerce
- Bachelor of Accounting, Thammasat University
- Director Accreditation Program (DAP) 133/2017

Working experience in the past 5 years

- 2016 - Present Independent Director and
Audit Committee
Information and Communication Networks PCL
- 2008 - 2018 Asst. Vice President / Company Secretary
Kulthorn Kirby PCL
- 2014 - 2017 Director
Kulthorn Materials and Controls Co., Ltd.

Shareholding (30/12/2020) : 0.07%

Relationship Directors and Executives : -



Mr. Nithi Nakages

Independent Director and
Audit Committee
Age: 60 years



Ms. Patnarin Maliwal

Director and Chief Financial Officer
(Authorized Director)
Age: 45 years

Education

- Master of Business Administration (Financial Management), City University, USA
- Bachelor of Economics (Banking and Financial System), Chulalongkorn University
- Director Accreditation Program (DAP) 172/2020

Working experience in the past 5 years

- 2020 - Present Independent Director and Audit Committee
Information and Communication Networks PCL
- 2012 - Present Managing Director
Rimpae Beach Property Co.,Ltd.
- 2010 - Present Director
Rimpae Holding Co.,Ltd.
- 1994 - Present Director
Kaset Siri Co.,Ltd.

Shareholding (30/12/2020) : -

Relationship Directors and Executives : -

Education

- Master of Business Administration (Financial Management in International Business), Assumption University
- Bachelor of Arts, Germanistics, Chulalongkorn University
- Company Secretary Program (CSP) 73/2016
- Director Accreditation Program (DAP) 155/2018

Working experience in the past 5 years

- 2019 - Present Director and Chief Financial Officer
Information and Communication Networks PCL
- 2020 - Present Honorary Advisor
MAI Listed Company Association
- 2018 - 2019 Director, Chief Financial Officer and Company Secretary
Information and Communication Networks PCL
- 2016 - 2018 Chief Financial Officer and Company Secretary
Information and Communication Networks PCL
- 2014 - 2016 Chief Financial Officer
Information and Communication Networks PCL
- 2013 - 2014 Chief Operating Officer
LawtonAsia Insurance Broker Co., Ltd.
- 2012 - 2014 Head of Strategy Officer
S&P Syndicate PCL
- 2008 - 2011 Chief Financial Officer / VP-Commercial Head
Siemens IT Solutions and Services Ltd.

Shareholding (30/12/2020) : 0.21%

Relationship Directors and Executives : -

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Management Team



1. **Mr. Pornchai Krivichian**
Chief Executive Officer



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2. Ms. Patnarin Maliwal
Chief Financial Officer

3. Mr. Thammawat Uchupaiboonwong
Chief Marketing Officer

4. Mr. Suwat Youcharoen
Chief Operating Officer

5. Mr. Surasak Kongjantra
Vice President - Business
Development

6. Mr. Worapoj Wongsawat
Vice President - Sales and Marketing 3

7. Mr. Sirisak Viriyamanpong
Vice President - Sales and Marketing 1

8. Mr. Akekapot Boonyarattapun
Vice President - Operation

9. Mrs. Wilaiporn Thamvichai
Vice President - Business Administration

10. Ms. Wanlapa Luangdilok
AVP - Finance and Accounting

Management's Profile



Mr. Pornchai Krivichian

Chief Executive Officer

Age: 55 years



Ms. Patnarin Maliwal

Chief Financial Officer

Age: 45 years

Education

- Master of Engineering (Electrical Engineering), University of Bridgeport, USA
- Bachelor of Engineering (Electrical Engineering), Kasetsart University

Working experience in the past 5 years

- December 2020 - Present Chief Executive Officer
Information and Communication Networks PCL
- 2015 - October 2020 Executive Vice President -
Network Solutions Business
Group
Samart Telcoms PCL
- 2019 - October 2020 Member in Executive Board
Samart Telcoms PCL
- 2013 - October 2020 Sustainable Development
Committee Member
Samart Telcoms PCL
- 2005 - October 2020 Risk Management Committee
Member
Samart Telcoms PCL
- 2012 - 2015 Executive Vice President -
Network Services Business
Group and System
Integration Business Group
Samart Telcoms PCL

Shareholding (30/12/2020) : 0.36%

Relationship Directors and Executives : -

Education

- Master of Business Administration (Financial Management in International Business), Assumption University
- Bachelor of Arts, Germanistics, Chulalongkorn University
- Company Secretary Program (CSP) 73/2016
- Director Accreditation Program (DAP) 155/2018

Working experience in the past 5 years

- 2019 - Present Director and Chief Financial Officer
Information and Communication Networks PCL
- 2020 - Present Honorary Advisor
MAI Listed Company Association
- 2018 - 2019 Director, Chief Financial Officer and
Company Secretary
Information and Communication Networks PCL
- 2016 - 2018 Chief Financial Officer and Company
Secretary
Information and Communication Networks PCL
- 2014 - 2016 Chief Financial Officer
Information and Communication Networks PCL
- 2013 - 2014 Chief Operating Officer
LawtonAsia Insurance Broker Co., Ltd.
- 2012 - 2014 Head of Strategy Officer
S&P Syndicate PCL
- 2008 - 2011 Chief Financial Officer / VP-Commercial
Head
Siemens IT Solutions and Services Ltd.

Shareholding (30/12/2020) : 0.21%

Relationship Directors and Executives : -



Mr. Thammawat Uchupaiboonwong

Chief Marketing Officer
Age: 51 years

Mr. Suwat Youcharoen

Chief Operating Officer
Age: 48 years

Education

- Bachelor of Engineering (Electrical Engineering), King Mongkut's University of Technology Thonburi

Working experience in the past 5 years

- 2018 - Present Chief Marketing Officer
Information and Communication Networks PCL.
- 2015 - 2017 Chief Operating Officer
Information and Communication Networks PCL.
- 2010 - 2015 Senior Vice President
Loxley Wireless PCL.

Shareholding (30/12/2020) : 0.21%

Relationship Directors and Executives : -

Education

- Master of Telecommunications, Asian Institute of Technology
- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University

Working experience in the past 5 years

- 2018 - Present Chief Operating Officer
Information and Communication Networks PCL
- 2019 - Present Director
Expert Engineering and Communication Co.,Ltd.
- 2015 - 2017 Vice President - Project Management
Information and Communication Networks PCL
- 2011 - 2015 Asst.Vice President
Loxley Wireless PCL

Shareholding (30/12/2020) : 0.06%

Relationship Directors and Executives : -

**Mr. Surasak Kongjantra**

Vice President - Business
Development
Age: 52 years

**Mr. Worapoj Wongsawat**

Vice President - Sales and Marketing 3
Age: 52 years

Education

- Master of Economics (Business Economics), Kasetsart University
- Bachelor of Engineering (Electronics Engineering), King Mongkut's Institute of Technology Ladkrabang

Working experience in the past 5 years

- 2019 - Present Vice President - Business Development
Information and Communication Networks PCL
- March 2020 - Present Managing Director and Company Secretary
Expert Engineering and Communication Co., Ltd.
- 2018 Vice President - Sales and Marketing 3
Information and Communication Networks PCL
- 2014 - 2017 Vice President - Sales Special Project 2
Information and Communication Networks PCL
- 2011 - 2015 Vice President
Loxley Wireless PCL

Shareholding (30/12/2020) : 0.37%

Relationship Directors and Executives : -

Education

- Master of Business Administration, Sripatum University
- Bachelor of Engineering, Southeast Asia University

Working experience in the past 5 years

- 2019 - Present Vice President - Sales and Marketing 3
Information and Communication Networks PCL
- 2018 Vice President - Sales and Marketing 4
Information and Communication Networks PCL
- 1994 - 2017 Vice President
United Telecom Sales & Services Co., Ltd.

Shareholding (30/12/2020) : 0.06%

Relationship Directors and Executives : -



Mr. Sirisak Viriyamanpong

Vice President - Sales and Marketing 1

Age: 42 years

Mr. Akekapot Boonyarattapun

Vice President - Operation

Age: 48 years

Education

- Master of Business Administration, Kasetsart University
- Bachelor of Engineering (Electrical Engineering), Mahidol University

Working experience in the past 5 years

- 2019 - Present Vice President - Sales and Marketing 1
Information and Communication Networks PCL
- 2014 - 2018 Asst.Vice President
Information and Communication Networks PCL
- 2010 - 2014 Asst.Vice President
Loxley Wireless PCL

Shareholding (30/12/2020) : 0.51%

Relationship Directors and Executives : -

Education

- Bachelor of Engineering (Electronics Engineering), King Mongkut's Institute of Technology Ladkrabang

Working experience in the past 5 years

- 2019 - Present Vice President - Operation
Information and Communication Networks PCL
- 2018 Vice President - Project Management
Information and Communication Networks PCL
- 2015 - 2017 Vice President Service and Maintenance
Information and Communication Networks PCL
- 2013 - 2015 Senior Manager
Loxley Wireless PCL
- 1996 - 2013 Project Manager
Siemens Ltd.

Shareholding (30/12/2020) : 0.13%

Relationship Directors and Executives : -

**Mrs. Wilaiporn Thamvichai**

Vice President - Business
Administration
Age: 53 years

**Ms. Wanlapa Luangdilok**

Asst. Vice President - Finance
and Accounting
Age: 49 years

Education

- Bachelor of Business Administration, Bangkok University

Working experience in the past 5 years

- 2018 - Present Vice President - Business Administration
Information and Communication Networks PCL
- 1998 - 2017 Senior Vice President
Loxley Wireless PCL

Shareholding (30/12/2020) : 0.06%

Relationship Directors and Executives : -

Education

- Master of Business Administration (Accounting),
Thammasat University
- Bachelor of Commerce and Accountancy,
Thammasat University

Working experience in the past 5 years

- 2017 - Present AVP - Finance and Accounting
Information and Communication Networks PCL
- 2007 - Present Director
SingThai.com Co., Ltd.
- 2015 - 2016 F&A Senior Manager
Information and Communication Networks PCL
- 2014 - 2015 Accounting and Tax Manager
PTT Retail Management Co., Ltd.
- 2000 - 2013 Accounting Manager
Yeenin Frozen Foods Co., Ltd.

Shareholding (30/12/2020) : 0.06%

Relationship Directors and Executives : -

5

Policy and Business Overview

Information and Communication Networks Public Company Limited (ICN) has been officially established on 13 September 2007. In 2014, ICN had reorganized its business strategies and placed a greater emphasis on service efficiency. The company successfully increased its registered capital by 65 million Baht resulting in the total registered capital of 115 million Baht. ICN announced the appointment of Mr. Monchai Manepairoj as Chief Executive Officer, who possesses excellent knowledge and expertise, with a proven track record of success and more than 25 years of experience in the telecommunication industry. With efficient management and network-centric operations evolved by over 40 highly professional and experienced senior executives and employees, ICN is strongly proficient in providing the complete turnkey telecommunication business (Turnkey), covering a broad scope of consultancy, design, installation, testing, system integration, and after-sales services. As part of the goal to demonstrate the leadership of the telecommunication and communication market, ICN always has confidence and trust in a complete selection of revolutionary products provided by world-class telecommunication suppliers such as Nokia, Huawei, Coriant, Oscilloquartz, H3C and Thales (Gemalto was finally acquired by Thales in 2019). To keep providing customers with a comprehensive range of quality products and services, ICN also focuses on distributing high-end communication equipment used as spare parts (Supply) and offering efficient maintenance services (Maintenance) to various telecommunication networks. In 2016, ICN had commenced its brand-new business line, emphasizing on the installation and design of construction and electrical systems, with the establishment of a data center for a leading telecommunication company in the country.

On 18 April 2017, the Annual General Meeting of Shareholders 2017 approved to transform the Company into a public company. The Company was renamed into "Information and Communication Networks Public Company Limited", increasing its registered capital



by 110 million Baht from the original amount of 115 million Baht, which came to a total of 225 million Baht. On 27 April 2017, the Company achieved 165 million Baht of its paid-up capital. On 15 September 2017, the Company was listed on the Thai Market for Alternative Investment (MAI), while successfully introducing its Initial Public Offering (IPO), totaling 120,000,000 shares valued at 1.84 Baht per share, to the public for the first time.

In 2020, the Board of Directors' Meeting of the Company No. 5/2020 has resolved to appoint Mr. Monchai Manepairoj to be Chairman of the Executive Committee and appoint Mr. Pornchai Krivichian who has possessed a good number of expertise and experience in telecommunication industry for more than 20 years as well as a visionary and leadership and meets the qualifications required by the Company to take the position of Chief Executive Officer with effective date from 1 December 2020 onwards.

Vision, Mission, and Goal

Vision

To become the leader in engineering and digital technology, with the advancement of innovative products and excellent services guaranteed with the highest customer satisfaction under the principles of good corporate governance.

Mission

- Develop all employees with enhanced knowledge and expertise to keep pace with changes in technology consistently and appropriately.
- Ensure the highest satisfaction of customers by providing products and services to effectively meet all consumers' demands.
- Foster organizational ethics and take into account the importance of sustainable environment, community, and society.
- Grow the business consistently and firmly in order to generate sustainable returns to shareholders and all stakeholders in accordance with good corporate government principles.

Goals

- To generate business sustainability and continuing growth, with the expectation to maximize the Company's recurring income derived from the network maintenance service business to over 50% of total revenue, while being able to expand the Company's potential to both public and private sectors.
- To maximize customer satisfaction by offering a comprehensive range of high-quality products and professional services that genuinely meet all customers' needs.
- To ensure economic security to employees and their families by fostering the development of skill, ability, expertise, and innovation on a regular basis.
- To offer excellent social services to the public via various activities, for instance, the supports of scholarships and tools for needy schools and hospitals in the remote areas.

Core Values

- Attitude
- Happiness
- Sustainability

Significant Business Development

Our significant business development can be explained below:

2007

- Registered as "JRW Network Solutions Company Limited", with an initial registered capital of 20 million Baht.
- Awarded the telecommunication installation projects from JRW Utility Company Limited, an authorized dealer of Nokia Siemens Networks (Thailand) Company Limited to provide a comprehensive range of telecommunication and communication services for public customers.

2009

- Decreased the registered capital by 10 million Baht from the original amount of 20 million Baht by reducing the number of common shares totaling 1,000,000 shares valued at 10 Baht per share.
- Changed the Company's name from "JRW Network Solutions Company Limited" to "Information and Communication Networks Company Limited".
- Increased the registered capital by 10 million Baht from the amount of 10 million Baht, coming to a total of 20 million Baht, with the issuance of 1,000,000 new common shares valued at 10 Baht per share for the Company's working capital.

2012

- Increased the registered capital by 30 million Baht from the amount of 20 million Baht, coming to a total of 50 million Baht, with the issuance of 3,000,000 new common shares valued at 10 Baht per share for the Company's working capital.

2014

- Increased the registered capital by 65 million Baht from the amount of 50 million Baht, coming to a total of 115 million Baht, with the issuance of 6,500,000 new common shares valued at 10 Baht per share for the Company's working capital.
- Appointed as an authorized reseller to be responsible for the distribution of telecommunication products and services under the Alcatel-Lucent brand provided by Alcatel-Lucent (Thailand) Company Limited (Alcatel-Lucent was acquired by Nokia in 2016).
- Appointed as an authorized reseller to be responsible for the distribution of telecommunication products and services under the Coriant brand provided by Coriant GmbH from Germany.

- Started the business model as a main contractor to proceed with the design and installation of the integrated telecommunication system for CAT Telecom Public Company Limited and TOT Public Company Limited.
- Started a new business line in distributing telecommunication equipment as well as providing maintenance services for telecommunication systems.

2015

- Appointed as an authorized channel partner to be responsible for the distribution of telecommunication products and services under the Huawei brand provided by Huawei International Private Company Limited from Singapore.

2016

- Appointed as an authorized partner to be responsible for the distribution of telecommunication products and services under the Nokia brand provided by Nokia Solution and Networks (Thailand) Company Limited.
- Appointed as a value added reseller to be responsible for the distribution of telecommunication products and services under the Oscilloquartz brand provided by Oscilloquartz SA from Switzerland.
- Appointed as a value added reseller to be responsible for the distribution of hardware and software products under the Gemalto brand provided by Gemalto (Thailand) Ltd. (Gemalto was acquired by Thales in 2019).
- Started a new business line in the construction and design of electrical systems, with the establishment of modern data centers for renowned telecommunication providers in Thailand.

2017

- The Annual General Meeting of Shareholders 2017 on 18 April 2017 approved the following resolutions: Transformed into a public company.
- Revised the value of common share from 10 Baht to 0.50 Baht per share.
- Increased the registered capital by 110 million Baht from the amount of 115 million Baht, coming to a total of 225 million Baht, with the issuance of 220,000,000 new common shares valued at 0.50 Baht per share to be allocated as follows:

- (1) 100,000,000 of newly issued ordinary shares to be allocated to original shareholders, resulting in the Company's paid-up capital of 165 million Baht.
- (2) 108,000,000 of newly issued ordinary shares to be allocated to the public.
- (3) 12,000,000 million of newly issued ordinary shares to be allocated to the Company's Board of Directors, executives, and employees at the similar price offering to the public.

- The Company was listed on the Thai Market for Alternative Investment (MAI) on 15 September 2017.
- Introduced the Initial Public Offering (IPO), totaling 120,000,000 shares valued at 1.84 Baht per share.
- Appointed as value added reseller to be responsible for the distribution of products, software, documentation and services provided by ZTE (Thailand) Co., Ltd.
- Appointed as value added reseller to be responsible for the distribution of products, software and services under the HP brand provided by HP Inc (Thailand) Ltd.

2018

- Appointed as reseller to be responsible for the distribution of software products under the IBM brand provided by IBM Singapore Pte Ltd.
- Appointed as reseller to be responsible for the distribution of software products under the Oracle brand provided by Oracle Corporation.
- Appointed as reseller to be responsible for the distribution of software products under the HPE brand provided by Hewlette Packard Enterprise.
- Awarded the letter of intent for High-Speed Internet Service Project in Remote Area (Zone C) Group 5 Northeast 3 Region from CAT who entered into the bidding of the NBTC, with a total project value of 2,426 million Baht under the name of "IR Consortium". ICN has the work proportion for value of 1,237 million Baht.

2019

- Share purchase of 102,000 ordinary shares or 51% of the total shares of Expert Engineering and Communication Company Limited (EEC) in January 2019.
- Received a Type 1 Internet Service License from the NBTC for a period of 5 years in September 2019.

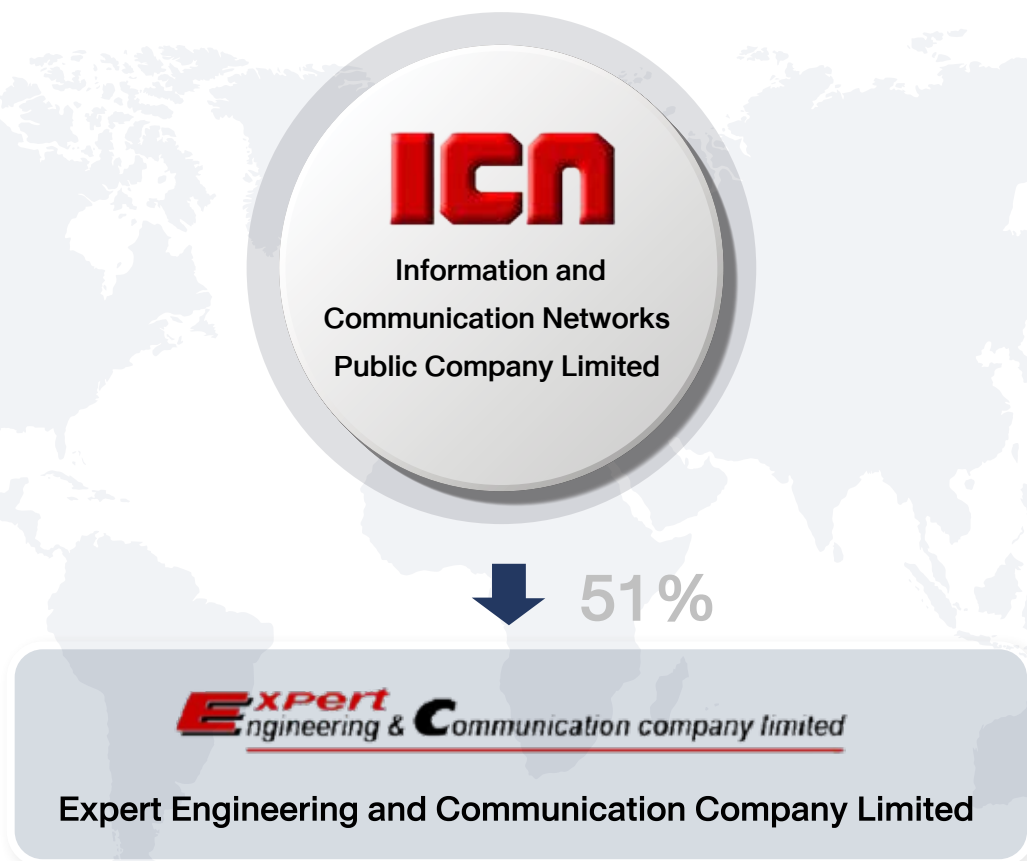
■ Major projects in 2020 are as follows:

- Installation of 850 MHz Frequency Band Filter Circuit Project from CAT worth 1,844 million Baht including VAT under the name of “TKI Consortium”. ICN has the work portion at 49% of total project at the amount of 904 million Baht including VAT.
- Turnkey Project and Procurement and Installation for Extension Work of IP Access Network in the Northeastern Region from PEA with a total project value of 172 million Baht including VAT.
- Procurement of ICT and Health Tech System Project from CAT in order to support medical care, controlling and increase of the capacity to deal with

the coronavirus 2019 (COVID-19) outbreak which shall be delivered to Ramathibodi Hospital, Siriraj Hospital, Rajavithi Hospital and Chulalongkorn Hospital, Thai Red Cross Society for 1 system worth 182 million Baht including VAT under the name of “IR Consortium”. ICN has the work portion at 51% of total project at the amount of 93 Million Baht including VAT.

- The Board of Directors’ Meeting of the Company No. 5/2020 has resolved to appoint Mr. Monchai Manepairoj to be Chairman of the Executive Committee and appoint Mr. Pornchai Krivichian to take the position of Chief Executive Officer with effective date from 1 December 2020 onwards.

Structure of the Company Group



To expand business potential, ICN purchased 102,000 ordinary shares of Expert Engineering and Communication Company Limited (EEC) or 51% of the total shares with the total value of 35.70 Million Baht with effective from 2 January 2019. EEC operates telecommunication and technology systems such as water resources management, data measurement and remote control systems, etc.

6

Nature of Business

ICN has been recognized as Thailand's leading telecommunication system integrator. ICN specializes in providing excellent products and services related to the design and installation of telecommunication systems, empowered by extensive knowledge and professional expertise of executives and employees. ICN has also expanded its business line to the design and installation of construction and electrical systems, together with the distribution of supplies and maintenance services.

1. Revenue Structure

With regards to nature of business, the revenue can be categorized into 2 major groups i.e. (1) sales revenue from turnkey business encompassing telecommunication and construction and electrical system and (2) sales revenue from supply of telecommunication system and maintenance of telecommunication system whereby the revenue in the year 2018 – 2020 are as follows:

Type	Year 2018		Year 2019*		Year 2020*	
	MB	%	MB	%	MB	%
Sales and Services Revenue						
Sales Revenue from Turnkey Business						
- Sales Revenue from Telecommunication System	615.96	60.65	932.58	77.63	997.52	67.82
- Sales Revenue from Construction and Electrical System	0.05	0.01	15.25	1.27	0.00	0.00
Sales Revenue from Supply and Maintenance						
- Sales Revenue from Supply of Telecommunication System	210.87	20.76	115.78	9.64	180.68	12.29
- Sales Revenue from Maintenance of Telecommunication System	188.67	18.58	135.11	11.25	291.66	19.83
Total Sales Revenue	1,015.55	99.76	1,198.72	99.79	1,469.86	99.94
Other Income**	2.40	0.24	2.55	0.21	0.94	0.06
Total Revenue	1,017.95	100.00	1,201.27	100.00	1,470.80	100.00

Remark:

* Presented as consolidated financial statements due to the purchase of shares of Expert Engineering and Communication Company Limited (EEC) on 2 January 2019

** Other income such as interest income etc.

2. Product and Service Details

Details of telecommunication products and services can be categorized according to the revenue structures as described below:

2.1 Turnkey Project

ICN offers a comprehensive range of products and services for turnkey telecommunication projects. As a project contract is signed, the Company will present the project master plan to the customer for common understanding in every work step. Once the master plan is approved, the Company shall proceed with the inspection, design, and procurement of required equipment and materials, installation and commissioning where each completed work will be submitted to a customer according to the scheduled phases. Meanwhile, ICN has divided its service systems into two major categories as follows:

1. Telecommunication System

ICN is specialized and experienced in providing the telecommunication services where the required data can be transmitted uninterruptedly from one place to another via electronic systems. Basically, it takes about 3-6 months to achieve a normal project or up to 1-2 years for a large-scale and complicated project depending on the requirements specified in an agreement. The Company is able to proceed with design, transparent procurement, and successful installation of the required telecommunication equipment and systems for both wired and wireless telecommunication networks as follows:

1) Transport Network

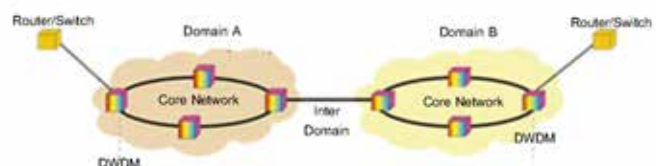
Transport Network is a fundamental communication device used to transmit the data remotely by using various transmission techniques. The transport network equipment, which is required to be installed in the core network to ensure effective transmission of big data. ICN is specialized in design and perform the system implementation by using the equipment listed below:

(1) IP Router / Carrier Switch

IP Router or Carrier Switch has been developed for the transfer of data, using IP, Ethernet, and Multi-Protocol Label Switching (MPLS), where the routing of information and priority arrangement of data can be managed specifically according to a user's requirement for data transmission efficiency. Normally, the device is mostly used at a distance of up to 40 kilometer and can support data transmission at 100 Gbps. For the installation of IP Router or Carrier Switch, ICN has exposed to the products provided by Nokia and Huawei, which are the world top 2 well-known brands.

(2) Next-Generation Dense Wavelength Division Multiplexing (DWDM)

With the adoption of Dense Wavelength Division Multiplexing (DWDM) technology, the information can be transmitted on multiple levels of wavelength via fiber optic cable. This ensures the enhanced effectiveness of multi-data transmission of up to 3200 Gbps at the maximum distance of 200 kilometers. Supported by the Generalized Multi-Protocol Label Switching/Automatically Switched Optical Network (GMPLS/ASON) technology, Next-Generation DWDM also helps facilitate the automatic searching of a new protection path, particularly when a working path is out of service or damaged to maintain the consistency for the users. ICN always relies on innovative supplies provided by Nokia and Huawei, which are the world top 2 well-known brands.



Sample Picture of Transport Network

(3) Mobile Backhaul Router

ICN offers design and installation services of Mobile Backhaul Router used to connect the terrestrial mobile network and the base station control system together. The Company uses the products provided by Huawei and Nokia.

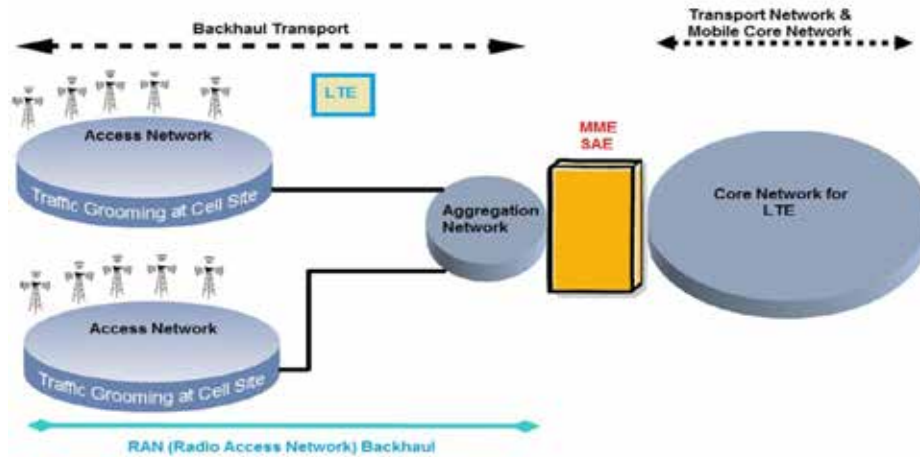


Figure 1: Scope of MPLS in Mobile Backhaul Initiative

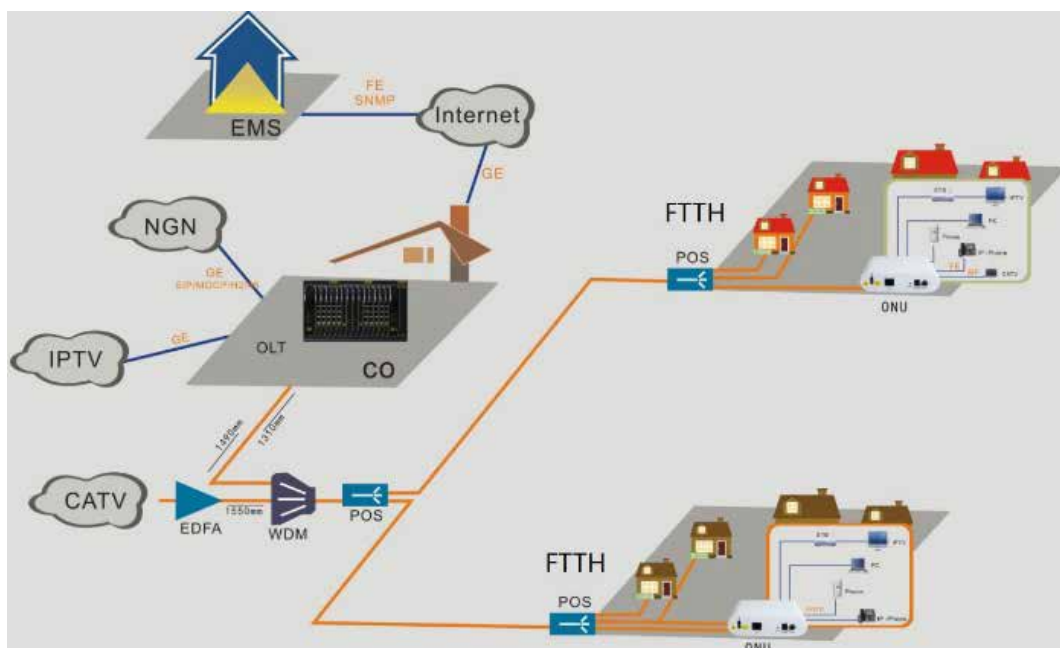
Sample Picture of Mobile Backhaul Transport

(4) Synchronous Digital Hierarchy (SDH)

This communication device has long been used to guarantee the completion of wired network projects. As copper telephone wire is the fundamentally required equipment, it ensures stable operations and enhanced security of application. However, the device can support up to 10 Gbps only. At present, there is still a demand for such device in certain groups of customers who focus mainly on network security. ICN normally uses quality products of Coriant.

2) Access Network

Access Network is a network that connects the core network to endpoints to provide data transmission services in various forms, varying in voice, video, data, and multimedia. The network can be operated by several technological systems, for instance, Fiber Optic Cable Network (FTTx). ICN prefers to rely on highly competitive products provided by Nokia and Huawei.



Sample Picture of Access Network

3) Fiber Optic Cable Network

Fiber Optic Cable is used for transmitting data based on the principles of the reflection of the light in transmission. With this type of cable, the required data will be transmitted at nearly the speed of light, where the loss value can surely be minimized and the transmission distance is much farther than other types of cables. Nowadays, Fiber Optic Cable becomes the most fundamental and popular signal transmission equipment among telecommunication business providers. ICN has always purchased the product from local manufacturers

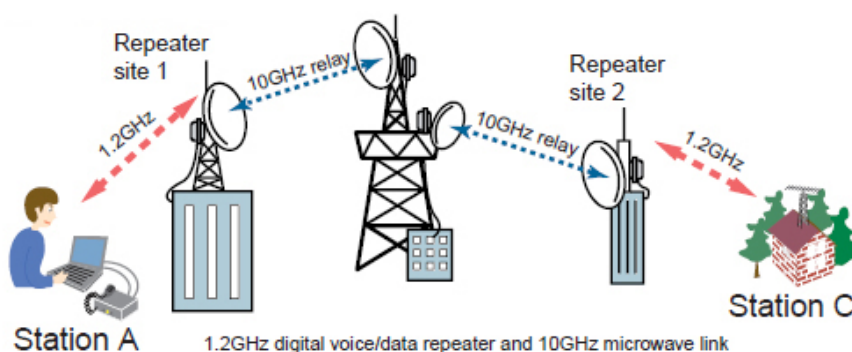


Sample Picture of Fiber Optic Cable

and distributors, with regard to functions and specifications required by customers for certain projects.

4) Microwave Radio

Microwave Radio is a communication system that relies on the steadiness of radio frequency ranging between 0.3 GHz – 300 GHz. For practical usage, the system can be functioned efficiently at the frequency between 1 GHz – 60 GHz as it can be produced easily by electronic devices. The required data will be transmitted by microwave frequency travelling in the air, in which a base station is required to be prepared for receiving and sending such required data. Travelling with the “Line of Sight” approach, microwave frequency is required to operate with periodic data transmission, where the required data will be sent and received collectively between base stations. Microwave radio communication system is ideal for remote data transmission, particularly in backcountry areas. ICN’s reliable Microwave Radio system is provided by Nokia and Huawei.



Sample picture of Microwave Communication

5) Broadband Wireless Access (BWA)

Broadband Wireless Access or BWA is empowered by mobile connectivity requiring the consistency of the high-speed Internet. This definitely makes the wireless network comparable to some certain wired networks, where BWA will serve as a tool to facilitate the transmission of data from the core network to a user with wireless connectivity. Normally, BWA is used for data transmission requiring radio waves at the frequency ranging between 2.3 GHz – 2.4 GHz and 2.5 GHz – 2.6 GHz, thanks to Nokia and Huawei for providing a comprehensive range of high-quality BWA products.



Sample picture of Broadband Wireless Access

6) Equipments related to 4G/ 5G Mobile Network

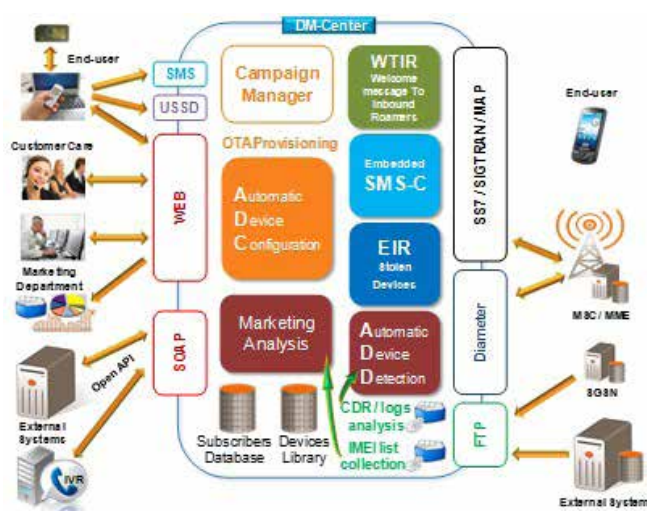
ICN is capable of providing 3G and 4G mobile broadband services, also known as the Long-Term Evolution (LTE) technology and the 5th or 5G high speed wireless communication technology which is coming in the near future, considered the groundbreaking wireless communication systems that combine voice, video telephony, high-speed data, Internet access, and other additional services together. ICN is highly specialized in designing and installing the 3G / 4G / 5G Mobile Network systems, varying in Mobile Switching Center Server (MSC-S), Radio Network Controller (RNC), Value Added Service (VAS), and Business Support System (BSS) under Nokia and Huawei brands.

7) Other Related Devices

Aside from wired and wireless telecommunication systems, ICN also provides turnkey business, supported by the use of the following devices.

- **Mobile Device Management (MDM)**

Mobile Device Management (MDM) is usually implemented with the use of a third-party device with management features of both 3G and 4G networks for subscribers to facilitate the settings of preferred information. This technological equipment also helps simplify the storage of information, particularly for planning of marketing strategies and maximizing the so-called Mobile Value-Added Services. Systems featured in the device can support various subscribers' platforms, while offering enhanced security, including Mobile Application Management (MAM) and Mobile Content Management (MCM). To achieve the design and installation of the Mobile Device Management system, ICN relies on quality products of the Thales (Former name: Gemalto) brand.



Mobile Device Management

- **Synchronization**

Synchronization is the process of establishing consistency among data obtained from a certain source to a targeted data storage unit and vice versa. Considered a key device for clock signal generation, all telecommunication networks have been urged to install this equipment to ensure untroubled synchronization of telecommunication signals, particularly for sequential digital communication in a lengthy distance requiring the steadiness of the high-speed signal. A sender and a receiver of data will know the current status of the transmitting data. ICN's synchronization system is supported by Oscilloquartz.

- **Order Management System (OM)**

Order Management is a software system to manage for opening, modifying and canceling various services which provides services on 3G / 4G LTE mobile networks such as activating / deactivating SIM cards for both prepaid or monthly payment (Postpaid), National Roaming service, opening / closing data services, services for changing the new SIM card with the existing number.

- **Service Activation At Once Management System (SAAM)**

Service Activation At Once Management is a system that connects to the OM system (Order Management) to convert the work order from the OM system to the terminal device of the mobile telephone exchange system, which has a variety of protocol and data transmission formats by terminal connecting devices such as:

- HLR (Home Location Registering) is a database system to collect ID information and information of all users.

- PCRF (Policy and Charging Rules Function) is function for managing the usage of data within the user network based on fair consumption model having service quality suitable as specified in the system, such as the condition when a user utilizes the data in a maximum amount according to the specified amount, the speed of data usage of that user will be reduced from the normal speed due to the reduction of bandwidth size. With such principle it will enable the telecommunication service provider to guarantee the quality of service to all users in the system.
- Value-Added Service (VAS) are other additional service systems such as RBT (Ring Back Tone), MCN (Missed Call Notification) etc.

- **Over The Air System (OTA)**

OTA platform is a software for managing the SIM card on a 3G / 4G LTE mobile phone network remotely by means of data transmission over a network called Over-The Air (OTA), allowing management SIM card (which is sold and used) from a remote location. Mobile phone users do not need to request service at the service center or need to contact the service provider's call center such as network management, the user's SIM card information update service, download and installation of new application information on the subscriber's SIM card without changing the new SIM card.

The year 2020 was a remarkable year when Thailand's and global economies have been stagnated in many business sectors due to the outbreak of the coronavirus pandemic or COVID-19. The Company had also been affected from this pandemic in many projects, for instance, the slowdown of government and state enterprises projects in considering new projects, inaccessibility of project sites as per COVID-19 measures to minimize the number of persons to enter client's premises. However, the Company has been able to continue the project work as usual after the implementation of various COVID-19 measures by the government and received additional projects of medium and large such as the following projects:

Installation of 850 MHz Frequency Band Filter Circuit Project

The Company has been awarded the project Installation of 850 Frequency Band Filter Circuit according to the Notification of National Broadcasting and Telecommunications Commission regarding the 824-839/869-884 MHz Frequency Band for the Mobile Telecommunications Plan and the 885-895/930-940 MHz Frequency Band for the Mobile Telecommunications Plan so called "Filter Project" from CAT Telecom Public Company (CAT) with the total contract value of 1,844 million THB including VAT. The Company together with Turnkey Communication Services Co., Ltd. had entered into this deal under "TKI Consortium". The portion of the Company is accounted for 49% equivalent to 903.63 million THB including VAT and the contract was signed in July 2020.

The work scope of this project is to install a filter device to prevent signal from base stations in the 850 MHz frequency band from interfering with the signal of the 900 MHz mobile phone network as announced by NBTC and maintain the quality of the network to be able to support the service to be similar to the quality of the network before installing the filter equipment covering 21,166 base stations in 77 provinces nationwide. The period of operation is 420 days from the date of signing the contract with 5 years warranty.

This Filter Project installs filter equipment which can be differentiated into 2 types:

- (1) Type 1: 50db filter. 50db filter is flexible, it can be used to fix in most cases when the distance between the frequency that is emitting at 850mhz and 900mhz is 150 meter or more.
- (2) Type 2: 70db filter. In some scenarios such as close distance around 150 meter or less, the 70db filter is preferred over 50db. All in all, 70db is more superior than 50db; it can filter more signal in short distance. However, due to its superiority, 70db costs more than 50db.

The project consists of 2 phases:

- (1) The first phase requires 300 days for the filter installation of 21,166 base stations
 - The first phase will also include a “drive test” which will be focusing on the frequency wave that is emitting at 850 MHz before installing the filter.
 - Install a type of filter called “Spurious”
 - Install 70db and 50db filter
- (2) The second phase requires 120 days after accomplishment of the first phase for optimizations and other maintenance and remove previous filters.



Before installation

After installation



Drive test route before the installation of filter device

Procurement and Installation for Extension Work of IP Access Network Project (Extension) in the Northeastern Region

The Company has been awarded the project of procurement and installation for extension work of IP Access Network (MPLS Router) in the Northeastern Region from the Provincial Electricity Authority or “PEA” with the total project value of 172 million THB including VAT and the contract was signed in June 2020.

The work scope of this project are to design, procure and install IP Access Network (MPLS Router) network equipment, software, cables, and other equipment for PEA’s extension work in the Northeastern Region to make the network operate perfectly. The implementation period is within 480 days from the date of signing the contract.



At current status, the abovementioned projects are under progress and gradually handed over to the customers in certain areas.

2. Construction and Electrical Systems

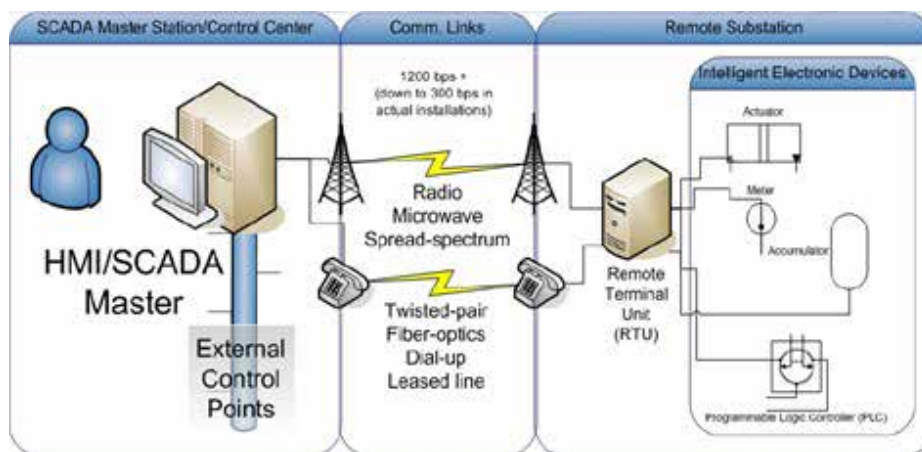
ICN has always recognized the importance of satisfying various demands for telecommunication products and services, as part of the ambitious goal to become successful telecommunication system integrator serving to several businesses. In 2016, ICN had expanded its new business line in construction and electrical systems, consisting of the following excellent services.

1) Electrical System Installation Services

ICN is capable of providing a comprehensive range of quality electrical system installation services for data center with internationally accepted standards. Electrical systems installed in a data center consist of designs and high-quality devices to be featured in various units, including server room, mechanical and electrical room, NOC room, storage room, meeting room, and generator power plant room. Besides, ICN also specializes in designing and installing other relevant systems for a data center, varying in mechanical and electrical system, air refrigeration and control system, automatic fire detection and alarm system, and security system. With the experience and expertise in the industry, ICN can cope efficiently with complicated electrical systems, leading to the enhanced capacity and competitiveness of its telecommunication business.

2) Supervisory Control and Data Acquisition (SCADA)

Supervisory Control and Data Acquisition, also known as SCADA, has been developed to facilitate real-time data validation and analysis used for monitoring the status of information and controlling industrial and engineering systems, varying in telecommunication and communication, water supply, wastewater treatment, energy management, and so on. Current circumstances shall be shown for user acknowledgement and timely problem solving to increase work efficiency. SCADA can support both wired and wireless networks, whereby ICN is proficient in this system with highly experienced personnels and business partners and good products. ICN is currently under the preparation of proposing the service for customer to install the said system.



SCADA

2.2 Supply and Maintenance

To provide customers with total solution service, ICN also offers the distribution of spare parts, while remaining firm in developing its telecommunication maintenance services, which can be described as follows:

1) Supply

ICN is engaged in the distribution of telecommunication devices of all types. Most of the devices are spare parts, which have been purchased by customers to substitute inferior or damaged ones. All spare parts can be implemented or re-installed by the customers themselves. However, ICN will offer its sufficient assistance to customers experiencing complicated or serious cases. ICN shall provide the equipment to the operators with 1-2 years warranty.

Telecommunication spare parts, which can support both wired and wireless networks, are listed below:

- 4G or LTE mobile system
- Internet Protocol (IP) network for the Internet of Things (IoT)
- Optical network
- Microwave network; in case that it can not be served by wired network or not worth for investment; for instance, in the islands or in backcountry area
- SIM card security verification system
- Synchronization system for telecommunication devices to avoid any mismatch in data communication

- IT infrastructure server and storage for Cloud Computing
- Mobile Device Management (MDM) for subscribers' system monitoring and management
- Software Defined Network (SDN) for data center management
- Fiber optic cable and installation-related equipment

ICN has been appointed as an authorized distributor in Thailand by several globally renowned telecommunication equipment manufacturers, including Nokia, Huawei, Coriant, Thales (Former name: Gemalto), Oscilloquartz, ZTE, H3C and HP.

2) Maintenance

ICN recognizes the importance of developing its network maintenance business as it can generate the so-called Recurring Income, where market competition is not very high. With the requirement of qualified personnel, they are expected to reduce possible risks that may arise from price negotiation. ICN's significant maintenance services include:

- Maintenance of the main mobile exchange
- Maintenance of mobile equipment of the base station
- Maintenance of optical network, microwave network, IP router / carrier switch, and IP network for voice, video telephone, image, and data



ICN's maintenance services can be divided into three main categories, including preventive maintenance, corrective maintenance, and proactive / adaptive maintenance.

To promote the superiority of maintenance services, ICN has prepared the Service-Level Agreement (SLA) to provide quality assurance between users and service providers. ICN has successfully established its Network Operations Center (NOC) to ensure there will be no untoward incident happened to any certain telecommunication system, monitor and solve the incidents in order to comply to designated SLA.

2.3 Other Business

1) 5G Network

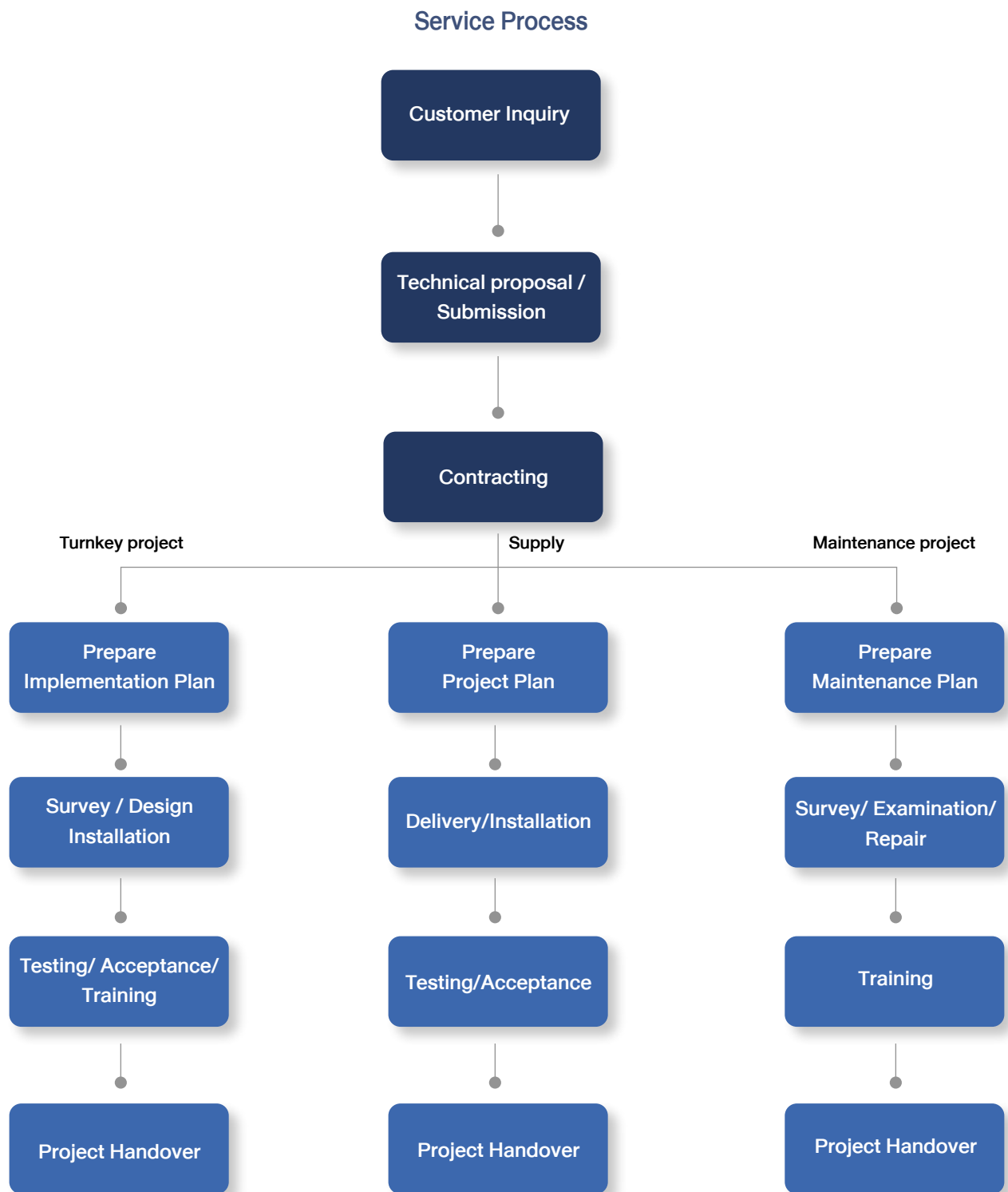
The 5G internet connection will be the era that enables rapid downloads in a more stable approach. Although 5G was firstly in place in 2020 and is available only in certain areas or large cities, The year 2021 will truly be the year of 5G with more coverages. The speed of 5G internet not only makes downloading of movies and music faster but also means the speed of communication is better than traditional one. As a result, more companies have been adopting high-speed internet connections widely. Moreover, with larger bandwidth, the more massive data transfers take fractions of a second. This is an important step forward in the development of the Internet of Things in every industry, service, medical

profession and education. The Company has prepared for both construction and maintenance work from 5G network providers and incorporated the technologies related to the implementation of the Internet of Things or solutions to facilitate customers such as cybersecurity, security system (AI Security) including intelligent parking, automatic activation system, various software used in hospitals, educational institutions, government agencies, residences etc.

2) Cloud Data Center System

Infrastructure of internet for sharing resources, use of software system and computer resources via internet by service providers allow user to choose the processing power and select the number of resources according to the needs of use which enables us to access data on Cloud from anywhere resulting in enormous cost savings such as hardware, infrastructure and maintain and support from various systems. It can support unlimited growth of the business because under Cloud systems the size of CPU capacity and space for data storage can be expanded all the time with easy and time saving procedure. The Company are ready for innovations for offering its services to Cloud service providers such as Block Chain, virtual machines or new applications to integrate with Cloud system, as well as to provide solutions that benefit for each business.





ICN has provided its high-quality services in different aspects depending on the requirements of each project. Basically, the turnkey projects require at least 120-540 days to be completed. The supply business takes about 60-180 days and maintenance services takes 1-2 years approximately.

3. Marketing and Competitiveness

3.1 Competitive Strategies

1) Developing Strategic Partnership with Locally and Internationally Renowned Telecommunication Equipment Manufacturers

ICN has been entrusted to be an authorized distributor by several leading telecommunication equipment manufacturers such as Nokia, Huawei, Coriant, Thales (Former name: Gemalto), Oscilloquartz, ZTE, H3C and HP. In particular, Nokia and Huawei have all been renowned for being the world's leaders of telecommunication solutions. In addition, ICN also has co-operated with companies that provide IT services, software and solutions in the Internet of Things (IoT), Big Data, Chatbot such as Siemens, Oracle, IBM, Inspur, Acer (Taiwan) etc. Backed by successful collaboration and concrete relationship with strategic partners, ICN is able to generate effective distribution of high-quality products and services to highly satisfy various demands of customers.

2) Getting Manpower Equipped with Competitive Expertise and Experience

Admittedly, the telecommunication industry requires knowledgeable people, with genuine expertise in engineering and other related fields of study. ICN's employees, particularly from the sales, product and solution, and service and maintenance departments, possess remarkable engineering backgrounds, together with a broad range of intellectual qualifications deemed appropriate with their positions. With over 25 years of experience in the telecommunication industry, those engineering-inspired workforces have been equipped with engineering excellence standard by leading telecommunication companies in Thailand and from foreign nations. In addition, ICN's personnel have been trained on a regular basis.

3) Fostering Concrete Relationship with Customers to Understand Their Genuine Requirements

With long-standing experiences in working with locally and internationally renowned telecommunication business providers, executives and employees of ICN can understand customers' needs so that they can foster concrete relationship in the long run. All valued customers

will be offered well-selected products and services suitable for each telecommunication project. It is considered ICN's most required standard to generate cost and time efficiency to ensure that the delivery of products and services is always maintained at the next level of progress, supported by competitive prices always appreciated by customers from both public and private sectors.

With desirable relationship with customers, ICN is committed to maximizing its product and service quality based on professional experience and enhanced expertise of its manpower. In 2016, ICN had successfully expanded its new business line in the construction and electrical system business, as part of the goal to maintain its continuing growth.

4) Causing Greater Impacts with Standardized Warranty and After-Sales Services

To ensure the maximized quality of products and services, ICN has developed its policy to offer warranty depending on customers' requirements. ICN has set up its service and maintenance team consisting of qualified engineers to push forward strategic development of products and services. As a consequence, ICN can reduce its problem-solving period for defective or damaged items to be resumed to normal, while being able to monitor the status of the purchased products as well as disseminate appropriate knowledge related to the purchased products to customers in the most productive way.

Additionally, ICN has prepared the Service-Level Agreement (SLA) to ensure further effectiveness of maintenance, repair, and alteration services for various telecommunication networks as well as increase confidence of customers.

3.2 Distribution Channels and Target Market

As the telecommunication business requires massive investment capitals in making certain projects achievable, ICN has remained firm to focus on large-sized telecommunication operators from both public and private sectors. Also, ICN has recognized its importance of providing excellent and competitive customer services directly for valued customers and via the assistance of business partners.

1) Main Contractor

ICN is pleased to offer a wide range of quality products and services directly to valued customers via its sales representatives from Sales & Marketing Section which is responsible for both public and private sectors such as CAT Telecom Public Company Limited, TOT Public Company Limited, the Metropolitan Electricity Authority, the Provincial Electricity Authority, Wire & Wireless Co.,Ltd. and True Corporation Group etc.

2) Subcontractor

Backed by experiences and expertise of ICN,

there are plenty of great opportunities for ICN to boost business expansion as well as cooperate with renowned business partners. ICN has always been entrusted as a keen subcontractor to make various telecommunication projects achievable. Our reputed customers are Wire & Wireless Company Limited, SVOA Public Company Limited, Advanced Information Technology Public Company Limited, SAMART Communication Services Company Limited, Thai Transmission Industry Company Limited, and United Telecom Sales & Services Company Limited.

ICN's total revenue from the sales of products and services classified by distribution channels during 2018-2020 can be elaborated as follows:

Type of Service	Y2018		Y2019		Y2020	
	MB	%	MB	%	MB	%
Distribution of products and services directly to customers	674.65	66.43	787.82	65.72	487.28	33.15
Distribution of products and services via business partners	340.90	33.57	410.90	34.28	982.58	66.85
Total	1,015.55	100.00	1,198.72	100.00	1,469.86	100.00

3.3 Pricing Policy

1) Turnkey Project

ICN mostly applies cost-based pricing policy. It is necessary for ICN to allocate quality equipment and services regarding the appropriateness of both quoted prices and technical specifications, emphasizing on effective operations and management approaches at minimal costs including equipment, subcontractor costs and appropriate margin level under cost-plus pricing method. ICN also determines prices with consideration of the continuity of certain telecommunication projects, expecting to keep supplying them with additional quality products and services, as well as the competitiveness of other relevant telecommunication projects.

2) After-Sales Service

For the telecommunication equipment supply business, ICN has always relied on the equipment costs with cost-plus pricing, together with the consideration of mid-prices previously agreed by regular customers prior to price negotiation regarding the quantity of ordered products and other relevant conditions such as payment, delivery, and warranty.

Regarding the maintenance services, ICN will propose competitive prices based on the scope and area of maintenance services corresponding to possible risk factors, costs in particular service areas, expertises of our workforces in the service areas and competitive condition.

Communication Market and Competition

In 2020, although telecommunication business has been economically impacted by lower purchasing power due to the COVID-19 outbreak, it is less affected than other sectors. In 2021 - 2022, it is predicted that telecommunication business will be able to grow from the government's support according to Thailand 4.0 policy from 5G spectrum auction by Office of The National Broadcasting and Telecommunications Commission (NBTC) in February 2020. Although the plan to invest in 5G network is delayed from schedule due to the COVID-19 pandemic situation, such investment plan still exists. This will result in a large investment in telecommunication of the country once again. In connection with the Internet of Things, there will be investments in various types of infrastructure and interconnection devices such as 5G mobile telephones, connected appliances, cars and other electronic devices, etc. In addition, the increase of speed of internet will make service business such as Data Center, Cloud Computing, Computer Services grow exponentially.

From the 3rd quarter of Thai economic report of the Office of the National Economic and Social Development Council, it was forecasted that in 2020, Thai economy was projected to decrease by 6.0 %, mainly due to the situation of the COVID-19 epidemic. Export value of goods was anticipated to decrease by 7.5 %. Meanwhile, private consumption expenditure and total investment were expected to contract by 0.9 % and 3.2 %, respectively. The average headline inflation was estimated to decline by 0.9 % and the current account is projected to record a surplus of 2.8 % of GDP.

In 2021, Thai economy tends to continually recover from the latter half of 2020, supported mainly by the success in the COVID-19 containment together with additional supports from government economic management resulting in improving domestic demand, the recovery of the world economy and global trade volume under the assumption that the outbreak passed its peak already in 2020 and the virus spread becomes well-contained, which will support the recovery of Thai

export sector, the budget disbursement under the FY2021 annual government budget as well as government economic stimulus measures, and the adjustment from unusually low growth base from 2020. Notwithstanding, there are several risks associated with the 2021 economic recovery, namely an uncertain situation of COVID-19 in several countries which could become more prolonged and more severe and consequently will undermine the global economic and tourism recovery, as well as employment conditions, the financial positions of both households and businesses, risks of drought, and global economic and financial volatilities. The Thai economy in 2021 is expected to expand within the range of 3.5 – 4.5 %. The export value of goods, private consumption expenditure, and total investment will increase by 4.2 %, 2.4 %, and 6.6 %, respectively. Headline inflation is expected to be in a range of 0.7 - 1.7 %, and the current account tends to register a surplus of 2.6 % of GDP.

According to the NBTC's 2020 communication and internet market survey, it is estimated that it will have a total value of 605,108 million Baht decreased of 2.3 % compared to the value of 619,143 million Baht in 2019, which is divided into communication equipment market and communication service market as follows:

(1) Communication Equipment Market Although NBTC held 5G auction in February 2020, which is a positive factor that will drive service providers in the telecommunication business to invest in providing services with 5G technology but the impact of the spread of COVID-19 virus has delayed the plan to invest in 5G network and spending various communication equipment market declined. Therefore, spending and investment in communications equipment market will be decreased in 2020 with an estimated value of 250,021 million Baht, decreased of 4.8 % from 2019 consisting of 4 sub-markets values which are (1) telephone handset market 111,650 million Baht (2) telecommunication network equipment market 73,245 million Baht (3) wireline equipment market 18,348 million Baht and (4) wireless equipment market 46,778 million Baht.

Type	Year 2017 (MB)	Year 2018 (MB)	Year 2019 (MB)	Year 2020F (MB)
1. Telephone Handset	121,962	118,976	121,462	111,650
2. Telecommunication Network Equipment	75,315	73,780	76,446	73,245
3. Wireline Equipment	17,702	18,468	18,489	18,348
4. Wireless Equipment	46,381	45,690	46,308	46,778
Total	261,360	256,914	262,705	250,021

Source: Office of The National Broadcasting and Telecommunications Commission (NBTC)

The results of the communication equipment market study of NBTC for the year 2019 and the forecast for 2020 are as follows:

1. Market Value of Telephone Handset

According to the data survey, telephone handset market in 2019 was 121,246 million Baht which increased of 2.1 % from 2018. During the spread of the COVID-19 virus, it is expected that telephone handset market value in 2020 will decrease from 2019 by 8.1 % and having total value of 111,650 million Baht.

2. Market Value of Telecommunication Network Equipment

According to the promotion of Thai society to enter into digital society and city landscape adjustment policy, it had led the government agencies to allocate investment budgets in several projects such as investment in submarine cables, in conduits, etc. Although the overall economy is still in a slowdown period but the investment in improving efficiency of the main network and investment to achieve results as planned is still going on. As a result, the investment value in telecommunication equipment market in 2019 has a positive direction, worth 76,446 million Baht, increased by 3.6% from 2018. However, the impact of the COVID-19 virus outbreak has delayed the operation plan. Therefore, it was expected that investment in 2020 will decrease by 4.2 % or approximately 73,245 million Baht.

3. Market Value of Wireline Equipment

Intense competition including private promotion strategies as well as government policies to promote digitalization of Thai society makes the investment in wireline equipment remain stable although the economy is in a slowdown. In 2019, the investment value was approximately 18,489 million Baht, increased by 0.1% from 2018. It was expected that the COVID-19 pandemic in 2020 will cause the investment in this market to shrink by 0.8 % or approximately 18,348 million Baht.

4. Market Value of Wireless Equipment

Network stability maintenance and increase of network efficiency to accommodate the increase of traffic volume have encouraged a continuous investment in wireless equipment market with the value of 46,308 million Baht in 2019, increased by 1.4% from 2018. In 2020, aside from the maintenance of existing network investment, the service of 5G technology is still to be invested. It was expected that 2020 will be in a positive direction but only slightly be increased due to the impact of COVID-19 virus pandemic with approximate value of 46,778 million Baht increased by 1.0 % from 2019.

(2) Communication Service Market The impact of the COVID-19 virus pandemic decreased outbound travel and roaming usage. People turns to communicate in channels with lower service rates. At the same time, anti-pandemic measures by working or studying at home increase the consumption of the internet and the use of communication services. As a result, the overall communication service market value in 2020 was expected to decrease by 0.4% from 2018 or approximately 355,087 million Baht. The value of the communication services market in 2020 comprises of 5 sub-markets as follows:

1. Fixed Line Telephone Service Market

Due to the behavior of consumers turning to alternative communication services via internet (Over-the-top: OTT), it has resulted in a continuous decline in the fixed line telephone service market. The results of the survey showed that the fixed line telephone service market in 2019 has a value of 8,008 million Baht, a decrease of 15.8% from 2018. For the year 2020, it was expected that this market will still have a value of 11.5% decreased from 2019 or approximately 7,087 million Baht.

2. Mobile Telephone Service Market

The increase in the number of users and the average income per number in 2019 was limited. As a result, the mobile telephone service market is valued at

approximately 257,106 million Baht increased by 2.3% from 2018. For the year 2020, the mobile telephone service market was expected to be affected by the COVID-19 pandemic in the second quarter. However, with the support of 5G technology, it was expected that the average income per number among household users will rise while the business sector in utilizing the 5G spectrum was expected to not be the main source of income in 2020. The mobile telephone service market was expected to be valued at approximately 254,278 million Baht decreased from 1.1% in 2019. The situation of the COVID-19 pandemic continue to have an impact in late 2020, which could further affect this market.

3. Fixed Line Internet Service Market

The results of the fixed-line internet service market survey found that the value of this market in 2019 was 71,791 million Baht, decreased by 4.8% from 2018, mainly due to severe competition and the revision of TFRS 15 adopted in the 2019 that financial statements requires a new revenue allocation if service providers distribute multiple items and services at the same time. Some fixed internet services are allocated to other services. For the year 2020, although the Thai economy was affected by the COVID-19 virus outbreak, the pandemic prevention measures by work or study at home at the same time, resulted in increased internet traffic. For that reason it was expected that the value of the fixed line internet service market will increase by 5.0% or equivalent to 75,381 million Baht.

4. International Calling Service Market

Currently consumers are turning to use OTT services. The service providers have to adjust by reducing IDD tariffs as well as modification to the service model such as providing SIM services for internet use abroad. The results of the survey found that by overall the market value of the international calling service continued to decline, with a value of 3,497 million Baht in 2019 decreased by 35.4% from 2018 and expected to be at only 2,064 million Baht in 2020 or decreased by 41.0% from 2019. The decrease in value is the impact of the COVID-19 virus pandemic causing a decrease in overseas travel, less roaming usage including turning to communicate in channels with lower service rates.

5. Data Communication Service Market

The results of the data communication service market survey found that the market value of this market in 2019 was approximately 16,036 million Baht increased by 3.8% from 2018. It was expected that the value of the data communication service market in 2020 will increase by 1.5% from 2019 equivalent to 16,277 million Baht. The

positive factors driving this market comprise of shifts in working styles as a result of the COVID-19 virus outbreak as well as government policies to encourage more adoption of Cloud and data center services.

Reference:

1. Office of the National Economic and Social Development Council, Thai economic performance for 2020 and outlook for 2020 - 2021
2. Office of The National Broadcasting and Telecommunications Commission (NBTC), the study results of communication market value and internet data of Thailand for 2019 and forecast for 2020
3. Office of The National Broadcasting and Telecommunications Commission (NBTC), Conclusions and recommendations for policies related to governance from the survey of communication market value of Thailand, internet research and survey project and study the value of communication market of Thailand in 2018-2019
4. TMB Bank PCL. Information and Communication Technology (ICT) Business Outlook 2020 – 2022

2.4 Levels of Competitiveness

As the telecommunications service business possesses a high growth rate resulted from new investment policies developed by both public and private sectors to support the increasing demand for quality products and services. Hence, as many operators exist in the industry, the service providers have been divided into three major categories as follows:

1. Large-sized Companies

Most of the large-sized companies are listed on the SET and allied with foreign manufacturers. These companies are capable of supplying a complete range of devices and possess financial stability, while being able to participate in large project biddings. Those high-profile companies are Samart Corporation Public Company Limited, Loxley Wireless Public Company Limited, Advanced Information Technology Public Company Limited, Forth Corporation Public Company Limited, Interlink Communication Public Company Limited, and SVOA Public Company Limited.

2. Medium-sized Companies

Medium-sized companies possess registered capital not exceeding 500 million baht and are affiliated with foreign manufacturers as well as large-sized companies. However, the medium-sized firms are restricted by the limitation of financial accounting and track record, leading to the restriction in participating in large auctions. Currently, there are about ten medium-sized companies in the industry, where key players are Sky ICT Public Company Limited, Turnkey Communication Services Company Limited, and Thai Transmission

Industry Company Limited.

3. Small-sized Companies

Small-sized companies are not considered distributors or dealers of imported telecommunication products. They possess relatively small amounts of working capitals and are unable to accept any work directly from customers. Normally, the small-sized firms are subcontractors of medium-sized companies. About 200 small-sized companies are operating their businesses across Thailand to accommodate subcontracting works provided by medium to large-sized telecommunications firms.

Since there are several types of telecommunications devices; for instance, core network, transport network, and access network, are available in the market, medium sized companies are therefore specialized in certain products solely which shall ease the level of competition among this group whereby ICN is also categorized under medium-sized companies too. Considering small companies, the opportunities to be selected as key dealers or distributors of imported telecommunications products is limited due to lack of qualified personnel, irrelevant work experience, and financial constraints. Despite being a medium-sized company with financial constraints and limited track record, ICN's senior executives possess specialized skills and professional expertise, back by more than 25 years of experience in the telecommunications business. They also foster good relationship with several key manufacturers, distributors, and customers as well as strategic partners of large-sized companies. Consequently, ICN is able to accept a variety of works directly from customers, particularly when the company can provide quality products and services in line with the customers' requirements. ICN can also join with trade partners as well as accept subcontracting works provided by large-sized companies.

2.5 Product and Service Procurement

2.5.1 Product Procurement of the Company

ICN has supplied equipment and products from both domestic and foreign partners when receiving orders or contracts from its customers. There is no policy to place an order in advance as ordered products are made for specific purposes required uniquely by each project. Currently, ICN has a total of 93 business partners on its approved vendor list, where those approved partners are considered from their quality, delivery period, prices, credit terms, manufacturing capacity, and accepted standards.

2.5.2 Service Fees

1. Consultancy Service Fees Paid to Product Owners

In some cases, providing telecommunications services can be very difficult and complicated, ICN is therefore required to inquire a product owner to provide services in accordance with the required procedures, for instance, project management, design system engineering, and installation. ICN may also require the on-the-job training program to be provided by the product owner, where the company must be responsible for all costs occurred, as part of the intention to make all required tasks achievable complying with technical specifications. Most of ICN's high-quality products are supplied by Nokia and Huawei.

2. Service Fees Paid to Subcontractors

To achieve all tasks required by telecommunications service, communication network maintenance, and electrical network construction projects, ICN may sometimes require further assistance from subcontractors in various regions throughout the country. Subcontractors will be monitored and supervised by ICN's project engineer. Currently, ICN has a total of 50 subcontractors on its approved vendor list, who are selected based on experience, track record, and financial status. Successful subcontractors required by each project are appointed in accordance with the following criteria.

- All project-related details, including project model, customer, period of completion, scope of responsibility, technical specifications, commercial requirements and project warranty.
- Names of subcontractors appearing on the approved vendor list to be considered by Procurement Department, where at least three subcontractors will be proposed and further discussion on work capability, price, credit term, and financial status will be determined accordingly.

A list of subcontractors and quotations to be proposed to the Procurement Committee for consideration and approval.

2.6 Backlogs

As of 31 December 2020, ICN recorded its backlogs amounting to 1,673 Million Baht, which shall be recognized as sales venue in the year 2021 onwards.

7

Risk Factors

The Company is aware of the importance of managing risks that arise regularly from the business operation due to both internal and external factors and has prepared certain measures in reducing such risks to an acceptable level. Moreover, the Company has also revised and evaluated the risk factors and obstacles that may affect the Company and related stakeholders. The Company has established the Risk Management Committee to set guidelines for prevention of risks that will occur and major risks are classified as follows:

1. Risk of Reliance on Product Distributors

As the main business of the Company is telecommunications installation and networking services (Turnkey Project), it is required purchase products directly from the authorized distributors. If the said distributors are unable to provide the equipment required by the telecommunications installation and networking services for the Company or fail to deliver the equipment that the Company orders on schedule, it will affect the sales and profits of the Company.

However, the Company has a good relationship with the manufacturers and had no any problems to be authorized as a partner or distributor of products. In addition, the Company has also found other manufacturers in the same or similar product group. Therefore, the Company has the flexibility to adjust according to the situation if necessary and can mitigate the risk of relying on only one single product.

2. Risk of Inconsistency of Revenue

The Company provides integrated telecommunications system services ranging from consulting, design, procurement, installation, commissioning, inspection, system connection and selling related equipment in the telecommunication network system for customers in the area of telecommunication service providers who want to expand, improve or repair their telecommunication systems. In the year 2018-2020, comparing to the total revenue from sales and service, the Company has revenue from turnkey and supply businesses for 81.42%, 88.73% and 80.16% respectively. However, the said revenues depend on customers' investment plans. If they appear to delay their investments or proceed with improvement or repair services by themselves, the Company would directly be affected by such risk factor.

After realizing a possible impact of such risk, the Company has decided to focus on providing telecommunications network maintenance services aiming to obtain increasing revenues as maintenance service agreements are normally effective for a period of 1-2 years. The Company has always been approved with contract renewal, where the Company's revenues obtained from network maintenance services, both sales and service revenue, were 18.58% in 2018, 11.27% in 2019 and 19.84% in 2020, amounting to 188.67 million Baht, 135.11 million Baht and 291.66 million Baht respectively. In addition, the Company has a policy to expand new customer base for example, expanding to Information Technology (IT) system and new technologies communication systems which help the Company has additional income from such policies and from the experience of the Company for a long time making a good relationship and understanding the needs of telecom service providers including offering services for

development improve the telecommunications system of the customer group. As of 31 December 2020, the Company reported its order backlog at 1,673 million Baht, thus ensuring that it can sustain its business growth supported by the consistency of revenue achievement.

3. Risk of Reliance on Key Customers

Dependency on large customers especially government and state enterprises is another risk factor under consideration of the Company. If the government and state enterprises have to delay spending on the budget, it may affect the operating results and financial position of the Company. At present, the competition in the business is highly competitive in terms of prices, technology and services, both from domestic and foreign competitors which may affect the income of the Company. However, as the government plays an important role in driving and enhancing the country's digital economy development potential for sustainable and inclusive growth, the Company service quality has been developed and enhanced in order to offer the optimum technology to meet the market conditions and the customer requirements competitively and to strengthen a close relationship with business partners.

In addition, the Company aims to continue engaging more in long term maintenance services agreement project to ensure stability and recurring revenues, expand its customer base and maintain its existing customer base to minimize the risk of reliance on a few key customers.

4. Risk of Change of Communication Technology

The rapidly changing trend in technology to fully transform into Digital Economy and Society. The new technology and innovation with ease and flexibility, high speed data transmission, fast response (Realtime) and greater network linkage such as 5G, Cloud, AI, IoT (Internet of Everything). The service providers / operators are therefore required to modify their systems and

networks accordingly. If the Company cannot provide the new up-to-date equipment or systems to offer services and meet customer requirement, it is probable that the Company may lose business opportunities and affect the operating results of the Company.

The Company has provided employee trainings and seminars with manufacturers, distributors, public and internal business partners, local and abroad trainings on a regular basis in order to equip the relevant employees with new technology, new products and new services in the market and to be able to build on business development from new technology, provide advices on new service platforms conforming to customers' various demands

5. Risk from Providing Services or Ordering Equipment before Entering into a Contract with a Customer

In some cases, it is necessary for the company to provide service or order equipment before signing a contract with a customer in order to provide services or to be able to deliver equipment on time according to the requirements of the customer. The company may have the risk of not receiving payments from customers and may be affected by the cost incurred if not contracted in the end. This will affect the performance of the company both income and profit.

However, the company will consider providing the service before signing the contract for specific projects without risk of getting the contract later.

In the event that the company needs to order equipment first. The company will set a condition for ordering with the manufacturer that the company can cancel the order for the equipment in case that the company does not receive a contract from the customer in the end or in the event that some customers that have a long process for signing a contract, such as some state-owned enterprises or private entities, the company will ask the customer to provide a Letter of Intent (LOI) to verify their employment first.

For projects that the company has been continuously hired as maintenance work. To provide continuous maintenance service and to reduce the risk from accumulated a lot of work, the company has to provide the service before the contract is renewed. Although the risk that the customer will not renew the contract is quite low. The company also has additional hedging. The company will not enter into the contract with the subcontractor until the company receives the contract from the customer. In the past, the company has not had any problems from providing services before the contract has not been signed.

6. Risk from Relying on Contractors

Company offers services including system integrations, and maintenances in telecommunication and communication nationwide. To complete the jobs, company also need to rely on vendor assistance to install and maintain the services and networks for each particular project. Else if the jobs turn out partially finished or fail to meet the standard in the agreement due to lack of vendor or vender's performance, it will affect the reputation and performance of the company.

Nevertheless, company owns the Approved Vendor Lists, consist of total 50 suitable vendors widespread throughout the country and company will evaluate a vendor by several qualification such as quality of work, working experience, good personnel, good finance and familiar with the customers. Company will select a vendor for a project from 3 to 4 parties that propose the price to the company. During the implementation of each project, our engineer will closely monitor and control the quality of the works together with providing evaluation for this chosen vendor after project completion. In the past, company has no problem in procuring and hiring vendors for equipment installation nor provide network maintenances.

7. Risk from Project Delay

The project has a fixed timeline for the implementation and delivery of the project, and results must be guaranteed as specified in the contract. If company fail to complete the operation agreed in the contract or defects discovered from the project caused any damages to external parties or properties, company must recompense the fine stated in the contract. Regarding to this matter, company realized the importance to reduce and prevent such risks by arranging insurance in each project, or distributing risks to other parties such as product owners and contractors. In addition, company foreseen the significant of developing personnel's skills including knowledge, abilities, and responsibility for the organization.

The key factor of delay usually rises from external aspects that the Company is incapable of controlling such as the interruption from product owner's shipment or the duty to change any breakdown equipment installed before handing over the project to customers. The Company decided to explicitly manage this particular risk by prudently track each step of the processes and wisely form an understanding coordination between the company, customers and manufacturing companies which makes it possible to identify the cause of the problem and reduce various impacts that may occur in advance to track and check project delivery period regularly.

8. Risks from the Coronavirus 2019 (COVID-19) Outbreak

The coronavirus disease (COVID-19) outbreak is an uncontrollable external risk factor. It also affects the implementation of the projects, such as delays in shipping equipment from abroad, inability to travel internationally, and also the difficulties in traveling within the country due to the various measures that the government has set to prevent the outbreak. As a result, the project implementation is delayed and the project cannot be delivered on time specified in the contract.

However, the Company has notified such problems to the customers throughout the period of the impact. The duration of the project has been extended and the fines has been waived by the customers. This is to reduce the damage arising from the risk of the coronavirus infection (COVID-19) outbreak to have as little impact on the Company as much as possible. In addition, during the COVID-19 pandemic, the Company realized the importance on the safety, good health and well-being of employees, partners and all relevant stakeholders by implementing various measures such as providing disinfectant spraying in the workplace, providing of cleaning equipment such as hand soap and alcohol sanitizer at various points, switching between working hours in the office and working at the residence (Work from Home) of employees, including providing a welfare lunch for employees during the COVID-19 pandemic to reduce exposure and congestion caused by large numbers of people as well as the anti-pandemic measures in organizing the 2020 Annual General Meeting of Shareholders by providing pre-registration through the application, providing a screening point for meeting attendees, measuring the temperature of the attendees before the meeting and having social distancing measure in the meeting room etc.

9. Risk of Exchange Rates

Fluctuation of foreign exchange rate might affect the Company's cost of project work because the Company revenue from providing system services including selling telecommunication equipment and maintenance is determined in the form of Thai Baht, while the Company has purchased related telecommunication equipment from abroad and from some distributors in foreign currency. The Company has closely monitored and analyzed the exchange rate fluctuation situation. The Company has implemented financial instruments such as forward exchange contract to protect and mitigate this risk.

10. Risk of Personal Data Protection Act (PDPA)

The Company realizes the importance of data privacy protection which is a fundamental right to the privacy of individuals. The data owners wish that his or her data is kept safe and secure. In addition, The Personal Data Protection Act B.E. 2562 (2019) sets forth the criteria or measures for governing the protection of personal information in connection with the collection, use or disclosure of personal information and rights of the personal data. Therefore, the Company has established and promulgated a personal information protection policy to be the basis for the protection of personal information including notification the purpose for collecting, using or disclosing information by adhering to the above mentioned guidelines.

11. Risk of Liquidity

Since the Company operates in the system integration in telecommunication business related to engineering expertise and new technology, which requires a high amount of funding and consumes a certain amount of time in project duration, that may cause the liquidity risk to the Company. It may derive from the change in the investment to expand or improve network efficiency from the telecommunication operators, economic situation, or the change of technology, project cost controlling under budget and the risk of delay payment from customer. The Company is fully aware of the risks; therefore, has implemented certain policies in pursuance of monitoring customers creditworthiness, concluding to the deal with government, state enterprises and private sectors with reliable creditability and payment capability, monitoring the project progress, adopting project cost controlling methodology and analyzing problems and obstacles in order to reach optimal solutions to ensure that the Company can collect money successfully as per the contract. The Company concludes a contract with sub-contractor based on Back-to-Back method in order to maintain liquidity. Furthermore, the Company also arranges another source of fund with financial institutions under "Project Finance" in advance to support new incoming projects and ensure the liquidity of the Company.

8

Company Assets

Detail of assets

As of 31 December 2020, The Company has the assets as follows:

Type of asset	Type of ownership	Obligation	Net book value (MB)
Office improvement	Owner	-	0.24
Furniture and office equipment	Owner	-	0.69
Project tool and equipment	Owner	-	1.76
Motor vehicles	Owner	-	0.25
Computer equipment - Hardware	Owner	-	0.99
Total			3.93

Leases of office building and warehouse

Agreement name	:	Rental of office building
Party	:	D.K.J. Construction Co., Ltd. ("Lessor") and the Company ("Lessee")
Agreement period	:	3 years during 30 June 2017 to 30 June 2020
Agreement renewal	:	Lessee shall request to renew agreement before expiration not less than 2 months
Essence of the agreement	:	<ul style="list-style-type: none"> • Lessor wishes to rent the office building named "D.K.J. Building" which is located on 5th Floor, 393 Sukhonhasawat Rd., Latphrao, Latphrao, Bangkok 10230 with total area 497 square meters to the Lessee. Lessee agrees to pay all facility fees including property tax. • Lessee is not allowed to assign or sublease the premises or any part thereof without prior written consent from the Lessor.
Agreement name	:	Rental of office building
Party	:	D.K.J. Construction Co., Ltd. ("Lessor") and the Company ("Lessee")
Agreement period	:	3 years during 30 June 2017 to 30 June 2020
Agreement renewal	:	Lessee shall request to renew agreement before expiration not less than 2 months
Essence of the agreement	:	<ul style="list-style-type: none"> • Lessor wishes to rent the office building named "D.K.J. Building" which is located on 4th Floor (partial), 393 Sukhonhasawat Rd., Latphrao, Latphrao, Bangkok 10230 with total area 248.5 square meters to the Lessee. Lessee agrees to pay all facility fees including property tax. • Lessee is not allowed to assign or sublease the premises or any part thereof without prior written consent from the Lessor.

Agreement name	:	Rental of office building
Party	:	D.K.J. Construction Co., Ltd. ("Lessor") and the Company ("Lessee")
Agreement period	:	2 years 6 months during 1 January 2018 to 30 June 2020
Agreement renewal	:	Lessee shall request to renew agreement before expiration not less than 2 months
Essence of the agreement	:	<ul style="list-style-type: none"> • Lessor wishes to rent the office building named "D.K.J. Building" which is located on 3rd Floor (partial), 393 Sukhonhasawat Rd., Latphrao, Latphrao, Bangkok 10230 with total area 99 square meters to the Lessee. Lessee agrees to pay all facility fees including property tax. • Lessee is not allowed to assign or sublease the premises or any part thereof without prior written consent from the Lessor.
Agreement name	:	Rental of warehouse
Party	:	D.K.J. Construction Co., Ltd. ("Lessor") and the Company ("Lessee")
Agreement period	:	2 years 10 months during 1 September 2017 to 30 June 2020
Agreement renewal	:	Lessee shall request to renew agreement before expiration not less than 2 months
Essence of the agreement	:	<ul style="list-style-type: none"> • Lessor wishes to rent the office building named "D.K.J. Building" which is located on 1st Floor (partial), 391 Sukhonhasawat Rd., Latphrao, Latphrao, Bangkok 10230 with total area 100 square meters to the Lessee. Lessee agrees to pay all facility fees including property tax. • Lessee is not allowed to assign or sublease the premises or any part thereof without prior written consent from the Lessor.
Agreement name	:	Rental of office building
Party	:	D.K.J. Construction Co., Ltd. ("Lessor") and the Company ("Lessee")
Agreement period	:	1 year during 1 July 2020 to 30 June 2021
Agreement renewal	:	Lessee shall request to renew agreement before expiration not less than 2 months
Essence of the agreement	:	<ul style="list-style-type: none"> • Lessor wishes to rent the office building named "D.K.J. Building" which is located on 5th Floor, 393 Sukhonhasawat Rd., Latphrao, Latphrao, Bangkok 10230 with total area 497 square meters to the Lessee. Lessee agrees to pay all facility fees including property tax. • Lessee is not allowed to assign or sublease the premises or any part thereof without prior written consent from the Lessor.
Agreement name	:	Rental of office building
Party	:	D.K.J. Construction Co., Ltd. ("Lessor") and the Company ("Lessee")
Agreement period	:	1 year during 1 July 2020 to 30 June 2021
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Agreement name :		Rental of office building
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Agreement name :		Rental of warehouse
Party	:	D.K.J. Construction Co., Ltd. ("Lessor") and the Company ("Lessee")
Agreement period	:	1 year during 1 July 2020 to 30 June 2021
Agreement renewal	:	Lessee shall request to renew agreement before expiration not less than 2 months
Essence of the agreement	:	<ul style="list-style-type: none"> • Lessor wishes to rent the office building named "D.K.J. Building" which is located on 1st Floor (partial), 391 Sukhonhasawat Rd., Latphrao, Bangkok 10230 with total area 100 square meters to the Lessee. Lessee agrees to pay all facility fees including property tax. • Lessee is not allowed to assign or sublease the premises or any part thereof without prior written consent from the Lessor.

Agreement name :		Rental of office building
Party	:	D.K.J. Construction Co., Ltd. ("Lessor") and the Company ("Lessee")
Agreement period	:	1 year during 20 February 2019 to 19 February 2020
Agreement renewal	:	Lessee shall request to renew agreement before expiration not less than 2 months
Essence of the agreement	:	<ul style="list-style-type: none"> • Lessor wishes to rent the office building named "D.K.J. Building" which is located on 6th Floor (partial), 393 Sukhonhasawat Rd., Latphrao, Bangkok 10230 with total area 120 square meters to the Lessee. Lessee agrees to pay all facility fees including property tax. • Lessee is not allowed to assign or sublease the premises or any part thereof without prior written consent from the Lessor.

Agreement name :		Rental of residential area
Party	:	Mr. Thongchai Sereemanakij ("Lessor") and the Company ("Lessee")
Agreement period	:	12 months during 1 September 2020 to 31 August 2021
Essence of the agreement	:	<ul style="list-style-type: none"> • Lessor wishes to rent the area which is located at 350/10 Moo 10, Tambon Ban Mai, Muang District, Nakhon Ratchasima Province for residence and storage of communication equipment and cables to the Lessee. Lessee agrees to pay all facility fees and other expenses. • Lessee is not allowed to assign or sublease the premises or any part or do any juristic act with others that will result in a bond in the leased property.

Investment in Subsidiaries and Associated Companies Policy

The Company shall invest in the company which shares the same or similar nature of business or the business which can support the expansion of the Company. This should lead to higher business performance or profit or lead to a solid synergy for the Company and supports the core business of the Company to the fullest extent in order to increase the Company's competitiveness.

However, in governing the subsidiaries and associated companies, the Company shall assign the qualified and experienced directors or executives who are suitable for business operation to be the representative in the management members of the subsidiaries and associated companies. The designated representative(s) shall determine the important policies and steer the business operations of the said subsidiaries and/or affiliated companies. The directors who are the Company representative shall perform the duty in governing the subsidiaries and/or associated companies and managing the entities in accordance with the policies formulated by the Company. The directors shall exercise their discretions based on the resolutions of the Meeting of the Board of Directors and/or the Meeting of the Shareholders on the significant issues of the subsidiaries and/or associated companies for utmost benefit generation to the Company and sustainable growth of the Company.

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Legal Disputes

As of 31 December 2020, The Company has no legal dispute.

General Information and Other Important Information

General Information

Information of the Company		
Company Name (English)	:	Information and Communication Networks Public Company Limited.
Symbol	:	ICN
Type of Business	:	Performing as System Integrator with comprehensively specialized services in design and implementation of telecommunication system as well as of construction and electrical systems. Offering supply products and maintenance services in telecommunication systems
Head Office	:	5 th Floor, D.K.J. Building, 393, Sukhontasawat Rd., Latphrao, Bangkok 10230
Registration No.	:	0107560000184
Telephone	:	02-553-0755-6
Fax	:	02-553-0757
Website	:	www.icn.co.th
Registered Capital	:	225,000,000 Baht at par value of 0.50 Baht
Paid - up Capital	:	225,000,000 Baht at par value of 0.50 Baht
Number of Shareholders	:	3,656 shareholders (as of 30 December 2020)
% Free float	:	55.90%

Information of the Relevant Company	
Company Name (Thai)	: บริษัท เอ็กซ์เพิร์ต เอ็นจิเนียริง แอนด์ คอมมูนิเคชั่น จำกัด
Company Name (English)	: Expert Engineering and Communication Company Limited
Type of Business	: Performing as Technology and Telecommunication System Integrator
Head Office	: 39 Soi Muban Seri Villa Yaek 1, Nong Bon, Prawet, Bangkok 10250
Registration No.	: 0105538101214
Telephone	: 02-399-3437-8
Fax	: 02-399-3439
Website	: www.eexpert.co.th
Registered Capital	: 20,000,000 Baht at par value of 0.50 Baht
Number and Type of Shares Issued and Paid in Full Amount	: 200,000 ordinary shares, 100 Baht per share
Proportion of Shares	: 51%
Securities Registrar	
Company Name	: Thailand Secruities Depository Company Limited
Head office	: 93 Ratchadaphisek Road, Dindang, Bangkok 10400
Telephone	: 02-900-9000
Fax	: 02-900-9991
Website	: www.set.or.th/tsd
Auditor	
Company Name	: Dharmniti Auditing Co.,Ltd.
Head office	: 178 Dharmniti Building 6-7th Floor, Soi Permsap (Prachachuen 20), Prachachuen Road, Bangsue, Bangkok, 10800
Telephone	: 02-596-0500
Fax	: 02-596-0566
Website	: www.daa.co.th
Internal Auditor	
Name	: Ms. Wimon Juakwon
Head office	: 5 th Floor, D.K.J. Building, 393, Sukhontasawat Rd., Latphrao, Bangkok 10230
Telephone	: 02-553-0755-6

Information of Securities and Shareholders

Number of Authorized Capital and Paid-Up Capital

As of 31 December 2020, the Company's authorized capital and paid-up capital was 225,000,000 Baht being classified into 450,000,000 ordinary shares at par value of 0.50 Baht per share.

Shareholders

Shareholder structure of the Company referred on 30 December 2020 can be summarized as follows.

Shareholder Name	No. of Shares	(%)
1. Manepairoj Group	88,334,649	19.63
1.1 Mr. Monchai Manepairoj	88,076,649	19.57
1.2 Mrs. Pandao Manepairoj	258,000	0.06
2. Laohasomboon Group	57,691,304	12.82
2.1 Mr.Pira Laohasomboon	34,950,000	7.77
2.2 Ms.Saipin Tangtrongchitr	22,741,304	5.05
3. Rungruangpol Group	42,908,894	9.54
3.1 Mr. Ronapoom Rungruangpol	300,000	0.07
3.2 Ms. Ida Rungruangpol	21,608,894	4.80
3.3 Mr. Dan Rungruangpol	21,000,000	4.67
4. Chonkadeedamrongkul Group	12,002,100	2.67
4.1 Mr. Sompong Chonkadeedamrongkul	10,602,100	2.36
4.2 Mr. Pongpat Chonkadeedamrongkul	1,000,000	0.22
4.3 Ms. Kaniittha Chonkadeedamrongkul	200,000	0.04
4.4 Ms. Warunee Chonkadeedamrongkul	200,000	0.04
5. Ms. Pattawan Sangnet	17,185,610	3.82
6. NOMURA PB NOMINEES LTD.	15,792,300	3.51
7. UBS AG LONDON BRANCH	12,518,300	2.78
8. Thai NVDR Company Limited	9,367,710	2.08
9. Ms. Chantana Krasaesan	8,245,101	1.83
10. Mr. Vijayakuma Balakrisnan	7,167,372	1.59
Other shareholders	178,786,660	39.73

Issuance of Other Securities

-None-

Dividend Payment Policy

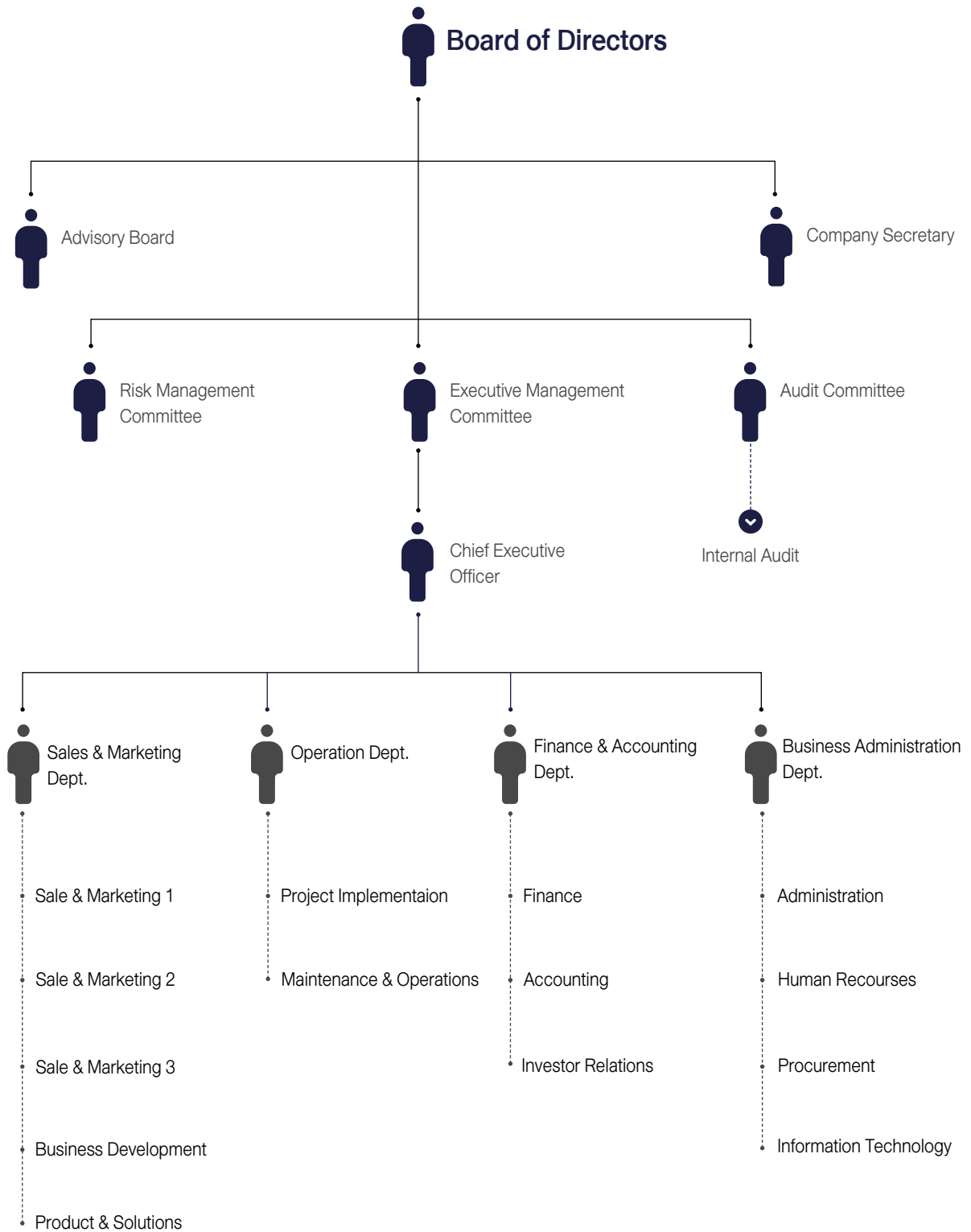
The Company has set the policy of dividend payment in the ratio of not less than 40% of net profit from separate financial statements of the Company after deduction of corporate income tax and allocation of legal reserve. However, the Company may consider paying dividend differently from the formulated policy subject to financial liquidity and necessity to use as working capital for business management and business expansion of the Company as well as economic situation.

In this regard, the resolution of the Board of Directors approving the payment of dividends must be proposed for the approval from the shareholders' meeting with the exception for the interim dividend payment, whereby the Board of Directors has the authority to approve the payment of interim dividends as such and shall report to the next shareholders' meeting.

	2017	2018	2019	2020
Net Profit (MB)	66.17	85.72	93.04	111.65
Net Profit per Share (Baht)	0.20	0.19	0.21	0.25
Interim Dividend (Baht/Share)	-	0.05	0.05	0.10
Dividend (Baht/Share)	0.09	0.09	0.10	0.08*
Total Dividend Payment (Baht/Share)	0.09	0.14	0.15	0.18*
Dividend Payment Ratio Compared to Net Profit (%)	64.46	77.38	76.41	76.30
Total Shares (Share)	450,000,000	450,000,000	450,000,000	450,000,000
Total Paid Dividend (MB)	40.50	63.00	67.50	81.00

Note: * For the performance of the year 2020, the Board of Directors resolved to propose to the Annual General Meeting of Shareholders for the year 2021 to consider and approve the payment of cash dividends to shareholders in total at the rate of 0.18 Baht per share. The Company first paid an interim dividend at the rate of 0.10 Baht per share on 9 December 2020, remaining as the second dividend payment at the rate of 0.08 Baht per share. However, the said dividend payment must be approved by the Annual General Meeting of Shareholders on 22 April 2021.

Organization Chart



As of 31 December 2020, the management structure of the Company consists of the Board of Directors and three Sub-Committees which are Audit Committee, Executive Committee and Risk Management Committee. The Company does not have a specific Nomination and Remuneration Committee but shall appoint Board of Directors to act as representatives. In addition, the Meeting of the Board of Directors No. 2/2019 held on 8 May 2019 had a resolution to appoint the Advisory Board in order to render advices on strategies and guidelines for business related matters to the Board of Directors.

The directors, audit committees, executive directors and executives of the Company have complete qualifications under Section 68 of Public Limited Companies Act, B.E. 2535 (1992) and in accordance with the relevant announcements of Capital Market Supervisory Board. The scope of authorities of the Board and Committees are as follows.

The Board of Directors consists of:

Name	Position
1. Mr. Segsan Roylapcharoenporn	Chairman of the Board and Chairman of the Audit Committee
2. Mr. Monchai Manepairoj	Director and Chairman of the Executive Committee
3. Mr. Ronapoom Rungruangpol	Director and Chairman of the Risk Management Committee
4. Mr. Pira Laohasomboon	Director
5. Mr. Chanachai Kulnoppaleark	Independent Director and Audit Committee
6. Mr. Nithi Nakages*	Independent Director and Audit Committee
7. Ms. Patnarin Maliwal	Director and Chief Financial Officer

Remark: * was appointed as director in the Meeting of the Board of Directors No. 1/2020 on 19 February 2020.

Ms. Tanankorn Klungpreamchitt, the Company Secretary, was appointed by the Meeting of the Board of Directors No. 1/2019 on 20 February 2019.

Authorized binding signatory directors of the Company

Any two of four directors consisting of Mr. Monchai Manepairoj, Mr. Pira Laohasomboon, Mr. Ronapoom Rungruangpol and Ms. Patnarin Maliwal shall jointly affix their signatures with the Company's seal.

The Board of Director's Meeting

Name – Surname			No. of Attendances/ No. of Meeting			
			2019		2020	
1.	Mr. Segsan	Roypapcharoenporn	6/6	100%	5/5	100%
2.	Mr. Monchai	Manepairoj	6/6	100%	5/5	100%
3.	Mr. Ronapoom	Rungruangpol	6/6	100%	5/5	100%
4.	Mr. Pira	Laohasomboon	5/6	83%	5/5	100%
5.	Mr. Anuwat	Luengtaweekul*	5/6	83%	-	-
6.	Mr. Chanachai	Kulnoppaleark	5/6	83%	5/5	100%
7.	Mr. Nithi	Nakages*	-	-	4/5	80%
8.	Ms. Patnarin	Maliwal	6/6	100%	5/5	100%

Remark : *On 19 February 2020, Mr. Anuwat Luengtaweekul resigned from the director office and Mr. Nithi Nakages was appointed as director in the Meeting of the Board of Directors No. 1/2020 on 19 February 2020.

Audit Committee consists of:

Name – Surname			Position
1.	Mr. Segsan	Roypapcharoenporn	Chairman of the Audit Committee
2.	Mr. Chanachai	Kulnoppaleark*	Audit Committee
3.	Mr. Nithi	Nakages*	Audit Committee

Remark : * are the directors with adequate knowledge and experiences who can perform duty in reviewing the reliability of financial statements. Mr. Chanachai Kulanapruerk holds the position of Assistant Vice President (Business Group) and Company Secretary, Kulthorn Kirby Public Company Limited, and graduated with the Bachelor of Accounting and Master of Business Administration-Accounting. Mr. Nithi Kakages holds the position of the Managing Director, Rimpae Beach Property Co., Ltd., and graduated with the Bachelor of Economics (Banking and Financial System), and Master of Business Administration (Financial Management).

Whereas Ms. Patnarin Maliwal is the Secretary of the Audit Committee.

Audit Committee's Meeting

Name – Surname			No. of Attendances/ No. of Meeting			
			2019		2020	
1.	Mr. Segsan	Roypapcharoenporn	4/4	100%	4/4	100%
2.	Mr. Anuwat	Luengtaweekul	3/4	75%	-	-
3.	Mr. Chanachai	Kulnoppaleark	3/4	75%	4/4	100%
4.	Mr. Nithi	Nakages*	-	-	3/4	75%

Remark: *On 19 February 2020, Mr. Anuwat Luengtaweekul resigned from the director office and Mr. Nithi Nakages was appointed as director in the Meeting of the Board of Directors No. 1/2020 on 19 February 2020.

Executive Committee consists of:

Name – Surname			Position
1.	Mr. Monchai	Manepairoj	Chairman of the Executive Committee
2.	Mr. Ronapoom	Rungruangpol	Executive Committee
3.	Mr. Pornchai	Krivichian	Executive Committee
4.	Ms. Patnarin	Maliwal	Executive Committee
5.	Mr. Thammawat	Uchupaiboonwong	Executive Committee
6.	Mr. Suwat	Youcharoen	Executive Committee

Whereas Mrs. Wilaiporn Thamvichai was appointed as the Secretary of the Executive Committee in the Executive Committee No. 2/2019 on 14 February 2019.

Executive Committee's Meeting

Name – Surname			No. of Attendances/ No. of Meeting			
			2019		2020	
1.	Mr. Monchai	Manepairoj*	12/12	100%	12/12	100%
2.	Mr. Ronapoom	Rungruangpol	9/12	75%	11/12	92%
3.	Mr. Pornchai	Krivichian*	-	-	1/12	8%
4.	Ms. Patnarin	Maliwal	11/12	91%	11/12	92%
5.	Mr. Thammawat	Uchupaiboonwong	12/12	100%	12/12	100%
6.	Mr. Suwat	Youcharoen	12/12	100%	11/12	92%

Remark: * Mr. Pornchai Krivichian was appointed as Chief Executive Officer in the Meeting of the Board of Directors No. 5/2020 effective on 1 December 2020 onwards.

Risk Management Committee consists of:

Name – Surname			Position
1.	Mr. Ronapoom	Rungruangpol	Chairman of the Risk Management Committee
2.	Ms. Wilaiporn	Thamvichai	Risk Management Committee
3.	Ms. Wanlapa	Luangdilok	Risk Management Committee
4.	Mr. Nopphadol	Jirayuwanon	Risk Management Committee
5.	Mr. Chatchai	Chaitekul	Risk Management Committee
6.	Mr. Chavaron	Benjatikul	Risk Management Committee

Risk Management Committee's Meeting

Name – Surname			No. of Attendances/ No. of Meeting			
			2019		2020	
1.	Mr. Ronapoom	Rungruangpol	6/6	100%	7/7	100%
2.	Ms. Wilaiporn	Thamvichai	6/6	100%	7/7	100%
3.	Ms. Wanlapa	Luangdilok	6/6	100%	7/7	100%
4.	Mr. Nopphadol	Jirayuwanon	6/6	100%	7/7	100%
5.	Mr. Chatchai	Chaitekul	4/6	67%	7/7	100%
6.	Mr. Chavaron	Benjatikul	6/6	100%	7/7	100%

Management Group

There are 10 members of management group consisting of:

Name – Surname			Position
1.	Mr. Pornchai	Krivichian*	Chief Executive Officer
2.	Ms. Patnarin	Maliwal	Chief Financial Officer
3.	Mr. Thammawat	Uchupai boonwong	Chief Marketing Officer
4.	Mr. Suwat	Youcharoen	Chief Operating Officer
5.	Mr. Surasak	Kongjantra	Vice President - Business Development
6.	Mr. Worapoj	Wongsawat	Vice President - Sales and Marketing 3
7.	Mr. Sirisak	Viriyamanpong	Vice President - Sales and Marketing 1
8.	Mr. Akekapot	Boonyarattapun	Vice President - Operation
9.	Mrs. Wilaiporn	Thamvichai	Vice President - Business Administration
10.	Ms. Wanlapa	Luangdilok	AVP - Finance and Accounting

Remark: * Mr. Pornchai Krivichian was appointed as Chief Executive Officer in the Meeting of the Board of Directors No. 5/2020 effective on 1 December 2020 onwards.

Changes in ICN Shares Held by Directors and Executives in 2020

No.	Name	Position	ICN shares held as of 30/12/2019	ICN shares held as of 30/12/2020	Increase/ (Decrease) in ICN shares held in 2020	Percentage of shares held in 2020 (%)
1	Mr. Segsan Royleapcharoenporn	Chairman, Audit Committee Chairman and Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	-
2	Mr. Monchai Manepairoj	Director and Chairman of the Executive Committee	87,707,877	88,076,649	368,772*	19.57
	Spouse and minor children		-	258,000	-	0.06
3	Mr. Ronapoom Rungruangpol	Director and Chairman of the Risk Management Committee	300,000	300,000	-	0.07
	Spouse and minor children		-	-	-	-
4	Mr. Pira Laohasomboon	Director	34,950,000	34,950,000	-	7.77
	Spouse and minor children		22,741,304	22,741,304	-	5.05
5	Mr. Chanachai Kulnoppaleark	Audit Committee and Independent Director	300,000	300,000	-	0.07
	Spouse and minor children		-	-	-	-
6	Mr. Nithi Nakages**	Audit Committee and Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	-
7	Ms. Patnarin Maliwal	Director and Chief Financial Officer	768,072	952,484	184,412*	0.21
	Spouse and minor children		-	-	-	-
8	Mr. Pornchai Krivichian***	Chief Executive Officer	-	1,600,000	-	0.36
	Spouse and minor children		-	-	-	-
9	Mr. Thammawat Uchupaiboonwong	Chief Marketing Officer	746,616	923,348	176,732*	0.21
	Spouse and minor children		-	-	-	-
10	Mr. Suwat Youcharoen	Chief Operating Officer	247,205	257,039	9,834*	0.06
	Spouse and minor children		-	-	-	-
11	Mr. Surasak Kongjantra	Vice President – Business Development	1,548,319	1,683,778	135,459*	0.37
	Spouse and minor children		-	-	-	-
12	Mr. Worapoj Wongsawat	Vice President – Sales and Marketing 3	136,616	291,893	155,277*	0.06
	Spouse and minor children		-	-	-	-
13	Mr. Sirisak Viriyamanpong	Vice President – Sales and Marketing 1	2,184,913	2,292,594	107,681*	0.51
	Spouse and minor children		7,500	-	-	0.00
14	Mr. Akeapot Boonyarattapun	Vice President - Operation	486,577	593,671	107,094*	0.13
	Spouse and minor children		-	-	-	-
15	Mrs. Wilaiporn Thamvichai	Vice President - Business Administration	134,707	288,928	154,221*	0.06
	Spouse and minor children		-	-	-	-
16	Ms. Wanlapa Luangdilok	AVP - Finance and Accounting	186,795	270,215	57,005*	0.06
	Spouse and minor children		-	-	-	-

Remark:

- * Receiving shares from Employee Joint Investment Program (EJIP) started from 1 August 2018 – 31 July 2021
- ** Mr. Nithi Nakages was appointed as Director in the Meeting of the Board of Directors No. 1/2020 effective on 19 February 2020 onwards.
- ** Mr. Pornchai Krivichian was appointed as Chief Executive Officer in the Meeting of the Board of Directors No. 5/2020 effective on 1 December 2020 onwards.

Company Secretary

In the Meeting of the Board of Directors No. 1/2019 on 20 February 2019, the Board of Directors resolved to appoint Ms. Tanankorn Klungpreamchitt for the replacement of Ms. Patnarin Maliwal to hold the Company Secretary office in accordance with Section 89/15 of Securities and Exchange Act B.E. 2535 (1992), amended by Securities and Exchange Act (Issue No. 4) B.E. 2551 (2008). Ms. Tanankorn Klungpreamchitt attended the training of the Course of Company Secretary Program (CSP) Certificate, Batch 99/2019 on 27 - 28 June 2019. The duties and responsibilities of the Company Secretary are as follows.

1. Supervise and give counsel to the directors and executives related to compliance of laws, requirements, rules and regulations of the Company and monitoring and supervising for proper and regular practice.

2. Be responsible for organizing the Meeting of the Board of Directors and the Meeting of the Shareholders, and supervise and coordinate for compliance with resolution of such Meeting.

3. Supervise the disclosure of data and report the information in responsible part in accordance with rules and requirements of Stock Exchange of Thailand and Office of Securities and Exchange Commission, including relevant laws.

4. Prepare and retain the following documents.

- 4.1 Registration of Directors

- 4.2 Appointment Letter for the Meeting of the Board of Directors, and the Meeting Minutes of the Board of Directors

- 4.3 Appointment Letter for the Meeting of the Shareholders and the Meeting Minutes of the Shareholders

- 4.4 Annual Report of the Company

- 4.5 Stakeholding Report for Directors and Executives

Remuneration for Directors and Executives in 2020

The Company determines the remuneration for directors and executives in a proper level and adequate rate with consideration to retain qualified directors and executives without excessive payment of remuneration and in the level which is comparable to other companies in the same industry based on experience, duty, scope of role and responsibility. The payment of remuneration for director shall be considered and approved by the Meeting of the Shareholders of the Company in part of remuneration for the executives in accordance with the principle and policy prescribed by the Board of Directors by considering duty, responsibility, and performance of each executive in relation to the Company's overall performance.

Monetary Remuneration

Remuneration for Board of Directors

In Annual General Meeting of the Shareholders for 2020 on 22 April 2020, it resolved the determination of annual remuneration for directors for 2020 under the following details.

- Meeting allowance for the Chairman of the Board for 20,000 Baht/person/time
- Meeting allowance for director for 10,000 Baht/person/time
- Meeting allowance for the Chairman of the Audit Committee for 20,000 Baht/person/time
- Meeting allowance for the audit committee for 10,000 Baht/person/time
- Monthly remuneration for executive director who is not a permanent employee of the Company for 80,000 Baht per month and actual telephone bill and travelling expense

In 2018, 2019 and 2020, the Company paid remuneration to the Board of Directors under the following details.

(Unit : Baht)

Name – Surname	Year 2018		Year 2019		Year 2020	
	Meeting Allowance	Other	Meeting Allowance	Other	Meeting Allowance	Other
1. Mr.Segsan Royleapcharoenporn	160,000.00	-	190,000.00	-	180,000.00	-
2. Ms. Prapharat Tangkawattana ¹	30,000.00	-	-	-	-	-
3. Mr. Monchai Manepairoj	60,000.00	-	70,000.00	-	50,000.00	-
4. Mr. Ronapoom Rungruangpol	60,000.00	960,000.00	70,000.00	960,000.00	50,000.00	960,000.00
5. Mr. Pira Laohasomboon	60,000.00	-	60,000.00	-	50,000.00	-
6. Mr. Anuwat Luengtaweekul ²	45,000.00	-	75,000.00	-	-	-
7. Mr. Chanachai Kulnoppaleark	80,000.00	-	85,000.00	-	90,000.00	-
8. Mr. Nithi Nakages ²	-	-	-	-	70,000.00	-
9. Ms. Patnarin Maliwal ¹	10,000.00	-	70,000.00	-	50,000.00	-
Total	505,000.00	960,000.00	620,000.00	960,000.00	540,000.00	960,000.00

Remark: ¹ On 25 July 2018, Ms.Prapharat Tangkawattana resigned from the director office and Ms.Patnarin Maliwal was appointed as director in the Meeting of the Board of Directors No. 4/2018 on 6 November 2018.

² On 19 February 2020, Mr. Anuwat Luengtaweekul resigned from the director office and Mr. Nithi Nakages was appointed as director in the Meeting of the Board of Directors No. 1/2020 on 19 February 2020.

Remuneration for Executives

In 2018 - 2020, the Company paid remuneration to the executives at the amount of 31.19 million Baht, 35.38 million Baht and 37.37 million Baht, respectively. The said remuneration includes salary, bonus, contribution to provident fund, Employee Joint Investment Program (EJIP) and employee benefit.

Year	No. of Executive (person)	Remuneration (Baht)
2018	9	31,191,061
2019	10	35,387,448
2020	11*	37,368,220

Remark: * Mr. Pornchai Krivichian was appointed as Chief Executive Officer in the Meeting of the Board of Directors No. 5/2020 effective on 1 December 2020 onwards.

Personnel

As at 31 December 2020, the number of employees of the Company has been as follows.

Department	No. of employees (person)
	31 December 2020
1. Sales & Marketing Department	
1.1 Sales & Marketing 1	4
1.2 Sales & Marketing 2	2
1.3 Sales & Marketing 3	3
1.4 Business Development	3
1.5 Product and Solutions	6
2. Operation Department	
2.1 Project Implementation	26
2.2 Maintenance and Operations	106
3. Finance and Accounting and Business Administration	11
Total	161

Remark : Number of employees in the table excludes 11 executives.

Labor Dispute

-None-

Remuneration for Employees

Monetary Remuneration

In 2018 - 2020, the Company paid remuneration to its personnel (excluding executives) in the amount of 45.37 million Baht, 44.64 million Baht and 51.67 million Baht, respectively, as remuneration in term of salary, bonus, overtime pay, contribution to provident fund, Employee Joint Investment Program (EJIP) and other welfares.

Other Remuneration

- None -

Personnel Development Policy

Nowadays, the change of technology plays an important role in organization resulting in a growing influence on business competition. Therefore, the Company has set a framework in human resource development through skill enhancement and adoption of technology with the goal of sustainable growth.

Working Guideline

The Company realizes the value of human assets which are a major driving force for the success of organization to achieve sustainable growth. The Company aims to develop and enhances skills and potential of personnel in correspondence to the goals of the organization by emphasizing the importance of technology policy within the conceptual framework and system for human resource development. The Company analyzes the need for training and development with consideration of vision, mission, organization goals as well as cultivates awareness, develops ideas, creates positive attitudes towards work and organization, which is the real foundation of human resource development.

Guidelines for human resource management and development are as follows:

Training and Development Policy

1. **Management Capabilities:** The Company supports and develops executives' potential by enhancing skills, knowledge, leadership together with the introduction of new knowledge to be competitive and prompt to be a business leader as of now and in the future i.e., the City Leadership Program, the Advanced Certificate in Public Administration and Public Law Course of King Prajadhipok's Institute (KPI) and Leadership Transformation in The Age of Disruption Program.

2. **Technology:** The Company supports and develops executives and employees in understanding new technology, having competitiveness, fulfilling advance technology in the future effectively, keeping up with disruption by training courses such as IT skills (cloud system and security system for business purpose), and other relating technologies such as CompTIA Cloud Essentials, CompTIA Security Plus+ and CCTV Fundamental Design.

3. **Technical Skill:** The Company encourages employees to develop specific technical skills and strengthen their expertise in order to apply in their works in the area of network system and other related systems such as device management system course and network monitoring tool course, etc.

In addition, the Company also takes into account the general work safety for its employees. Therefore, the Company has organized various training courses such as occupational safety, health and environment, basic fire fighting and evacuation fire drill.

Human Resource Management and Development by Information Technology

The Company has developed digital technology to apply in human resource management and development in order to support online working process in every stage for utmost efficiency, convenience, speed, safety and cost reduction such as performance evaluation system, pay slip system, travel approval system, online document storage system and ICN ChatBot system etc.

In 2020, the Company has organized training courses for executives and employees with 588 training hours for all employees. It is average 7 hours per person per annum as below details:

Training	Number of Attendees	Hours
Management Course	3	432
Technology Course	5	126
Finance and Accounting Course	2	18
Safety Course	35	12

Policy of Corporate Governance

Information and Communication Networks Public Company Limited (“Company”) considers good corporate governance as paramount important due to its consideration and opinion that it is a crucial mechanism in leading to effective, transparent and verifiable management system that contributes to build confidence and reliance for shareholders, investors, stakeholders, and related parties. The adoption of good corporate governance is the instrument for value addition, competitiveness building and promotion of long-term sustainable growth of the Company. Therefore, the Company endorsed the policy for good corporate governance as prescribed by the Stock Exchange of Thailand and the Securities and Exchange Commission in the Meeting of the Board of Directors No. 1/2017 on 29 March 2017 and has applied the principle of compliance with Code of Best Practices as operating guideline of the Company. The principle of good corporate governance of the Company covers the principles of 5 sections as follows:

Section 1 The Rights of Shareholders

Section 2 The Equitable Treatment of Shareholders

Section 3 The Role of Stakeholders

Section 4 Disclosure and Transparency

Section 5 Responsibilities of the Board of Directors

In the Year 2017, the Securities and Exchange Commission issued the Corporate Governance Code for Listed Companies 2017 (“CG Code 2017”) laying down 8 main practices for the Board of Directors as follows:

1. Establishing clear leadership role and responsibilities of the Board, contributing to the sustainable value creation for the business;
2. Defining objectives and goals that promote sustainable value creation;
3. Enhancing the Board effectiveness;
4. Ensuring effective CEO and personnel management

5. Promoting innovation and conducting business with responsibility;

6. Strengthening effective risk management and internal control system;

7. Ensuring disclosure and maintaining financial integrity;

8. Ensuring engagement and communication with shareholders.

These practices are for adoption by the Board of Directors in the corporate governance to ensure good business results in the long term, reliability for shareholders, for the benefit in creating value for the business with sustainability. In this regard, the Board of Directors' Meeting No. 5/2018 held on 12 December 2018 and the Board of Directors' Meeting No. 5/2020 held on 11 November 2020 considered reviewing the Company's corporate governance policy by applying the Corporate Governance Code for Listed Companies 2017 as it deemed appropriate for the Company's business context as much as possible, and also added suitable practices for company improvement and the Board of Directors shall consider reviewing the CG Code at least once a year as appropriate.

Section 1 The Rights of Shareholders

The Company is aware of the importance of the rights of shareholders and promotes the shareholders to use their rights according to basic rights of shareholders by allowing them to receive sufficient information and supporting them to vote during the annual general meeting and will not commit any action that will violate the rights of shareholders. The Company determines the policy to provide facilitation and to promote all shareholders both Thai and foreign investors, individual investors and institutional investors to participate in the meeting of the shareholders as following details.

Policy for Facilitating and Promoting the Shareholders to Attend the Shareholders' Meeting

1. The Annual General Meeting of Shareholders is determined to be held every year within 4 months after the end of the fiscal year of the Company. The Extraordinary General Meeting of Shareholders can be called upon on a case-by-case basis by the Board of Directors of the Company, in case of urgent matter or issues to consider any special agenda that may affect or relate to the benefits of the shareholders.

2. Invitation letter to the Annual General Meeting of Shareholders is prepared and sent to every type of shareholders including institutional shareholders, together with the details of meeting agendas; important and necessary information for the shareholders consideration including opinion of the Boards of Directors, minutes of previous annual general meeting of shareholders, annual report, all types of proxies named Form A, Form B and Form C as determined by the Ministry of Commerce with instructions by indicating location, date, time and a map of meeting venue. In the meeting invitation letter, details of documents that shareholders need to present in the meeting in order to preserve the right in attending the meeting will be given. The invitation letter will be sent to shareholders at least 21 days prior to the meeting day so that shareholders will receive sufficient, accurate, complete and transparent information for making a decision to cast a vote. In addition, the invitation letter will be announced in the newspaper in Thai for 3 consecutive days before the meeting day at least 3 days. Moreover, the Company aims to distribute a complete invitation letter of the Annual General Meeting of Shareholders together with related documents about the meeting on the website in Thai version for at least 30 days prior to the meeting day and in English version for at least 7 days prior to the meeting day. The shareholders can use such information to make a decision for voting with completeness and honesty. The provided documents are intended for the shareholders to be prepared before attending the meeting. The Company also publicizes this news via SET Link that the Company has already distributed invitation letter and related documents on the Company's website.

3. On the meeting day, shareholders will be equally assisted by arranging sufficient receptionists to provide information and inspect documents for registration. The Company uses efficient and rapid system for registration and prepares stamp duty for the shareholders to affix proxy with free of charge. The Company also arranges a spacious meeting place which is convenient in Bangkok area for shareholders to reach and attend the meeting.

4. The Company will not take any actions that are considered limiting the rights of attendance of shareholders. Every shareholder has the right to attend the meeting of shareholders throughout the length of the meeting.

5. Prior to every meeting commencement, the Company will introduce all of the rules relevant in the meeting such as commencement ceremony of the meeting, the methods of voting and counting of votes of shareholders in order to reach a resolution for each agenda according to the articles of association of the Company. For counting vote, the Company will carry on counting the votes of shareholders who do not cast a vote for every agenda and the resolution of each agenda will be clearly summarized in the meeting venue. The Company will ensure to separate the votes for each agenda clearly in order to preserve the rights of shareholders.

6. For vote counting procedure, the company will arrange an independent outsider e.g. auditor or shareholder who is selected and approved by the meeting to count or examine the vote counting for both the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders. The vote counting will be disclosed to the meeting and recorded in the minutes of the meeting.

7. The Chairman of the Board of Directors will allocate meeting time adequately and proceed the meeting properly and transparently. During the meeting, attendants are given an opportunity to exercise their rights for protecting their benefits by asking questions, sharing opinions, giving recommendations and casting a vote in the meeting of shareholders regarding important issues that may affect the Company such as the appointment or removal of directors, nomination of an independent director, approval of the auditor, dividend allocation, increase or decrease of capital, determination

of amendment of articles of association or memorandum of association and approval of a special resolution.

8. The Chairman, directors and management are responsible for attending the Annual General Meeting of Shareholders to answer questions raised by shareholders.

9. The Company grants the shareholders, who delay in meeting, to exercise their rights by balloting for agenda under consideration and has not yet concluded.

10. The Company has indicated the interests of directors in the invitation letter to the meeting of shareholders. During the meeting of shareholders, if any director has an interest or is related in any agendas, the Chairman of the meeting will inform attendants in advance prior to considering such agenda. The directors with an interest to such agenda will not attend the meeting and be refrained from casting vote in such agenda.

11. The Company will announce resolutions of the meeting by notifying them to SET Link of the Stock Exchange of Thailand and have them disseminated on the Company's website on the following day after the Annual General Meeting of Shareholders.

12. The Company will prepare minutes of the Annual General Meeting of Shareholders submitted to the Stock Exchange of Thailand within 14 days after the meeting day according to the requirement of the Stock Exchange of Thailand. Details of the meeting which comprised of the minutes of meeting, voting and questions from shareholders of each agenda will be completely and suitably disseminated.

Due to the outbreak of the coronavirus pandemic or COVID-19, the Company has concerned with the safety and hygiene of the shareholders. The Company has therefore set guidelines for shareholders to attend the 2020 Annual General Meeting of Shareholders to be in line with the Department of Disease Control's COVID-19 Prevention and Control Recommendation, Ministry of Public Health by providing pre-registration through the application, providing screening points and various equipment as well as staffs in front of the meeting room, measuring the temperature of the attendees before entering the meeting room and having social distancing measure in meeting room to monitor and prevent pandemic which may occur.

Section 2 The Equitable Treatment of Shareholders

The Company is aware of the equitable treatment of shareholders to every group of shareholders not only major shareholders but also minor shareholders, institutional shareholders or foreign shareholders and endeavor to implement any mechanism to support the genuine.

1. The Company has a policy to treat and protect the rights of every shareholder equally and fairly for management shareholders and non-executive shareholders, Thai shareholder, foreign shareholders, major shareholders or minority shareholders by allowing shareholders to exercise their rights to propose additional agenda and nominate qualified candidates to be elected as directors of the Company at least 3 months before the end of the fiscal year and disseminating such criteria for exercising such rights through the channel of the Stock Exchange of Thailand including notifying the criteria for determining whether to accept the proposed proposal clearly by publishing on the Company website.

2. The shareholders have the right to authorize proxies to attend and vote in the meeting and to receive documents and proxy instructions to legitimate proxies. When submitting the proxy form to the director at the meeting, proxies shall have the right to attend the meeting and vote as same as shareholders.

3. The Company will propose names of independent directors in the Company's proxy form to be an alternative for shareholders to have the opportunity to proxy to any independent directors.

4. The Company will conduct the shareholders' meeting in accordance with the agenda specified in the invitation letter. The Company has no policy to add on agenda to the meeting without notifying the shareholders in advance so that the shareholders have opportunity to study the information on the agenda before making a decision.

5. The Chairman, relevant directors and executives are responsible for attending shareholders' meetings to answer questions to shareholders including recording important questions and comments in the minutes of the meeting for later examination by the shareholders.

6. To provide the opportunity to the shareholders without losing their rights, the Company allows the shareholders who wish to attend the meeting to register even after the time of registration.

7. The ballot cards will be prepared separately by important matters for every agenda so that the shareholders can vote as they think appropriate. The result of the vote will be calculated with the votes received in advance in the proxy form. Before announcing the resolution of the vote in the meeting with transparency, the Company will collect ballots from shareholders for later examination.

8. The Company will disclose updated information through the Company's website to notify shareholders with regard to the change of the important Company information as well as information to be disclosed by the Company in accordance with various requirements such as the minutes of the General Meeting of Shareholders. After the disclosure to the Stock Exchange of Thailand, the Company will also publish such information on the Company's website to allow shareholders to ask questions and receive information equally.

9. The Company identifies that directors and executives of the Company are not allowed to conduct any security trading during the 1 month period before the publication of financial statements or other information that affects the price of the Company's security and shall not trade the Company's security within 24 hours after the disclosure of all information to the public. When a director or an executive performs the security trading, the report for the change of security holding shall be delivered to the Securities and Exchange Commission within 3 working days for further disclosure.

10. The directors or executives are required to report their conflict of interest to the Board of Directors for acknowledgment.

11. The Company has set up Insider Trading policies of the related persons including director, executive, staff, and employee, as well as spouse and underage children of such persons who are related to the information. In addition, the Board also determines penalty measure related to disclosure of the Company's information or insider trading for personal interest in accordance with the policy for protection of the insider trading and provision of knowledge to the directors and executives of the Company about duty of reporting the possession of securities by him/her, his/her spouse or person who lives together as husband and wife, and underage children, as well as reporting the change in possession of securities to the Office of the Securities and Exchange Commission under Section 59 and penalty measure under Securities and Exchange Act (Issue No. 5) B.E. 2559 (2016).

12. In treatment and supervision of every shareholder, every shareholder can suggest and express his/her opinions or notify complaints to the Chairman of the Board (independent director) and Company Secretary via email: icn_companysecretary@icn.co.th. The independent Committee shall consider, screen and consider issues for appropriate execution such as in case of suggestion considered and deemed by the Board of Directors to be useful for business operation of the Company, the said issues shall be proposed to the Meeting of the Board of Directors for consideration and determination of the operating guideline or being the meeting agenda in the Meeting of the Shareholders as appropriate accordingly. Moreover, the channel for information inquiry or opinion expression of the investors via icn_ir@icn.co.th is provided. Investor Relations Unit is responsible for providing necessary information to the investors.

Section 3 The Role of Stakeholders

The Company has a policy to attach importance to the rights of all stakeholders for satisfaction creation to all parties under the following details.

Shareholder	:	The Company aims for effective, honest and fair business operation to generate overall maximum benefit to the Company and shareholders by knowledge and skill of management for major shareholders and minor shareholders under concern on satisfactory overall operation, stable growth, and competitiveness maintenance, maximum shareholder satisfaction such as organizing company visit by shareholders and meeting top executive, overhearing opinions and suggestions of the shareholders, and arranging the channels of information dissemination and contact with the shareholders via Website: www.icn.co.th and Email icn_ir@icn.co.th .
Employees	:	The Company treats its employees equitably and fairly, and gives proper rewards, gives precedence to regular development of the employees' potential by continuously organizing training of knowledge and competency development to employees for development of knowledge skill and work skill, and cultivating good attitude and consciousness to be good staffs with competency and good citizen to the society. The Company strictly complies with staff-related laws and regulations by establishing and giving contribution of provident fund for employees, as well as other welfares such as health insurance, accident insurance, vacation availability, etc.
Business Partner	:	The Company aims for business partner treatment with equity and equality under concern on mutual benefit under trade condition in good faith without corruptive action in trading with business partner, and without conflict with laws.
Creditor	:	The Company aims for strict compliance with financial condition and agreement in the matters of objectives of money spending, repayment, collateral quality supervision, and any other matters agreed with the creditor in order to attain mutual benefit.
Customer	:	The Company aims for building customer confidence and satisfaction by offering good quality products and services in reasonable price and complying with customer conditions under main concern on benefit that meets customer satisfaction, good relation maintenance, and non-disclosure of customer information without permission unless it is the information required for disclosure to the related outsider in accordance with legal regulations.
Competitor	:	The Company aims for conducting under set of rules of good competition, maintaining norm of code of petition competition, and avoiding dishonest procedure for competitor destruction.
Community and Society	:	The Company shall not perform any act that adversely affects to society, natural resources and environment, and must seek for the opportunity to continuously and seriously support the social creativity and cultivation of social responsibility consciousness activities among all levels of employees, and to strictly perform or control for strict compliance with laws and rules issued by the governance agencies. In 2020, top management of the Company has participated SET Social Impact Gym 2020 Project under the concept of Idea-to-I done organized by the Stock Exchange of Thailand and the Association of Listed Companies in the Market for Alternative Investment (MAI) as a volunteer coach to provide management knowledge and share business experiences including the development of the potential of social enterprise to prepare for stable business growth and create good social outcomes.

Section 4 Disclosure and Transparency

The Board of Directors take the importance of the disclosure of the Company information into account since it will affect the price of Company security and impact the decision making process of the investors and its stakeholders. It is therefore very important to control and determine relevant criteria in information disclosure including financial data and general information in accordance to the rules and regulations by law from The Security and Exchange Commission and The Stock Exchange of Thailand. These information will contain important matters which are clear, complete, sufficient, reliable, transparent, updated and be accessible by all parties and it will be publicized via SET Link System of the Stock Exchange of Thailand and the Company website www.icn.co.th in order that all relevant parties may access to this information equally. Such information is for instance the policy report and corporate governance structure in the annual information form (Form 56-1), annual report (56-2), minutes of shareholders' meeting so that the shareholders can follow the details in the meeting.

The Board of Directors is aware of their responsibility towards the financial statements report whereby the data must be accurate, complete, true and reasonable information. The Company's financial statements are prepared in accordance with Generally Accepted Accounting Standards by adopting appropriate accounting policies, regularly observing and carefully exercising discretion, and disclosing adequate information in the notes to financial statements. Moreover, The Board of Directors maintains efficient internal control system to reasonably ensure that the accounting information is accurately, completely and adequately recorded in securing the assets and realizing on weaknesses to prevent fraud or malfunction.

The Board of Directors has appointed the audit committee comprising of non-executive directors who are in an independent role. The audit committee shall be responsible for the quality of financial statement and internal control system and will review the financial statements, related parties transactions and internal control system. The audit committee shall directly report to the Board of Directors.

In case of any inquiries, you may contact the Investor Relations Department at the telephone number

02-5530755 ext. 502 and email: icn_ir@icn.co.th for an equal information access towards shareholders and stakeholders.

Section 5 Responsibilities of the Board of Directors

The Board of Directors recognizes the responsibility and role in identifying the policy and the direction of the operation of the Company to be in accordance with laws, objectives, The Company's articles of association as well as the resolution of the shareholders' meeting by supervising the management to proceed in accordance with the policy effectively and efficiently to protect the interests of the Company and maximize economic value to the highest benefit of the shareholders based on good corporate governance principles. The Board of Directors will monitor the implementation of business strategies in order to achieve sustainable growth. With consideration of its importance, the Board of Directors consists of professional with leadership skills, vision, knowledge, capability and experience in various fields appropriately and full of integrity and is independent in making decisions for the best interests of the Company and shareholders.

The Board has followed the best practices of the Stock Exchange of Thailand in various areas as follows.

1. Structure of the Board of Directors

The Board of Directors comprises of the experts with knowledge, competency and experiences in the executive office level from different organizations. The experiences, knowledge and competencies then can be effectively applied to develop and formulate the policies and directions of the Company's business operation and bring about maximum interests for the Company and shareholders. The Board of Directors shall play the crucial roles in formulating the policies and overview of the organization, and play the crucial roles in governing, verifying, monitoring the performance of the Management, and assess the Company's overall operations in accordance with setting plans.

The structure of the Board of Directors consists of independent directors more than 1/3 of total number of directors for the whole board. At present, the Company has total of 7 directors being classified into 2 executive directors and 5 non-executive directors

including 3 independent directors/audit committees. The structure of the Board of Directors has clear checks and balances since the Board of Directors consists of non-executive directors more than half of total number of directors. Each director makes independent decision for maximum interests of the Company. The Board of Directors also appoints the Sub-Committees to help governing the Company's business as follows.

1.1 The Executive Management Committee of the Company consists of 4 executive directors in total. The Executive Management Committee shall determine guidelines and strategies for business operation in accordance with targets determined by the Board of Directors for flexible management.

1.2 The Audit Committee of the Company consists of 3 audit committees in total to perform duties in specific issues and propose issues to the Board of Directors for consideration and acknowledgement. The Audit Committee has rights and duties as determined in authorities of the Audit Committee. At least one audit committee shall have adequate knowledge and experiences in accounting area so that he/she can perform duty in reviewing the reliability of the Company's financial statements.

1.3 The Risk Management Committee is appointed by the Board of Directors. It consists of directors, executives and employees from various departments. The Board of Directors appoints a member of the Risk Management Committee as the Chairman of the Risk Management Committee in order to support overall risk governance in accordance with the guidelines and the rules of the Company including raising the level of operational standards to be efficient, transparent and reliable which will lead to increasing competitiveness, value added to the organization and create long-term sustainability.

The Board of Directors determines the policy that the Chairman of the Board and the Chief Executive Officer must not be the same person for clearness in responsibilities between determination of governance and routine management. The Company also clearly allocates roles, duties and responsibilities between the Board of Directors and executives. The Board of Directors shall perform duties in formulating the policies and governs the operation of the executives while the executives shall perform managerial duties of the Company in various areas in accordance with the

formulated policies to prevent authoritarianism. The Company therefore clearly determines the scope of authorities in operating power of the Company (Authority Table).

The Board of Directors establishes the policy on the number of listed companies in which each director will hold office as director, which shall not exceed 5 companies without any exemption. It is deemed that such number enables all directors to devote their time to regularly attend the meetings. The Board of Directors also appoints the Company Secretary in accordance with the guideline for the CG Code to provide suggestions relating to various laws and regulations as required by the Board of Directors and to supervise activities of the Board of Directors as well as coordinating to ensure compliance with the Board of Directors' resolutions.

The Board of Directors establishes the policy for the Company's CEO on holding of office as director in other companies which shall not exceed 5 listed companies by notifying to the Board of Directors' Meeting the reasons and details in which he/she holds such office.

2. Roles, Duties and Responsibilities of the Board of Directors

The Company determines that the directors shall comply with Code of Best Practices for Directors of Listed Companies in accordance with guideline of the Stock Exchange of Thailand. The Board of Directors must understand and recognize on its own roles, duties and responsibilities, honestly perform duties in accordance with laws, objectives and Articles of Association of the Company as well as resolution of the Meeting of the Shareholders, and mainly concern on the interests of the Company and shareholders. The Board of Directors formulates the policies, targets of business operation, business plan, and budget of the Company, and governs the Management to effectively and efficiently execute in accordance with formulated policy, work plan and budget for overall maximum interests of the Company and shareholders.

The management structure of the Company consists of the Board of Directors and another 3 Sub-Committees consisting of the Audit Committee, Executive Committee and Risk Management Committee. The directors, audit committees, executive directors and executives of the Company are completely qualified under Section 68 of Public Limited Companies Act B.E.

2535 (1992) and in accordance with the relevant announcements of Capital Market Supervisory Board.

The Board of Directors is responsible and accountable for the overall affairs of the company and may delegate important day-to-day duties to management by written e.g. transaction authorization. However, the said delegation does not release the Board of Directors from duties and responsibilities. The Board of Directors should monitor management to perform duties entrusted by the Board of Directors. Duties and responsibilities of the Boards of Directors, the Chief Executive Officer (CEO) and the Executive Management are as follows:

(1) Matters for which the board has primary responsibility are matters that the board should fully consider for suitable operation consisting of as follows:

- a) Define objectives and business objectives.
- b) Develop culture of compliance and ethical conduct, and lead by example.
- c) Strengthen an effective board structure and practices being conducive to achieving the company's objectives.
- d) Ensure suitable CEO selection, remuneration, development and performance evaluation.
- e) Ensure appropriate compensation architecture that supports achievement of the company's objectives.

(2) Matters involving shared responsibility of the board and management are matters requiring joint consideration between the Board of Directors, Chief Executive Officer and management. The Board of Directors shall closely monitor these matters and seek regular reports periodically from management consisting of as follows:

- a) Formulate and review strategies, business plans and annual work plans.
- b) Ensure sufficient risk management and internal control system.
- c) Define appropriate authorities in accordance to management responsibilities.
- d) Oversee appropriate policies, development plans and budget for resource allocation, including human resource management and development and plan for IT.
- e) Monitor and evaluating corporate performance.
- f) Ensure integrity of financial and non-financial information disclosure.

(3) Matters that the board should not perform are matters in which the Board of Directors should refrain from active involvement in normal circumstances and delegate to CEO and management consisting of as follows:

- a) The management will be responsible with its decision by execution to be in line with strategies, policies and plans approved by the Board of Directors. The Board of Directors will monitor the result of performance without intervention unless there is a necessity.
- b) Prohibition such as the approval of conflict of interest of directors, etc.

3. Roles, Duties and Responsibilities of the Chairman

The Chairman of the Company shall be appointed by the Board of Directors. To ensure the clear division of duties of the Company's policy formulation and operation, and the role of Board to lead and monitor the management's performance, the Company stipulates that the Chairman and CEO must not be the same person. The Chairman's duties and responsibilities are as follows:

- (1) Call Board meetings, chair Board meetings and shareholders' meeting, as well as set meeting agenda in collaboration with CEO
- (2) Control meeting efficiently in compliance with the Company's Articles of Association while supporting and giving opportunity for directors to express their independent views.
- (3) Encourage the Board to work to their utmost ability, based on their duties and responsibilities, under corporate governance, and support the work of CEO.
- (4) Supervise and follow up the work of the Board and the committees to ensure that the Company's objectives are reached.
- (5) Cast a decisive vote in Board meetings in case of equal votes of both sides.

4. The Meeting of the Board of Directors

The Company has set the schedule for the board meeting in advance which allows directors to be able to arrange time and attend meeting. Unless there is a special agenda, the Chairman of the board or directors according to the number specified by law, can call additional meetings as necessary. The Board of Directors has scheduled regular meetings every 3 months. The meeting agenda in each meeting shall be clearly

specified. The meeting agenda will be determined by mutual consideration between the Chairman and the Chief Executive Officer. Invitation letter for meeting together with details shall be delivered in advance for 7 days so that the Board of Directors can have enough time to study information prior to meeting attendance. The Chairman of the board will act as the chairman of the meeting for ensuring careful consideration of each agenda and allowing all directors to express opinions and discuss together. The high-level executives will attend the meeting to clarify the information as a person related to direct work until satisfied before voting in each agenda. The meeting minutes shall be recorded in writing and collect the meeting minutes which are certified by the Board of Directors and ready for verification by the Board of Directors and the related parties.

The Board of Directors has a policy to have a meeting between non-executive directors without management attending the meeting in order to allow the directors to have independent discussion and exchange of opinions and able to monitor the operations of the management efficiently. For the year 2020, a meeting between non-executive directors without management was held on 11 November 2020. The meeting considered to exchange of opinions on the operations and the efficiency of the management.

In addition, the Board of Directors has a policy to prohibit directors and executives who are connected persons or have interests in the agenda to consider attending the meeting or voting on that agenda. The Board of Directors will consider from the report of conflict of interest which every director and executive has a duty to prepare such report as the Board of Directors has a policy for directors and executives to prepare the report of conflict of interest for disclosure such information to the Chairman of the Board of Directors and the Chairman of the Audit Committee. The Board of Directors has set a policy regarding the minimum number of quorum as the Board of Directors will vote in the Board of Directors meeting which shall have at least two-thirds of the total number of directors.

5. Remuneration for Director and Executive

The Company determines remuneration for directors and executives in the proper level and in the

adequate rate for retention of quality directors and executives without excessive payment of remuneration and in the level which is comparable with the companies in the same industrial group. The considered factors consist of experience, duty, scope of role and responsibility. The payment of remuneration for director shall be considered and approved by the Meeting of the Shareholders of the Company in part of remuneration for the executives in accordance with the principle and policy prescribed by the Board of Directors by considering from duty and responsibility, and performance of each executive in accompany with the Company's overall operation.

6. Development of the Directors and Executives

The Board of Directors formulates the policy for promotion and facilitation in arranging training and providing knowledge of corporate governance system of the Company to the related persons consisting of director, audit committee, executive, and company secretary for continuous working improvement, for instance, course of the Stock Exchange of Thailand, course of Thai Institute of Directors Association (IOD) etc.

For the year 2020, the Board of Directors has encouraged the directors and to attend training and participate in seminars in order to increase continuous knowledge as follows:

Mr. Nithi Nakages, director of the Company, attended the Director Accreditation Program (DAP 172/2020) organized by the Thai Institute of Directors Association on 24 August 2020.

Ms. Patnarin Maliwal, the director and Chief Financial Officer of the Company, attended The New CFO (Crisis Financial Officer) Course organized by MAI Listed Company Association on 17 and 27 November 2020.

Mr. Thammawat Uchupaiboonwong, Chief Marketing Officer, attended the Top Executives in City Leaders Development Course (City Leaders Generation 5) organized by Navamindradhiraj University between 29 November 2019 - 20 March 2020.

Mr. Sirisak Viriyamanpong, Vice President of Sales and Marketing, attended the Advanced Certificate in Public Administration and Law Course, Class 19, organized by King Prajadhipok's Institute between 4 October 2019 - 31 July 2020.

7. Orientation for New Directors

The Company also arranged orientation for newly-appointed directors, whereby the Board of Directors assigns the Company Secretary to meet newly-appointed directors by convening a meeting with the relevant directors and/or executives and/or officers for clarification and answer to questions, as well as preparing documents and briefing for new directors, such as, information relating to the Company, business overview, shareholding structure, organization structure, the CG Code, code of ethics, authorization and duties of the Board of Directors, the annual schedule of the Board of Directors' meetings. Meanwhile, the Company allows directors to attend the training course as suggested by the Office of the SEC and organized by Thai Institute of Directors (IOD).

Sub-Committees

The management structure of the Company consists of the Board of Directors and another 3 Sub-Committees consisting of the Audit Committee, Executive Committee and Risk Management Committee. The scope of authorities of each Committee of the Company is as follows.

Scope of Authorities of the Board of Directors

1. The Board of Directors has power, duty and responsibility in honestly management and operation of the Company's business in accordance with laws, objectives, articles of association of the Company as well as resolution of the Meeting of the Shareholders, and carefully maintain the Company's benefit.

2. Prepare balance sheet and income statement of the Company as at the ending date of the accounting period of the Company which has already been audited by the auditor, and propose to the Meeting of the Shareholders for consideration and approval.

3. Formulate target, guideline, policy, operating plan and budget of the Company, as well as control administration and management of the Management or of any person entrusted for such execution in accordance with formulated policy.

4. Consider reviewing, auditing and approving policy, direction, strategy, business operation plans of the Company proposed by the Management.

5. Continuously monitor the operation in accordance with work plan and budget.

6. Consider formulating the policy of risk management in companywide extension and govern to have the system or process of risk management under supporting measure and control procedure to appropriately reduce impact on the Company's business.

7. Consider determining management structure to have power to appoint the Executive Management Committee, the Chief Executive Officer and other Sub-Committees as appropriate, as well as determine scope of authorities of the Executive Management Committee, the Chief Executive Officer and Sub-Committees being appointed.

The authorization under the determined scope of the authority shall not have the manner of authorization that allows such Executive Management Committee, the Chief Executive Officer and Sub-Committees to be able to consider and approve transactions that may have conflict of gain and loss, or conflict of any other interests performed with the Company or subsidiaries (if any) except the approval of transactions which are in line with the policies and criteria already considered and approved by the Board.

8. The Board may authorize one or several directors or any other person to perform any acts in lieu of the Board under control of the Board or may authorize the said person to have power as deemed appropriate by the Board within period deemed appropriate by the Board. The Board may cancel, revoke, revise or alter that authorization when deemed appropriate.

That authorization shall not be the manner of authorization that allows the said person to enable to consider and approve transaction that he/she or person who may have conflict, gain and loss or may have conflict of interests in any other manner which will be performed with the Company or its subsidiaries (if any) as defined in the Announcement of the Capital Market Supervisory Board and/or Stock Exchange of Thailand, and/or any other announcements of the relevant agencies unless it is the approval of the transaction in accordance with the policy and criteria already considered and approved by the Board.

Scope of Authorities of the Audit Committee

1. Review the Company to have proper and adequate financial reporting.
2. Review the Company to have appropriate and efficient internal control system and internal audit system, and consider the independence of the Internal Audit Unit, and give consent in consideration on appointing, removing, dismissing the Head of Internal Audit Unit or any other work unit related to internal audit.
3. Review the Company to comply with Securities and Exchange Law, requirement of the Stock Exchange of Thailand and relevant laws related to the Company's business.
4. Consider, select, nominate and appoint the independent person to perform duty of the auditor of the Company and propose the remuneration of the said person, and attend the meeting with the auditor without meeting attendance of the Management at least once a year.
5. Consider the connected transaction or transaction that may have conflict of interests in accordance with laws and requirements of Stock Exchange of Thailand to ensure that such transaction is reasonable and maximally beneficial to the Company.
6. Prepare report of the Audit Committee by disclosing in Annual Report of the Company. Such report shall be signed by the Chairman of the Audit Committee and contain the minimum information as follows.
 - (a) Opinion related to accuracy, completeness and reliability of the Company's financial report
 - (b) Opinion related to adequacy of the internal control system of the Company
 - (c) Opinion related to compliance with Securities and Exchange Law, and requirement of Stock Exchange of Thailand or relevant laws related to the Company's business
 - (d) Opinion related to appropriateness of the auditor
 - (e) Opinion related to transaction that may have conflict of interests
 - (f) Number of Meetings of the Audit Committee and meeting attendance of each audit committees
 - (g) Overall opinion or observation acquired from the function of the Audit Committee in accordance with charter.

(h) Other transactions deemed that the shareholders and general investors should be informed under scope of duties and responsibilities entrusted by the Board of Directors

7. Take any other actions as entrusted by the Board of Directors under consent of the Audit Committee.

Scope of Authorities of the Executive Management Committee

1. Consider and propose target, policy, business plan and annual budget to the Board of Directors for consideration and approval.
2. Control business operation of the Company in accordance with policy, work plan and budget approved by the Board of Directors.
3. Consider approving the operation which is the normal transaction of the Company's business based on investment fund or budget approved by the Board of Directors whereas the financial limit for each transaction shall be in line with table of operation power which is passed for approval from the Board of Directors.
4. Propose the organization chart and power of organizational management to the Board of Directors for consideration and approval.
5. Have power to appoint or hire the consultant related to internal management for maximum efficiency.
6. Consider profit and loss of the Company, proposal of interim dividend payment or annual dividend to be proposed for approval of the Board of Directors.
7. Being granted for authorization power to authorize any other one or several persons to take any action under control of the Executive Management Committee or may authorize to the said person to have power as deemed appropriate by the Executive Management Committee within the period deemed appropriate by the Executive Management Committee. The Executive Management Committee may cancel, revoke, alter or revise the authorized person or that authorization as deemed appropriate.
8. Perform other duties as occasionally entrusted by the Board of Directors.

The authorization of authorities and responsibilities of the Executive Management Committee shall not have the nature of authorization or sub-authorization that allows the person who is authorized by the Executive Management Committee to enable to approve transaction that the authorized person or the person who may have

conflict (as defined and prescribed in the announcement of the Securities and Exchange Commission and/or relevant agencies), have gain and loss or may have any other conflict of interests with the Company or subsidiaries and/or related companies. The Executive Management Committee has no power to approve the execution in such matter. Such matter shall be further proposed to the Meeting of the Board of Directors and/or the Meeting of the Shareholders (as the case may be) for approval unless it is the approval of transaction in accordance with policy and condition of normal trade which is in line with the announcement prescribed by the Capital Market Supervisory Board and/or Stock Exchange of Thailand and/or relevant agencies.

Scope of Authorities of the Risk Management Committee

1. Consider policy and the overall risk management approach of the Company which covers important risks such as financial risk, investment risk and the risk that affect the reputation of the Company etc., to present to the Board of Directors for approval.

2. Formulate strategies and guidelines for risk management of the Company in accordance with the risk management policy by being able to evaluate, track and view the amount of the risk of the Company to be at an appropriate level.

3. Supervise and monitor the adoption of risk management policy under the guidelines and policies approved by the Board of Directors.

4. Set the risk measurement criteria and risk limitation that are acceptable by the Company.

5. Determine measures to be used to manage risks appropriately to the situation.

6. Review the adequacy of policies and risk management systems including the effectiveness of the system and compliance with the stipulated policy.

7. Report to the Board of Directors regularly regarding the management, operations and status of the company risks and changes, including what needs to be improved to comply with the policies and strategies.

8. Present a risk management working group as necessary and support the working group on personnel, budget and other necessary resources in accordance with the scope of responsibility.

Nomination and Appointment of the Directors and Topmost Executive

Since the company has not yet appointed the Nomination and Remuneration Committee, The Board of Directors therefore assigned a number of directors as a working group for recruiting, selecting and proposing person to hold the position of director and high-level executive of the Company by considering selection from experience, knowledge, ability and qualifications as required by law as well as considering the remuneration to be appropriate for the duties and responsibilities and propose to the Board of Directors for approval including the appointment of new directors or retired directors. The selection of persons to be appointed as directors will be presented to the Board of Directors meeting to consider before proposing to the shareholders' meeting to consider the selection of directors in accordance with the criteria and procedures as specified in the Company's Articles of Association.

In 2020, the Board of Directors Meeting No. 1/2020 on 19 February 2020 has considered and resolved to appoint Mr. Nithi Nakages as a director to replace Mr. Anuwat Leungtaweekul and the Board of Directors Meeting No. 5/2020 on 11 November 2020 has considered and resolved to appoint Mr. Pornchai Krivichian as Chief Executive Officer with effect from 1 December 2020. Whereas, Mr. Monchai Manepairoj remains Director and Chairman of the Executive Committee of the Company.

Element and Appointment of the Board of Directors

Element, nomination, appointment, removal or retirement from the director office of the Company shall be prescribed in Articles of Association of the Company and can be summarized in the following essences.

1. The Board of Directors consists of at least 5 directors and the directors not less than half of total number of directors must have domicile in the kingdom and must be qualified as prescribed by law.

2. The Meeting of the Shareholders shall select the directors in accordance with the following criteria and procedure.

(1) One shareholder has vote equivalent to number of his/her holding shares.

(2) Each shareholder can use the existing votes to select one or several persons as directors. In case where several persons are selected as directors, votes are unable to be divided to anyone more or less.

(3) The persons who gain highest votes in descending order shall be selected as directors in equal number of directors who are supposed to have or supposed to select in that time. In case where the selected person in descending order has equal vote in excess of number of directors who is supposed to have or supposed to be selected in that time, the Chairman shall perform casting vote.

3. In every Annual General Meeting of the Shareholders, the director shall vacate from the office for one-third of number of directors at that time. If the number of directors is indivisible to be consistent to three portions, the closest number of the directors to one-third portion shall resign. The director who must vacate the office in the first year and the second year after the registration of the Company, lots shall be drawn. In the following years, the director who is in the office for longest period shall vacate the director office. The director who shall retire by rotation can be selected to resume the office again.

4. Any director who will resign from the office shall submit Resignation Form to the Company. The resignation shall be effective from the arrival date of Resignation Form to the Company.

5. In case of vacancy of director office due to other reason apart from it is time for retirement by rotation, the Board of Directors may select the qualified person without prohibited characteristics in accordance with Public Limited Companies Law and/or Securities and Exchange Law to enter to be the replacing director in the next meeting. Unless the remaining term of the director is less than 2 months, the person who enters to be the replacing director shall be in the director office for just the remaining term of his/her replaced director. The resolution of the Board shall consist of votes not less than three-fourth of the remaining number of directors.

6. The Meeting of the Shareholders can resolve that any director can vacate his/her office before term of retirement by rotation is due with votes not less than three-fourth of number of the shareholders who attend the meeting and have voting rights whereas total counted votes are not less than half of number of shares held by the shareholders who attend the meeting and have voting rights.

The Board of Directors consists of knowledgeable directors with ability and experience in various fields of business. As of 31 December 2020, the Board of Directors consists of 7 members as follows:

Name – Surname	Position	Date of the First Appointment
1. Mr. Segsan Roylapcharoenporn	Chairman of the Board, Chairman of the Audit Committee and Independent Director	18 April 2017
2. Mr. Monchai Manepairoj	Director	1 May 2014
3. Mr. Ronapoom Rungruangpol	Director	30 November 2016
4. Mr. Pira Laohasomboon	Director	13 September 2017
5. Mr. Chanachai Kulnoppaleark	Independent Director and Audit Committee	26 April 2016
6. Mr. Nithi Nakages	Independent Director and Audit Committee	19 February 2020
7. Ms. Patnarin Maliwal	Director	6 November 2018

The Company recognizes the important of diversity in the structure of the board of directors (Board Diversity) by considering that it is an important factor in strengthening mind balance, increasing the efficiency of decision making and the work of the board of directors which is beneficial to business operations without limitation of gender, race, religion or any other restrictions. The Company has determined the composition of the board of directors to consist of persons with knowledge, competency and work experience with various expertise including being a person with morals and ethics, having a good attitude, leadership and visionary which will be beneficial and in line with the Company's strategy, policy, and business direction.

Element and Appointment of Independent Director

The Board of Directors shall mutually and primarily consider the qualification of the person who will hold the position as the independent director by considering from qualification and prohibited characteristics of the director pursuant to Public Limited Companies Act, Securities and Exchange Law, Announcement of Capital Market Supervisory Board, including relevant announcements, regulations and/or rules. Moreover, the Board of Directors shall consider selecting independent director from the qualified expert with work experiences and appropriateness in other fields in combination, and then propose to the Meeting of the Shareholders for consideration and appointment to be the director of the Company accordingly. The Company formulates the policy for appointment of the independent directors at least 1/3 of total number of directors and the appointed independent directors must not be less than 3 persons.

Definition of Independent Director

1. Holding shares not more than 1% of total number of shares with voting rights of the Company, holding company, subsidiary, associated company, major shareholder or regulator of the Company. The shareholding of the related person of the said independent director shall be counted.

2. Not being or never been the director who participates in management, employee, staff, consultant who earns fixed salary or regulator of the Company, holding company, subsidiary, associated company, subsidiaries in the same level, major shareholder or of the regulator of the Company unless he/she is free from the said nature at least 2 years. The said prohibited characteristics exclude the case where the independent director has ever been the government officer or consultant of administrative agencies which are the major shareholders or regulator of the Company.

3. Not being the person with consanguinity or relation by legal registration in the nature of being father, mother, spouse, kinsfolk, and child including the spouse of the children, the executive, major shareholder, regulator or person who is nominated to be the executive or regulator of the Company or subsidiaries.

4. Not having or never had business relation with the Company, holding company, subsidiary, associated company, major shareholders, or regulator of the Company in the nature that may obstruct the exercise of his/her independent discretion; and not being or never been the significant shareholder or regulator of the person who has business relation with the Company, holding company, subsidiary, associated company, major shareholder, or regulator of the Company unless the independent director is free from the said nature not less than 2 years.

5. Not being or never been the auditor of the Company, holding company, subsidiary, associated company, major shareholders, or regulator of the Company; and not being the significant shareholder, regulator or partner of the audit office which is under by the auditor of the Company, holding company, subsidiary, associated company, major shareholder, or regulator of the Company unless the independent director is free from the said nature not less than 2 years.

6. Not being or ever been any professional service provider and legal consultancy or financial consultancy service provider who earns more than 2 million Baht of service fee per year from the Company, holding company, subsidiary, associated company, major shareholder, or regulator of the Company; and not being the significant shareholder, regulator or partner of the professional service provider unless the independent director is free from the said nature not less than 2 years.

7. Not being the director who is appointed to be the representative of the director of the Company, major shareholder or shareholder who is related to the major shareholder.

8. Not engaging in the business that has the same nature and is significantly competitive to the business of the Company or subsidiaries; or not being the significant partner in the partnership or being the director who participates in management, employee, staff and consultant who earns fixed salary or holds share more than 1% of total number of shares with voting rights of other company that engages in the business which has the same nature and is significantly competitive with the business of the Company or subsidiaries.

9. Not having any other nature that causes the failure to express independent opinion related to the Company's operation. The independent director is defined by the Company equivalent to minimum requirement of SEC or Stock Exchange of Thailand in the matter of holding the Company's shares that the Company's independent director shall hold shares in the Company not more than 1% of total number of shares with voting rights.

Each independent director has a tenure of not more than 9 years without exception.

Element and Appointment of the Audit Committee

The Board of Directors shall appoint the Audit Committee consisting of at least 3 audit committee members who are appointed from the independent directors of the Company and qualified in accordance with Securities and Exchange Law, and announcements, regulations and/or rules prescribed by the Stock Exchange of Thailand. Moreover, the independent director who holds the audit committee member position shall be additionally qualified as follows.

1. Not being the director who is entrusted by the Board to make the decision on the business operation of the Company, holding company, subsidiary, associated company, and subsidiaries in same level, or juristic person that may have conflict.

2. Not being the director of the holding company, subsidiaries or subsidiaries in the same level particularly being the listed companies.

3. Have sufficient knowledge and experiences that can perform the duty on behalf of the audit committee member. There shall be at least one audit committee member who has knowledge and experiences to enable to perform the duty in reviewing reliability of financial statements.

The position holding term of each audit committee member shall be 3 years per term.

Element and Appointment of the Executive Committee

The Board of Directors appoints the Executive Committee which will be selected from the directors or high-level executives of the company that can manage the matters relating to normal business operations and management of the company and can set policies, business plans, budgets, management structures

including monitoring the Company's performance in accordance with the policies set by the Board of Directors.

Element and Appointment of the Risk Management Committee

The Risk Management Committee has been selected from directors, high-level executives and employees in business lines and support lines to be responsible for the matters related to the risks of the Company.

Element and Appointment of the Chief Executive Officer

The Board of Directors has duty to nominate and appoint the appropriate qualified person in holding the office of the Chief Executive Officer under the following criteria.

1. The general qualification, expertise and experience shall be considered in accordance with what are determined by the Board of Directors.

2. The Chief Executive Officer shall not be the same person as the Chairman of the Board of Directors.

3. The roles, authority and duties of the Chief Executive Officer shall be separately and clearly specified by the Chairman of the Board of Directors to create balance between the management and corporate governance.

4. The Board of Directors determines the framework of the operating authority and target of the Chief Executive Officer and regularly assesses the performance every year. The assessment criteria is divided into 3 sections as follows:

Section 1: Progress of the plan

Section 2: Performance measurement contains with

- (1) Leadership
- (2) Strategy formulation
- (3) Compliance with strategies
- (4) Financial planning and performance
- (5) Relationship with the board
- (6) Relationship with 3rd parties
- (7) Management capability and relationship with personnel
- (8) Succession plan
- (9) Knowledge of products and services
- (10) Personal attributes

Section 3: Development of Chief Executive Officer

5. Chief Executive Officer has duty to assess the operation of top executive in descending order using target and criteria of assessment which is linked with strategic plan and annual plan for consideration on determination of the appropriate remuneration and incentive measure.

Scope of Authorities of the Chief Executive Officer

1. Control day-to-day business operation and/or management of the Company.

2. Prepare and propose policy, direction, strategy, business operation plan, budget, investment, management structure of the Company and criteria of business operation to be consistent with economic condition, to the Executive Management Committee and the Board of Directors for further approval consideration.

3. Govern the operation or working of the Company in accordance with policy, work plan and budget approved by the Board of Directors, and audit and evaluate the overall operation of the Company in accordance with the determined policy, and have duty to report overall operation, management, and operating progress to the Executive Management Committee, Audit Committee and the Board of Directors.

4. Consider approving the operation which is the normal transaction of the Company's business based on investment fund or budget approved by the Board of Directors. The financial limit for each transaction including entry into contracts related to such matter shall be in line with what is specified in the authority table which has already been approved by the Board of Directors but not more than annual budget approved by the Board of Directors.

5. Be authorized to consider and approve normal operating expenses of the Company's business based on budget approved by the Board of Directors and in accordance with authority table which has already been approved by the Board of Directors.

6. Determine organization structure and appointment, employment, removal, determination of wage, remuneration, bonus and termination of the employee from the level of assistant division manager and over.

7. Be authorized to issue rules and regulations and announcement in accordance with policy and interest of the Company and maintain work rule and discipline within the organization.

8. Have the authority to sub-authorize and/or entrust other person to perform specific work instead. The said sub-authorization and/or entrusting shall be under the scope of authorization based on power of attorney and/or in accordance with rule, requirement or order prescribed by the Board of Directors and/or company.

9. Perform other duties occasionally entrusted by the Board of Directors or Sub-Committees.

In executing any other matters that the Chief Executive Officer or the person who is authorized by the Chief Executive Officer or person that may have conflict (as defined and prescribed in the announcements of the Capital Market Supervisory Board and/or Stock Exchange of Thailand and/or relevant agencies), has conflict of interests with the Company and/or subsidiaries and/or relevant companies, the Chief Executive Officer has no approval authority for execution in such matters. Such matters shall be proposed to the Meeting of the Board of Directors and/or the Meeting of the Shareholders (as the case may be) for further approval unless it is the approval of the transaction in accordance with normal business and normal trade condition which is in line with what are prescribed in the announcements of the Capital Market Supervisory Board and/or Stock Exchange of Thailand and/or relevant agencies.

Self-evaluation of the Board

The Company arranges the annual performance evaluation of the Board of Directors and Sub-committees on a yearly basis. The performance evaluation of the Board of Directors and Sub-committees which consist of the Audit Committee, the Executive Committee and the Risk Management Committee by a collective self-evaluation method with reference to the self-evaluation form provided by the Stock Exchange of Thailand in 2015.

With regards to the aforementioned self-evaluation process, the Company Secretary and Subcommittees' Secretaries will deliver self-evaluation forms to Directors and Sub-committees to evaluate and return forms to the Company. The Company will present the evaluation results to the Board of Directors' Meeting for their mutual

consideration and determination of improvement guidelines for the better performance. In 2020, The performance evaluation of the Board of Directors and all Sub-committees were rated “good to excellent” with the following details:

Board of Directors / Sub-Committees	Performance Evaluation (%)
1. The Board of Directors	99.14
2. The Audit Committee	100.00
3. The Executive Committee	98.33
4. The Risk Management Committee	75.00

The criteria for collective self-evaluation method of the Board of Directors and Sub-committees include 6 main topics as (1) Structure and qualifications of the Board of Directors (2) Roles, duties and responsibilities of the Board of Directors (3) Board of Directors Meeting (4) Duties of Directors (5) Relationship with the management (6) Director self-development and executive development.

Succession Plan for Topmost Executive

In order to continue the business operation smoothly, the Board of Directors will supervise the adoption of a succession plan for the position of Chief Executive Officer and high level executives. The performance according to the succession plan will be reported to the Board for acknowledgment periodically.

Governance on the Operation of Subsidiaries and Associated Companies

The Company shall invest in the company that has the same business operation objective as the core business of the Company or the business that has similar nature or business that supports the Company's business, resulting in the Company increase in turnover or profit; or invest in the business that enables the synergy and supports the core business of the Company to the fullest extent in order to increase the Company's competitiveness.

However, in governing the subsidiaries and associated companies, the Company shall assign the qualified and experienced directors or executives who are suitable for business operation to be the representative in the business management members of the subsidiaries

and associated companies, determine the important policies and steer the business operations of the said subsidiaries and/or affiliated companies. The directors who are the Company representative shall perform the duty in governing the subsidiaries and/or associated companies and managing the entities in accordance with the policies formulated by the Company. The directors shall exercise their discretions based on the resolutions of the Meeting of the Board of Directors and/or the Meeting of the Shareholders on the significant issues of the subsidiaries and/or associated companies for maximum benefit generation to the Company and sustainable growth of the Company.

The Company purchased of 102,000 ordinary shares of Expert Engineering and Communication Co., Ltd. (EEC) or 51% of the total shares with the total value of 35.70 Million Baht with effective from 2 January 2019. EEC operates telecommunication and technology systems such as water resources management, data measurement and remote control systems, etc. The Board of Directors' Meeting No. 6/2019 held on 9 December 2019 has resolved to appoint Mr. Monchai Manepairoj, the Company's director, to be the authorized director of EEC in order to represent the Company in the management of the EEC.

Supervision on Use of Internal Information

For transparency and prevention of personal benefit acquisition from use of the Company's internal information which has not yet been publicly disclosed, and avoidance of scandals related to appropriateness of the security trading of the persons inside the Company, practical rule therefore has been issued for observance of the directors, executives and employees of the Company as follows.

1. The directors, executives, staffs and employees of the Company are prohibited to disclose or exploit from secret and/or internal information of the Company for personal interest or any other person's interest either directly or indirectly and whether they will gain the return or not.

2. The directors, executives, staffs and employees of the Company as well as spouse and non-full age children of such persons are prohibited to use the Company's internal information which has impact or may have impact on change in price of the Company's security which has not yet been publicly disclosed for

purchase, sale, offering for purchase, offering for purchase or persuading other person to purchase, sell, offer for purchase or offer for sale of the Company's securities either directly or indirectly prior to disclosure of that information to public, whether such act is performed for personal interest or other person's interest, or such act is performed by other person whereas such persons will gain interest in return. Anyone violates shall be punished in accordance with the Company's disciplinary measure.

3. The Company shall inform the executives for understanding and acknowledgement on duty in reporting the possession of the Company's securities by them, their spouse and non-full age children, and reporting change in possession of the securities to the Office of the Securities and Exchange Commission under Section 59 and penalty provision under Securities and Exchange Act (Issue No. 5) B.E. 2559 (2016).

4. The Company shall determine not to allow the directors, executives, staffs and employees of the Company as well as their spouse and non-full age children of such persons to trade the securities of the Company in 1-month period prior (Blackout Period) to disclosure of financial statements to public for acknowledgement.

The Company shall inform the directors, executives, staffs and employees of the Company for acknowledgement about the aforesaid requirements according to the plan.

Internal Control System

The Company gives precedence to internal control system both for managerial level and operational level. Therefore, the clear scope of operating duties and responsibilities is determined in writing under control on maximum benefit of asset utilization and allocation of separate duties and responsibilities in approval, recording account and information, and storage and supervision of assets for appropriate checks and balances among each other. In addition, internal control on financial system shall be performed through the Company's establishment of financial reporting system to be proposed to the responsible executive of the line. The internal auditor shall be responsible for auditing internal control system and directly reporting to the Audit Committee.

The Company formulates the clear business operation target of which its operating results are measurable. The Management regularly and monthly compares actual operating result with the formulated target and both internal and external risk factors detected in operation shall be assessed, analyzes the causative factors, formulates monitoring measure for the causative event of risk factors, as well as abatement measure for risks, continuously entrusts the related work units to monitor the said risks, and reports progress to the Board of Directors.

Policy Related to Conflict of Interests

The Company determines the preventive measure for conflict of interests that may occur from related party transactions of the Company and the person who may have conflict. The stakeholder in any issue is unable to be involved in approving the said issue. The Board of Directors shall supervise the Company to strictly comply with Securities and Exchange Law and relevant regulations, announcements, orders, or requirements of the Capital Market Supervisory Board and Stock Exchange of Thailand, as well as perform in accordance with the requirements related to disclosure of information of connected transaction performing and acquisition or disposal of the important assets of the Company, and comply with accounting standards prescribed by the Institute of Certified Accountants.

Moreover, the Company shall assign the Audit Committee or auditor as the case may be to consider auditing and remarking opinion on the appropriateness of price and validity of transaction performing, and disclose the said related party transactions in notes to financial statements which are audited or reviewed by the Company's auditor, Annual Registration Statement (Form 56-1), and Annual Report (Form 56-2).

Auditors

The Audit Committee has considered the selection of the auditors according to the Company's assessment criteria such as the independence of the operation, quality, standard of operation and the corresponding qualification according to the announcement of the Stock Exchange of Thailand and must be approved by the Securities and Exchange Commission.

However, the auditors of the Company shall be qualified according to the announcement of the Stock Exchange of Thailand and must be approved by the Securities and Exchange Commission including no relationship or interest with the Company, subsidiaries, executives, major shareholders or any person related to aforesaid persons. The auditors must be independent in reviewing and expressing opinions on the financial statements.

Investor Relations

The Company has established an Investor Relations Department under the supervision of Finance and Accounting Department with its roles and responsibility in communicating and disclosing information accurately, completely, truthfully and thoroughly to investors, analysts, media and other stakeholders equally and fairly through various media such as published documents Information dissemination on the website, email, etc., taking into account the investor relations ethics as follows.

1. Disclose important and necessary information for making accurate and timely investment decisions.
2. Maintain internal information and not use internal information for personal or others gain in order to illegally exploit oneself or others
3. Disclose information equally and fairly by allowing all related parties to access and inquire information.
4. Perform duties professionally with integrity and good faith based on the principle of equality. Do not act on any bribery that can be considered as personal motivation and self-interest rather than the benefit of the Company and related stakeholders.

In the year 2020, the executives of the Company have participated “SET Opportunity Day” activity organized by the Stock Exchange of Thailand presented through an online video conference on 23 September 2020 and 17 December 2020 in 4 channels: (1) www.set.or.th/oppday (2) SET App Application (3) Facebook: SET Opportunity Day and (4) YouTube: SET Group Official in order to present business and performance of the Company to analysts, investors and press.

The Company has disclosed and communicated important information in both Thai and English by preparing a “Company Snapshot” every quarter in accordance with the guidelines of the mai stock market in order to disseminate basic information of the Company such as general information, key developments, key income structure, financial ratio, business plans, etc., for both institutional and minor investors to access important company information in a short and precise format which will be useful for investors to use the data for further investment analysis. Investors can access ICN Company Snapshot information at www.thaিলistedcompany.com.

In addition, the Company provides an opportunity for analysts to meet with senior management fairly and equally in accessing Company information without discrimination. Investors and analysts can contact the Investor Relations Department directly via telephone number 02-553-0755 ext. 502 or via email: icn_ir@icn.co.th

Risk Control and Management

The Company recognizes the importance of various risks that may affect the business operations of the Company and therefore, has established a Risk Management Committee. The Board of Directors will ensure that The Company has a risk management and internal control system to achieve objectives effectively and complying with relevant laws and standards.

Anti-corruption

The Company has established anti-corruption policy which is an important principle in the business that will not support the business, group of people or people who are involved or witnessed with undesirable benefits whether directly or indirectly from misuse of authority by clear guidelines to cooperate and support with the government and private sectors.

Promoting Innovation of Directors and Doing Responsible Business Practices

1. The Board of Directors gives importance and supports the innovation that creates value for the business together with creating benefits for customers or those involved and has responsibility to society and environment with the following guidelines:

1.1 The Board of Directors recognizes the importance of creating an organizational culture that encourages innovation and supervises the management to take this matter to review as part of strategy, planning, developing, improving operations and monitoring performance.

1.2 The Board of Directors supports innovation promotion in order to add value to the business according to the ever changing environmental conditions which may cover the business model, the way of thinking in the design and development of products and services, research, work process improvement including cooperation with business partners

2. The Board of Directors will monitor and supervise the management to conduct business with responsibility to society and environment that must be reflected in the operational plan to ensure that every department of the organization has implemented with the objectives, main goals and strategies of the business with the following guidelines:

2.1 The Board of Directors oversees that there are mechanisms that ensure the business conducting with ethics under social and environmental responsibility, not violating the rights of stakeholders, to be a guideline for all departments of the organization to be able to achieve the main goal sustainably by creating policies or guidelines which should cover at least the following matters:

(1) Responsibility to employees by complying with relevant laws and standards by treating employees fairly and respecting human rights such as determining compensation and other fair benefits, providing welfare that is not less than the legal limit or more as appropriate, supporting health care and work safety, providing knowledge training to develop potential and promote progress for employees as well as providing opportunities to employees on order to develop their skills in other areas.

(2) Responsibility to customers by complying with relevant laws and standards, fairness, retention of customer information, after-sales service throughout the product and service warranty, monitoring of customer satisfaction for the improvement of products and services including advertising and sales promotion which must do responsibly and not cause misunderstanding or take advantage of the customer's misunderstanding.

(3) Responsibility to business partners by having a transparent procurement process and fair contract conditions or agreements and developing the ability for standardized services.

(4) Responsibility to community by bringing knowledge and business experience to develop projects that can create concrete benefits for the community and having tracking and measuring progress and long-term success.

(5) Environmental responsibility by preventing, reducing, managing and ensuring that the Company will not create or produce negative impact on the environment which covers energy consumption, water consumption, renewable resources, waste management from business operations, greenhouse gas emissions, etc.

(6) Fair competition by conducting business transparently without creating unfair competitive advantages.

(7) Anti-corruption by complying with relevant laws and standards, the company shall have and announce the anti-corruption policy to the public.

3. The Board of Directors will monitor the efficient and effective allocation and management of resources performed by Management by considering the impact and development of resources throughout the value chain in order to achieve the objectives and main goals sustainably with the following guidelines:

3.1 The Board of Directors recognizes the need for resources to be used and realizes that the use of each type of resource affects each other.

3.2 The Board of Directors recognizes that different business models cause different impacts on resources. In deciding the business model; therefore, the impact and worthiness on resources will be considered based on ethics, responsibility and value creation for sustainable business.

3.3 The Board of Directors will ensure that in achieving the objectives and main business goals the management will review and develop the use of resources effectively and efficiently with consideration of the changes of internal and external factors.

4. The Board of Directors will provide a plan for the development of information technology that corresponds to the needs of the business including supervising the use of information technology for increasing business opportunities and improving operations risk management to enable the Company to achieve its objectives and main goals with the following guidelines:

4.1 The Board of Directors will provide information technology development plans which covers sufficient resource allocation for business operation.

4.2 The Board of Directors will oversee the risk management of the organization which covers information management and risk management.

4.3 The Board of Directors shall establish policies and measures to maintain the security of information systems.

Remuneration for the Auditor

In the accounting year of 2018 and 2019, the Company paid audit fee to the auditors of EY Office Limited. Whereas the Company paid audit fee to the auditors of Dharmniti Auditing Co.,Ltd. for the accounting year of 2020 as follows:

Unit : Baht

Description	Year 2018	Year 2019	Year 2020
Audit Fee	1,520,000.00	1,800,000.00	1,240,000.00
Non-Audit Fee	-	-	-
Total	1,520,000.00	1,800,000.00	1,240,000.00

Applying Good Corporate Governance Principles for Listed Companies in 2017

As the Securities and Exchange Commission has issued the Corporate Governance Code for Listed Companies 2017 or CG Code 2017, The Board of Directors is aware of the said CG Code and recognizes its role as a leader of the organization that create sustainable value for the business. In the year 2019, the Company has applied the principles of good corporate governance for listed companies in 2017 as follows:

- The Board of Directors has set the schedule for the Board of Directors meeting in advance so that the directors can arrange time to attend the meeting. The Company, however, has set the meeting schedule in advance since 2017.
- The Board of Directors has established the annual performance of the 2020 for the Board of Directors and sub-committees.
- The Board of Directors held a meeting for non-executive directors for 1 time on 11 November 2020.
- The Executive Committee held meetings of the Executive Committee on a monthly basis.

Compliance with Good Corporate Governance Principles in Other Matters

The Company has regularly reviewed the guidelines to comply with good corporate governance principles. The Company has participated in the quality assessment of the 2020 Annual General Meeting of Shareholders with the Thai Investors Association which the Company has passed the evaluation with a score of 95 percent.

The Thai Institute of Directors Association (IOD) announced the Corporate Governance Assessment for the Year 2020 (CGR), which the company received a very good rating of 4 stars with a total score of 86 percent.

In addition, in order to apply the principles of the Corporate Governance Code for Listed Companies 2017, The Company also adheres to good corporate governance principles in other matters as follows:

- Ensuring effective CEO and personnel management The Company is aware of the importance of human resources. Therefore, there is a policy of retaining potential personnel in order to develop that human resource so that they can use their knowledge and ability to perform their work with maximum efficiency to the organization and also taking into account the importance of personnel succession plans especially the top management of the Company. The Company has set up a policy to develop personnel including the creation of a human resource manual such as Recruitment Manual, Training and Personnel Development Manual and Wage and Salary Payment Manual in order to have a tidy work environment, effectiveness and for the relevant employees holding to the same standard.

- Strengthening effective risk management and internal control The Board of Directors has appointed a Risk Management Committee which consists of directors, executives and company employees from various departments operating under the Risk Management Committee Charter with regular meetings at least 2 times per quarter and reporting to the Board of Directors every quarter regarding the management of operations and the risk status of the Company and various changes including things that need to be improved in accordance with the policies and strategies of the Company.

- Ensuring disclosure and maintaining financial integrity The Company has disclosed both financial and non-financial information to the Stock Exchange of Thailand, shareholders and relevant agencies correctly, sufficiently, in time for transparency and fairness for investment by submitting information in both Thai and English versions via SET Portal within the specified period Including information based on accounting periods, such as quarterly financial statements, annual financial statements, annual registration statement (Form 56-1), annual report, Management Discussion and Analysis

(MD&A) and important financial information to inform investors of changes in the financial position and results of operations of the Company in each operating period and regularly submitting information according to events. The Company has disclosed its information to the Stock Exchange of Thailand when there are important events necessary to make a decision to invest in the Company's securities to allow the trading of securities in the stock market to have liquidity, fairness and discipline including for investors to receive information equally. Additionally, the Company also realizes the importance of financial reliability in the management of receivables and payables including related financial institutions by considering morality and ethics for the business operation.

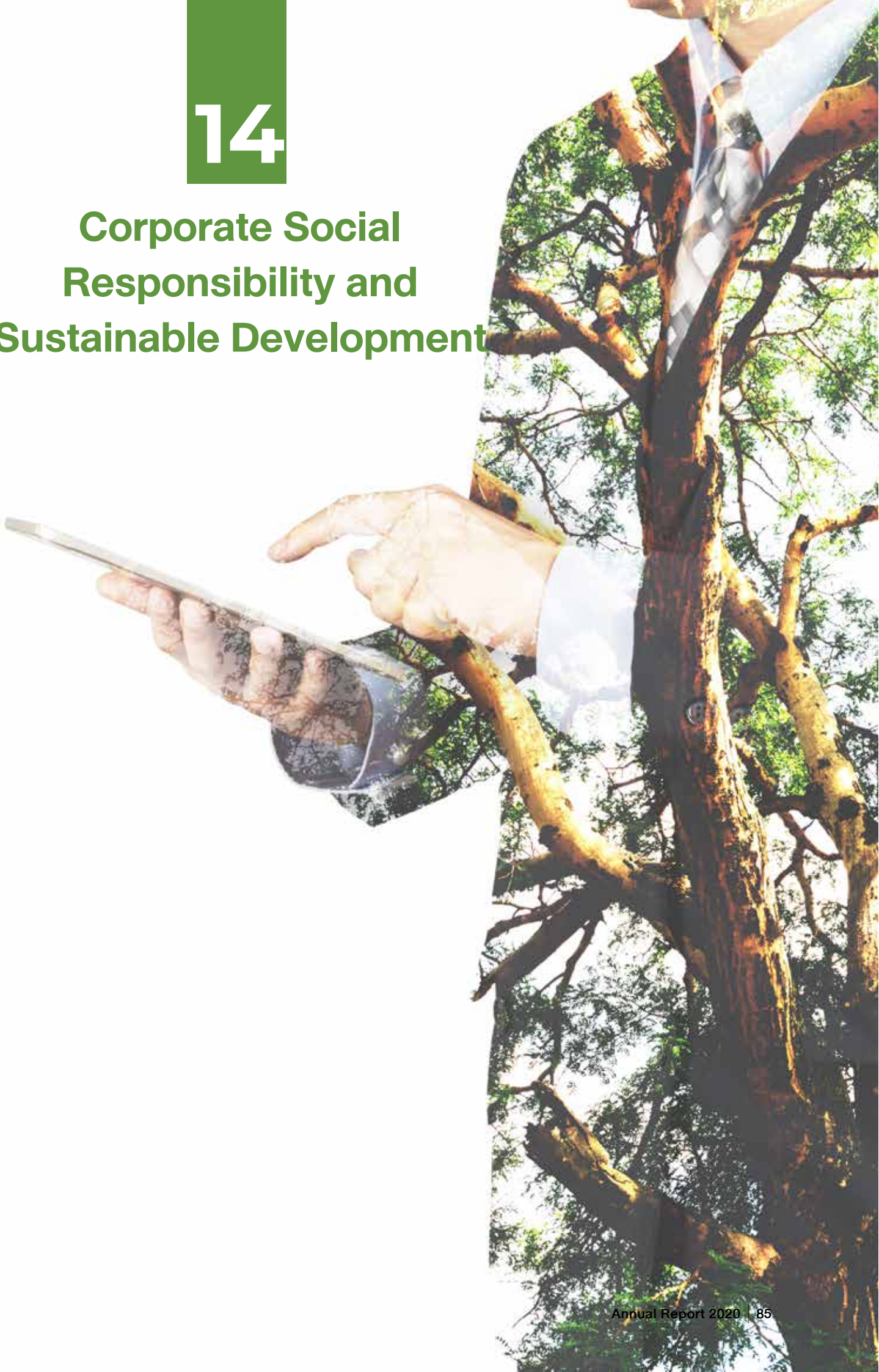
- Conducting business with social responsibility The Company realizes and supports business ethics, social and environmental responsibility, not violating the rights of stakeholders in order to guide everyone in the organization to achieve the main objectives of sustainability. In 2020, during the COVID-19 pandemic, the Company realized the importance on the safety, good health and well-being of employees, partners and all relevant stakeholders by implementation various measures such as providing cleaning and disinfecting its workplace, providing hygiene products such as hand soap, hand sanitizer, alcohol gel at various points, having work from home measure for employees to reduce congestion and preparing welfare lunch for employee during the pandemic to reduce congestion including prevention measure against the spread of COVID-19 in arranging the 2020 Annual General Meeting of Shareholders by providing pre-registration through online application, preparing a screening point and measuring temperature of the attendees and having social distancing measures in meeting rooms etc.

Others

None-

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Corporate Social Responsibility and Sustainable Development



Overview Policy

The Company realizes the importance of sustainable development along with social responsibility and complying with all relevant laws, rules and regulations, relevant international practices as well as morale and good corporate governance principles including creation of utmost benefits in the aspects of economic, social and environmental perspectives. The Company also takes care of the rights as stipulated by law of business partners, employees, shareholders and stakeholders in various groups under appropriate coordination to continually develop the foundation of responsibility. The Company has a policy of social responsibility which is a guideline for employees to strictly abide by taking into account equality, fairness, being honest and transparent in business, including the continuous creation and reinforcement of social responsibility awareness to employees at all levels with unity and participating in social activities. Moreover, the Company strive to be the role model by building trust among investors and stakeholders in business operations, adding value and promoting the sustainable growth of the organization for the benefit to Thai society. This is to achieve goals, maintain excellence in morality which is the fundamental value of leading organizations and be in compliance with “The 17 Sustainable Development Goals” (SDGs) of the United Nations for the Company to grow with strength, stability and sustainability.

Corporate Social Responsibility Guidelines

1. Fair Business Practices

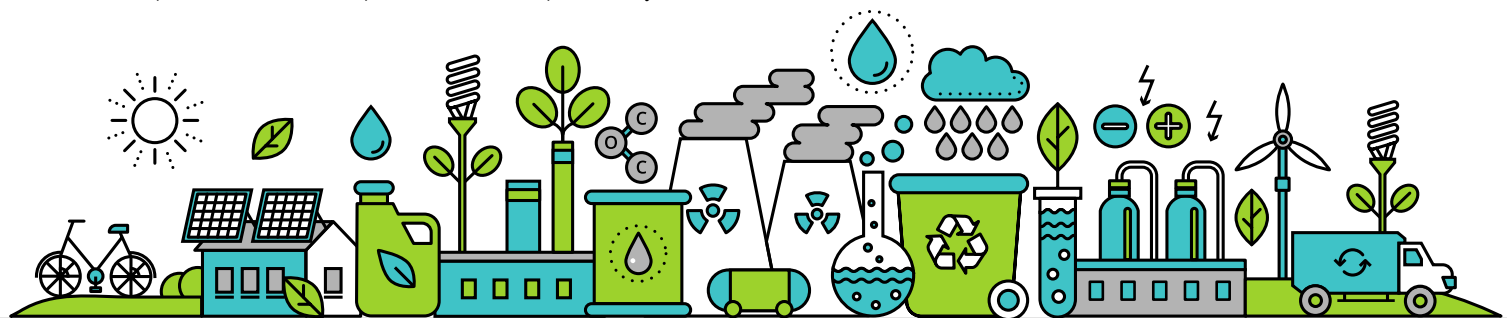
1.1 The Company emphasizes on conducting business with integrity, fairness, ethics and is determined to abide by laws, trade ethics and fair competition. The Company pays tax correctly and timely. The personnel at all levels are well informed and aware of advised the importance of the corporate social responsibility.

1.2 The Company conducts its business pursuant to business ethics and corporate governance with responsibility to shareholders by respecting shareholders’ right, treating the shareholders equally, giving sufficient information with respect to investment decision or material change of The Company and does not disclose to any person the inside information which would cause damages or disadvantages to shareholders. The Company manages and provides remuneration to executives and directors with transparency and accountability. The financial and non-financial reports are disclosed correctly, completely and timely in accordance with the generally accepted standards.

2. Anti-Bribery and Corruption

The Company manages its business on the basis of transparency and ethics and complies with the policy and laws related to anti-corruption, bribery and inappropriate benefits to government officials or private sectors. The Company prescribes the organization structure by clearly dividing duties, responsibility, work process and line of command in each division in order to promote the “Check and Balance” principle. The Company provides the bold measure on Anti-corruption which compiles policies, ethics, regulations, rules and work processes for the directors, executives and staff to implement as follows;

2.1 Anti-corruption measurement is to be a part of its business operations and under the responsibility of board of directors, management, employees and all parties who are able to provide any suggestions on the achievement of anti-corruption policy as announced.





2.2 The Company will develop anti-corruption measures in accordance with the relevant laws as well as moral practice by conducting a risk assessment in activities involved or at risk of corruption and making a manual / practice guideline for related parties.

2.3 The Company will not support and/or execute to offer any bribes in all activities, and handle any donations charities, or to political parties, business gifts and sponsorships with transparency and proper control.

2.4 The Company will always arrange a proper internal control constantly in order to prevent any improper practices particularly.

2.5 The Company will provide the anti-corruption knowledge to the board of directors, management and employees for encouraging the integrity also implying the direction of the Company.

2.6 The Company will report the financial status in a transparent and correct manner.

2.7 The Company encourages and supports all external parties such as sub-contractors to provide any suggestions towards anti-corruption.

2.8 The Company will provide various communication channels for employees and stakeholders to relay any plausible notices / complaints. The reporter will be well protected and the investigation for all reported cases will be followed up by designated persons.

The Company has specified the channels for reporting clues or receiving complaints as follows:

Postal mail:

Send to Chairman of the Executive Committee or Vice President, Business Administration Department Information and Communication Networks Public Company Limited

DKJ Building, 5th Floor, No. 393 Sukhonthasawat Road, Latphrao, Bangkok 10230

E-mail:

Chairman of the Executive Committee:

monchai.m@icn.co.th Tel 02-553-0755

Vice President, Business Administration

Department: wilaipom.t@icn.co.th Tel 02-553-0755 ext.507

and Suggestion / comments / complaints box in

The Company

3. Human Rights

The Company has a policy to promote the human rights by treating all stakeholders including staff, communities and surrounding societies with respect to human values, equality and freedom. The Company will refrain from any violation nor discrimination against human rights. Moreover, the Company also promotes the compliance to human rights practices by arranging the channel for opinions and complaints by any persons affected by alleged human right violation and by providing appropriate remedies to the offended persons. Therefore, The Company has established a human rights policy for executives and all employees covering human dignity of all employees and stakeholders in accordance with international standards which is considered as an important foundation in business operations as follow:

3.1 Intend and comply to human rights by refraining itself and all employees from any violation of human rights activities, such as no mistreat of forced labor and child labor and ensuring that the Labour Protection Law is well followed by all employees.

3.2 Abide by the international principles in hiring and treating all stakeholders with fairness on the basis of human dignity and equality without any discrimination nor violation of any fundamental rights on gender, age, religion, nationality, region, status, physical condition and political opinions.

3.3 Monitor and follow up on subsidiaries, trade partner and stakeholders to strictly practice in accordance with international principles on human rights, including to protect the rights of stakeholders being damaged by the operating business in accordance with the specified laws.

3.4 Focus on the safety and occupational health in the workplace.

3.5 Provide the opportunities to employees to participate in management and comments on operating business or Company's working procedure through "Suggestion / Comments Boxes" located in The Company premises.

3.6 Stipulate measures in protecting employees who report the violation of human rights or unfair treatment to employees. The whistle blower will be safeguarded not be punished, bullied or be treated in any way that will lead to unwanted resignation.

4. Fair Treatment to Employees

The Company is well aware of the importance of human resource development and fair treatment to employees with the recognition that such matters would increase business value as well as promote competitive edge and sustainable growth of The Company. As such, policies and guidelines are prescribed as follows.

4.1 Respect to rights of employees pursuant to labor law and human rights principles.

4.2 Fair process of employment and employment conditions, including remuneration and promotion in accordance with fair evaluation.

4.3 Support the personnel development by providing training, seminar, workshop and other relevant external seminars and workshops in order to develop their knowledge, ability, potential as well as to embed good attitudes, ethics and team work skill.

4.4 Provide welfare for the employees pursuant to the law, e.g., social security, provident fund etc. and additional to law, e.g., health insurance, accident insurance, Employee Joint Investment Program, annual travel etc. including various funding, e.g. funeral expenses, etc.

4.5 Provide annual medical check-up to employees of all levels by taking into account risk factors, age, gender and work environment of each individual employee.

4.6 Provide safe working condition and sanitary workplace by issuing measures for accident prevention, encouraging awareness of safety including training, promoting good health and taking good care of workplace to keep it safe and hygienic.

4.7 Provide the opportunity for employees to express opinions or to file complaints in respect of unfair treatment or improper conduct within The Company including due protection to such reporting employees.

4.8 Support and encourage all employees to participate in various activities for society and environment (CSR) by including in the mission of the Company so that the employees can jointly conduct good deeds to community and society.

The realization of human resource development and fair treatment to employees is a factor that will create additional value and enhance the competitiveness and sustainable growth of The Company in the future.

5. Responsibility toward Consumers

The Company has a policy to focus on customers who are direct consumers and social communities which are indirect consumers by sharing accurate and correct knowledge and information as per system engineering standard, complying to fair contract management, keeping customer information confidential and setting policies as follows:



5.1 Conduct business with a commitment to provide quality products and provide standardized services to add value Including continuously responding to the needs of customers along with providing the information needed to make decisions without distorting the facts.

5.2 Conduct business by adhering to honesty, integrity, fairness and without taking any action that violates the rights of customers to keep customers' s trade secrets including resist to use for personal gain or wrongful conduct.

5.3 In case of unable to perform as trade agreement condition, the customers will be informed in advance in order to find solutions and prevent damage.

5.4 Provide communication way through various channels such as filling the comment via websites so that customers can complain to the Company and complaints will be responded by fair action.

6. Preserving Environment

The Company is committed to conduct business in accordance with safety standards, maximum occupational health and environment as the following guidelines:

6.1 Comply with various laws and regulations in safety, occupational health and environment.

6.2 Follow the standards to create a safety in health and working environment for all employees.

6.3 Educate employees regarding hygiene issues, safety and environment at all levels as well as support methods and compliance with environmental protection measures.

6.4 Disclose the information in terms of safety, occupational health and environment related to the Company's operations.

The Company has regularly maintained the working environment to be safe for life and property of its employees, customers and visitors regularly. The safety protection system is well checked and finetuned. We have introduced the waste classification campaign or campaign to use paper wisely by utilizing both sides of paper in or by the method of receiving-sending electronic mail or email to reduce paper use, turning the lights off during lunch break, setting the suitable air conditioning temperature etc. The Company will monitor and report the outcome on a monthly basis.

7. Society and Community Development

Society and community development is a policy that the Company supports. Therefore, there are always activities that benefit the community which is considered as a part of promoting and developing the local economy. The Company will not act or support any act that are illegal and may cause negative effects to the community and society. Whether it is a policy to support the education of youth, donation of school supplies and scholarship support, doing activities related to the preservation of traditions. The Company has a policy to support surrounding society such as giving fund to various foundations for using in helping the needy, making procurement to support the work of social development charities to make income and create pride for underprivileged people, providing financial support to religious affairs, including hospitals to improve the medical equipment.

8. Innovation and Disseminating Innovations Derived from Social Responsibility

The Company promotes and supports creating ideas or searching for and developing new knowledge including applying the knowledge gained in business practices as well as management in creating innovation. The Company will encourage innovation at the work process level in the organization. However, the innovations may have different levels which It may be a rework, improvement, adjustment and replacement in order to achieve for more efficient or effective results in various operations and it can also mean a change in thinking, taking action to add value. The goal of innovation is positive change to make things changing for better in society such as promoting the development of an Internet-based work system that was developed by employee of the Company i.e. developing a slip online system, processing of the Company documents, meeting room reservation, record any details of attending seminars or training, processing of cash advances, employee evaluation, calling the messenger system, requesting travel authorization both inside and outside the country via online system etc.

Execution and Reporting

The Company realizes the importance of stakeholders at all levels such as employees who are the important drivers of the organization in conducting business and build up a good relationship and unity between the Company and employees through various activities by identifying personnel development principles, managing compensation and welfare concretely with continuous practices. The Company provides training and development, understanding, skills as well as fostering positive attitudes to employees in order to create a common understanding on how to work properly in accordance with rules and regulations including corporate culture for smooth adaptation as well as on the job trainings for new employees.

For better co-ordination across departments, the Company has organized various activities such as the New Year's event so that the management and employees can jointly celebrate and shares their opinions. The Company also arranges appropriate welfare i.e. provident fund, Employee Joint Investment Program, medical

expenses other than social security fund, annual medical examination, annual travel etc.

Guidelines for Compliance with Anti-Corruption Policy

The Company is committed to operate business with transparency and integrity under the law and business ethics. The Company has set the principles in business ethics, prohibiting employees from demanding assets or any other benefits from partners, contractors or other related parties. All executives and employees cannot use the property or falsify the name of the Company, including using the authority to seek personal benefits and should avoid to accept gifts from contractor partners, except the gifts for traditional festive with reasonable value. The Company has established the guidelines for employees to treat all contractors equally by taking into account the fair benefits of both parties in accordance with trade agreements made between parties including waive any action that is beneficial to the contractor. If violating, the Company shall consider it as a serious offense with heavy punishment. The Company has defined steps to prevent involvement in corruption as follows:

- The Company provides a channel to report any actions which may involve in the corruption within the Company.
- All levels of employees shall fully cooperate with internal auditors and external auditors and provide complete information to the internal auditor and the financial auditor.

Follow-up and Evaluation in Accordance with the Policy to Prevent Involvement with Corruption

The Company has monitored and evaluated according to the anti-corruption policy which the human resources department is responsible for monitoring and overseeing. The Company expects everyone to report in good faith about the contrary or suspected practices to the principles to their direct supervisors. Or in case of unable to report the supervisor, they can report to human resources department which the information provided will be treated as confidential. The supervisor also has an obligation to monitor and recommend subordinates in the hierarchy to comply with the policy and code of conduct that the Company has set in principle on a regular basis.

Influence of Business Operation on Social Responsibility

- None -

Social and Environmental Responsibility Operations

With regard to social responsibility, the Company has projects that enable employees to participate in social responsibility such as supporting the blind through the desk calendar donation project, which the Company has collected every year. In this year the Company collected and brought the 2019 desk calendars or older to donate to the Library of the Department of National Parks and Forestry for making calendar paper into braille alphabet to deliver to the blind. Moreover, the Company organized a trip for 22 blind students from Makutkiriwan School for the Blind (Khao Yai) to visit the Scenical World Amusement Park together with volunteered personnels. This activity helped them to open the world of imagination, create happiness and smiles among the volunteers and the blind students under an impressive mood.

The Company supported fund for Amir Al-Mu'Minin Foundation to orphans in 3 southern border provinces to celebrate Children's Day. This foundation helps orphans and disadvantaged in the 3 southern border provinces to have a better living by providing scholarships, patron, adoptive parents, career development, and other needed and creating conscious for the community in doing good deeds and reconciliation between Muslim and other religions.

The Company has participated in the maiA Virtual Run 2020, organized by MAI Listed Company Association and the Market for Alternative Investment, raising funds for the Thai Red Cross Society to Queen Savang Vadhana Memorial Hospital at Sriracha. There were members of the association participating in such activity in which executives and employees of each company run together for a distance of 1 kilometer equivalent to 10 Baht during September - October 2020. This activity raised fund for a total of 2,000,000 Baht.

In addition, the Company has continuously encouraged top executives to participate in the "SET Social Impact Gym" project since 2019. This project is a collaboration between the Stock Exchange of Thailand,

the Market for Alternative Investment (MAI) and MAI Listed Company Association in order to develop business potential of social enterprise (SE) and open up learning platforms between SE and other entrepreneurs including the expansion of business and social innovation as well as building an ecosystem to support social impact investment, creating sustainability in dealing with social problems. It is an integration between social and business sectors through driving real business for social impact and creating real entrepreneurs with the support of senior executives from various business sectors in the Market for Alternative Investment and experts under the approach of Coaching & Mentoring System. In every year more than 50% of SEs who are members of the SET Social Impact Platform each year are able to develop their businesses to the growth stage or expand their social outcomes effectively and being the major force to support the context of sustainable development which may become the engine of growth of the mainstream business for the future.

SET Social Impact Gym 2020 Project

In 2020, an executive of ICN has participated as a volunteer coach for Volunteers Social Enterprises Company Limited (From Angel Foundation) that runs a social business for vulnerable groups as hair and wig weaving donation recipient via accepting hair donation together with contribution for weaving wigs to needy cancer patients in order to create a career for vulnerable groups and support them to skilled labor market. With this, donors can volunteer in doing hair extraction and being involved in the process of weaving wigs from the beginning until delivery to cancer patients. Additionally, ICN also supported Andaman Discovery Company Limited, a social enterprise which is active in community development in order to ease social problems. This SE acts as a community-based tourism developer in co-operation with the community affected by the tsunami to develop tourism for sustainability in order to recover the community to live a normal life and generate additional income to their families for better living as well as protect natural resources in the community.

Participation Guideline	Performance	Output	SE Business Results According to SDGs Goals*
Volunteers Social Enterprises Company Limited (From Angel Foundation)			
Providing knowledge and business advice	SET Social Impact Gym 2020 was held from August 2020 through 8 weeks (38 hours) including business planning consultation (2 hours) as well as being a volunteer guest speaker during SI GYM # 3: Body Fit & Firm lecture on the topic of "Growth Mindset and Decision Making" (2 hours)	<ol style="list-style-type: none"> SE understood the goal of doing business through Business Model Canvas and received advice and experiences in business both in-depth skills in each type of business and basic business skills. SE learned to find the strength of its business and to see business opportunities in the current situation and set a timeline to develop the business both in short and long term plans to achieve the goals through the views, experiences and visions as recommended by coaches. 	Goal 1: No Poverty Goal 2: Zero Hunger Goal 3: Good Health and Well Being Goal 4: Quality Education Goal 5: Gender Equality Goal 6: Clean Water and Sanitation Goal 8: Decent Work and Economic Growth Goal 10: Reduced Inequality Goal 11: Sustainable Cities and Communities Goal 12: Responsible Consumption and Production Goal 13: Climate Action Goal 14: Life Below Water
Andaman Discovery Company Limited			
Giving opinions, suggestions and encouragement	Participation in the test trip "Andaman Travel" in Phuket - Phang Nga (6-8 November 2020)	SE had the opportunity to provide the test trip for the first time to Thai customers. This enables the SE to learn and gain experience from the real field work. SE received advice, remarks and suggestions from many perspectives including encouragement from a variety of travel companions who comprised of coaches, coaches' families, media with a variety of ages in order to improve and develop its management and business expansion.	Goal 1: No Poverty Goal 3: Good Health and Well Being Goal 13: Climate Action

Remark: *Sustainable Development Goals (SDGs) refers to the United Nations' 17 Sustainable Development Goals.

For environmental responsibility, the Company is well aware of the roles, duties and responsibilities toward environment especially the support for projects and activities for the public benefit and various activities which are being carried out continuously with the aim of helping to develop and give back to society with continuous operations throughout the year. In 2020, executives and employees of the Company volunteered to classify waste for reducing global warming. As in the office, there was no classification of waste causing a high amount of waste to be disposed affecting waste management and the environment. In order to reduce the problem of increasing the amount of waste, the concrete classification of waste has been introduced for better handling such as separating each type of recyclable waste for further sale which is the way to add value for the waste and makes it easier to enter into recycling for reuse. Therefore, the systematic waste management from the source which separate the bin / bag according to the type of waste will make waste management more efficient, reduce problems with various impacts as well as raise awareness among employees to realize the importance of taking part in solving waste problems. ICN waste separation campaign is to reduce global warming project which is a method of providing knowledge to employees to

understand proper waste separation and together support a good environment.

Moreover, the Company also extends the separation of waste to another specific project i.e. milk and juice boxes collection activities for the green roof project. The Green Roof Project is a collaboration of the leading companies in manufacturing processes and packaging for food and beverages, the major department stores, the Beverage Box Recycling Center and the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment which commit to carry out a campaign to support the separation, storage and recycle the used beverage boxes for the maximum benefit as well as supporting sustainable sorting, storage of waste, and recycling of used beverage boxes. ICN employees participated in this activity by collecting and cleaning the consumed beverage boxes and delivery them for recycling into a qualified roof sheet which is durable, not easily broken, fire resistant, light weight, does not absorb sun and heat, save energy, is free from mold and can be easily repaired. This activity was organized in order to donate such beverage boxes to Friends in Need (of "Pa") Volunteers Foundation, Thai Red Cross to utilize and distribute them to the communities in need.

Project Risk Management

Due to the Company's main project tender-focused business doing, the Company therefore realizes on the contingent risks from sales of each project and formulates the policy of risk management to be part of the Company's business operation and set up Risk Management Working Group to perform duty in assessing risks occurred both from finance, management of project, technique and internal factors and external factors in order to suggest the guideline of risk management to be in acceptable level so that the project will be successful and enable to yield proper return for the Company.

Internal Control

The Board of Directors and executives have direct duties and responsibilities in establishing and maintaining internal control system and regularly reviewing efficiency of internal control to protect the investment fund of the shareholders and the Company's assets. Internal control includes financial control, operation, operating governance to be in line with relevant laws and rules, and risk management.

Internal control system effectively established by the Company shall contribute to the Company's reasonable confidence that can attain the setting objectives and targets in the following matters.

- Proper and reliable data system and financial report
- Compliance of regulations, policies, work processes of the Company and relevant laws.
- Existence of the Company's assets under well control, supervision, storage and maintenance
- Effective operation of the Company and saving resource consumption
- Efficient attainment of the Company's objectives and strategies, and operation

The internal control system of the Company can be summarized based on the element of control in each area as follows.

1. Control Environment

The Company establishes good organizational structure and environment which are the important foundation of efficient internal control. The Company also determines clear vision, target, strategy and budget, and criteria for operating result measurement, regularly and continuously restructure the organization to be consistent with business plan, improves corporate governance system, recruits quality personnel, and continuously develops under complete working policies and rules that cover financial transaction, procurement, risk management and other areas.

The Company has established handbooks for personnel operations such as Recruitment Handbook, Training and Personnel Development Handbook, Wages and Salaries Payment Handbook etc., for the purpose of the tidiness of human resource operation and work efficiently and in order for the concerned employees to adhere to the same standards.

2. Risk Assessment

The Company determines that every work unit shall assess and consider risks in performing transactions and the Audit Committee shall perform duty in governing risks to be in the manageable level.

The Board of Directors' Meeting No.4/2019 held on 6 August 2019 resolved to appoint the Risk Management Committee and approved the Risk Management Committee Charter.

3. Control Activities

The Company determines delegation of function and job so that control system occurs among each other, determines written approval authority of transaction and financial limit, and prepares the guideline of supervision on connected transactions and related party transactions in accordance with laws.

4. Information System & Data Communication

The Company establishes data system for adequate decision whereas there is work unit that shall effectively collect, analyze and store data bank of the Company, and communicate organizational data system in both two ways in the level of the Board of Directors for preparation of data and documents which are adequate for decision making.

5. Monitoring & Activities

The external auditor of the Company which is Dharmniti Auditing Co., Ltd. as the auditor of financial statement for 2020 and remarked the opinion that the said financial statements of Information and Communication Networks Public Company Limited are fairly proper in the materiality in accordance with Thai Financial Reporting Standards.

The Board of Directors had the opinion that the Company has adequate and effective internal control system with sufficient numbers of responsible personnel to monitor and handle this system efficiently. The Company therefore is able to conduct its business in accordance to Good Corporate Governance and transparency. Moreover, the Company has set up the monitoring system to ensure that Company assets shall

be used with an appropriate purpose by directors or management within their authority as well as a proper control is in place to manage any transactions with conflict of interest or with related parties efficiently.

To ensure an effective internal control system, the Audit Committee Meeting No. 1/2020, held on 19 February 2020, resolved to appoint Ms. Wimon Juakwon as Internal Audit Manager which also has been approved by the Board of Directors Meeting No. 1/2020 held on 19 February 2020. Ms. Wimon Juakwon shall present the audit report directly to the Audit Committee on a quarterly basis. Internal Audit Section has duties in giving counsel and auditing, assessing internal control system, risk management system and corporate governance to ensure that risk management system, internal control system and corporate governance process of the Company that they are adequately formulated and effective in accordance with the setting objectives.

Internal audit section shall prepare an annual audit plan with considering of Risk Based Approach that emphasizes on significant risks that will affect the Company's objective achievement and financial accuracy.

The internal auditor of the Company, proposed annual internal audit plan for 2020 under the following details of internal audit plan.

Auditing or Monitoring Cycle/System	Period of Auditing Documentary Information	Auditing Entry Date
1. Control of Personnel Management	Oct 2019 - Feb 2020	April 2020
2. Procurement Process	Jan - Apr 2020	May - June 2020
3. Handling of petty cash and advance	May - July 2020	Aug - Sep 2020
4. Marketing and sales planning and handling of sales and bidding for project	Aug - Nov 2020	Dec 2020

The Audit Committee considered, reviewed and approved the said annual audit plan and follow up the auditing result and performance of internal audit section on a quarterly basis. In addition, internal audit section of the Company has also referred to the professional internal audit work standard of the Institute of Internal Auditors of Thailand as the operation framework. The internal auditors are independent and impartial and receive full support in all matters.

The Audit Committee independently performed its duties in accordance with the scopes of duties and responsibilities, as assigned by the Board of Directors, to monitor the Company's operations and ensure that the executive committee and management members perform their duties with accountability towards shareholders, integrity, responsibility, and compliance with the Company's policies.

In 2020, the Audit Committee held four meetings with the Management, internal auditors, and financial auditors to monitor the compliance as per the recommendations of the auditors. The Audit Committee reported its performance and recommendations to the Board of Directors on a quarterly basis. The main duties performed by the Audit Committee can be summarized as follows:

1. The Audit Committee reviewed the quarterly and annual financial statements of the Company. In addition, the Audit Committee inquired and obtained clarifications from the Management and auditors regarding the accuracy and completeness of the financial statements, sufficiency of information disclosure, events after the reporting period, and adjusting entries that materially affect the financial statements in order to ensure that the preparation of the financial statements was in compliance with relevant laws and financial reporting standards, the financial statements were accurate and credible, and the disclosure of information in the financial statements was sufficient and timely for the benefits of investors or users of the financial statements.
2. In reviewing the internal control assessment, the Audit Committee examined and expressed opinions towards the results of 2020 internal control assessment, as well as inquiring additional information and reviewing related supporting documents from the Management. The Audit Committee concluded that, upon the assessment of the Company's internal control system in five aspects, namely control environment, risk assessment, control activities, information and communication, and monitoring activities, the Company's internal control system was adequate and appropriate. The Audit Committee was of the opinion that the Company had prepared sufficient personnel and risk management suitable to the nature of business to efficiently comply with the stipulated system and protect the Company's assets from wrongful or unauthorized use by the directors or management, including conflicts of interest and related-party transactions, with sufficiency and without material flaws in complying with the internal control system.
3. The Audit Committee emphasized on the Company's compliance with procedures regarding the approval of conflicts of interest transactions, which conform to legal requirements and corporate governance. The Audit Committee reviewed and ensured that the transactions were accurate and reasonable, with normal business conditions, and were of optimal benefits to the Company and its stakeholders.
4. In each meeting, the Audit Committee reviewed and expressed opinions towards the Company's compliance with Securities and Exchange Act, regulations of the Stock Exchange of Thailand, and other applicable laws pertaining to the Company's businesses. According to the results of 2020 review, there were no material issues concerning incompliance with Securities and Exchange Act, regulations of the Stock Exchange of Thailand, and other applicable laws pertaining to the Company's businesses.

5. The Audit Committee reviewed the performance in 2020 of Ms. Wimon Juakwon, under the role of internal auditor of the Company, and concluded that the performance was satisfactory. There was no material indication of fraud or errors in the internal audit operations. The internal auditor provided useful recommendations on internal control and was independent in performing its duties. Moreover, the internal auditor proposed reasonable remuneration. With that respect, the Audit Committee deemed that it was appropriate to appoint Ms. Wimon Juakwon as the internal auditor of the Company for 2021.
6. The Audit Committee considered, selected, and proposed the Company's auditor for 2021, including the audit fee, to the Board of Directors in order to obtain approval from 2021 Annual General Meeting of Shareholders. Upon consideration of the performance and independence of the auditor and the suitability of the audit fee, the Audit Committee deemed that it was appropriate to appoint Ms. Thanyaporn Tangtanopajai (CPA License No. 9169) or Mr. Peradate Pongsathiansak (CPA License No. 4752) or Ms. Chotima Kitsirakorn (CPA License No. 7318) or Mr. Suwat Maneekanoksakul (CPA License No. 8134) or Ms. Arisa Chumwisut (CPA License No. 9393) or other auditors approved by the Office of the Securities and Exchange Commission on behalf of Dharmniti Auditing Co., Ltd. as the Company's auditors for the year 2021, due to:
 - Good performance standard, professional expertise, and satisfactory results
 - Considering the workload and the audit fees of auditors from other companies, Dharmniti Auditing Co., Ltd. is independent and impartial having appropriate audit fees by offering the annual audit fees for 2021 in the amount of 1,345,000 THB (One million three hundred and forty five thousand Baht).
 - Being an auditor that has been approved by the Securities and Exchange Commission to be able to audit the financial statements of companies listed on the stock exchange.
 - Independence of the accounting firm and auditors, as proposed above, from the Company's executives, major shareholders, or related parties in auditing and expressing opinions towards the Company's financial statements.
7. The Audit Committee performed its duties according to the prescribed scopes of authority and responsibilities with conformity to Securities and Exchange Act and regulations of the Stock Exchange of Thailand.

The Audit Committee had the opinion that the Company's operations for the year ended 31 December 2020 were under appropriate internal control and internal audit systems. The financial statements were accurate, complete, having risk management suitable to the nature of business and reliable with adherence to applicable laws, regulations, and other requirements pertaining to the Company's businesses. In addition, the Company's disclosure of information was adequate and the Company conducted its operations according to good corporate governance with sufficiency, transparency, and reliability.



(Mr. Segsan Roilapcharoenporn)
Chairman of the Audit Committee

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Related Party Transactions

Business Transactions with the Related Parties

During the year, the Company and its subsidiary had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and its subsidiary and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separated		Pricing Policy
	Financial Statement		Financial Statements		
	Year 2020	Year 2019	Year 2020	Year 2019	
<u>Business transactions with subsidiary</u>					
Cost reimbursement	-	-	2,149	-	Actual Cost

The outstanding balances between the Company and its subsidiary as at 31 December 2020 and 2019 were as follows:

(Unit: Thousand Baht)

	Consolidated Financial Statement		Separated Financial Statements	
	Year 2020	Year 2019	Year 2020	Year 2019
Other receivables - subsidiary	-	-	780	-

Remuneration for Director and Executive

During the year ended 31 December 2020 and 2019, the Company and its subsidiary had the expense of employee benefit provided to directors and executives as follows:

(Unit: Thousand Baht)

	Consolidated Financial Statement		Separated Financial Statements	
	Year 2020	Year 2019	Year 2020	Year 2019
Short-term employee benefits	37,679	36,046	37,071	35,351
Post-employment benefits	1,843	1,638	1,817	1,617

Tendency of Future Related Party Transaction

The Company may continuously perform related party transactions in the future which shall be in accordance with generally practiced business transaction, and shall formulate clear policy for entering to related party transaction. Pricing and commercial conditions shall be defined under the arm's length principle, such as purchase of goods, rendering or receiving services, as well as guarantee of credit lines of the Company's directors. The related party transactions that will occur shall be based on the necessity of the Company's business operation and for the purpose of the Company's benefit. Moreover, the Company has no policy for lending the Company's money to the directors, executives and employees. However, the Audit Committee shall quarterly consider and audit the compliance of the criteria and express the opinion on reasonability of the occurred transactions.

For the related party transaction that are not in line with normal business that may occur in the future, the Audit Committee will review the compliance of criteria and justify the reason of the said transaction performing prior to executing that transaction by remarking the opinion related to the necessity, reasonability, and appropriateness on price of that transaction. The conditions shall be considered to be in line with nature

of normal trade operation in arm's length price which can be compared with the price occurred with the third party. In case where the Audit Committee has none of expertise in consideration of the contingent related party transaction, the Company shall assign the independent parties who have special know-how such as auditor, asset appraiser, law firm, etc. from the company and person who may have conflict to remark the opinions related to the said related party transaction in order to support the Audit Committee's decision so that the Audit Committee shall propose to the Meeting of the Board of Directors or Shareholders as the case may be. The Audit Committee shall execute in accordance with the measure and procedure of approval on related party transaction performing as specified above. However, in case of related party transaction that may cause future contingent conflict of interests, the Board of Directors shall comply with Securities and Exchange Law, regulations, announcements, orders or requirements of Capital Market Supervisory Board and the Stock Exchange of Thailand with regards to the requirement of disclosure on information of related transaction, acquisition or disposal of assets of the Company or its subsidiaries, as well as compliance to accounting standards prescribed by Federation of Accounting Professions and the Certified Public Accountants of Thailand.

Report of the Board of Directors' Responsibility for Financial Reporting

The Company's Board of Directors is responsible for the financial statements of Information and Communication Networks Public Company Limited, along with financial information presented in the Annual Report. The Company's financial statements have been prepared in accordance with Thai Financial Reporting Standards through the adoption of an appropriate accounting policy on a consistency basis, and reflect best judgments and estimates. In addition, significant information has been adequately disclosed in the Notes to Financial Statements.

The Company's financial statements have been audited and approved by an independent auditor, i.e. Dharmniti Auditing Co., Ltd.. In order to facilitate the auditor to conduct an audit and express an opinion according to the accounting standards, the Board of Directors has provided the auditor with support in terms of relevant information and documents; whereby the auditor's opinion is presented under the Auditor's Report section in the Annual Report. The Board of Directors has established the systems of internal control and internal audit to effectively provide reasonable assurance as to the accuracy and completeness of financial reporting, the safeguarding of the Company's assets, and the prevention of fraudulence or material misstatement of financial reporting.

The Board of Directors has appointed the Audit Committee, which comprises of three independent directors who exhibit all qualifications as required by the Stock Exchange of Thailand and Securities and Exchange Commission (SEC). The Audit Committee's responsibilities include overseeing and auditing the quality of financial reports and ensuring the appropriateness and efficacy of internal control and internal audit systems. The Audit Committee's opinion is provided in the Annual Report.

The Board of Directors had the opinion that the Company's overall internal control system is satisfactory and sufficient to provide reasonable confidence as to the reliability of the financial statements of Information and Communication Networks Public Company Limited for the year ended 31 December 2020. The financial statements are accurate, complete, and in compliance with the Generally Accepted Accounting Principles, as well as applicable laws and regulations.



(Mr. Segsan Roylapcharoenporn)
Chairman of the Board



(Mr. Pornchai Krivichian)
Chief Executive Officer

To The Shareholders and Board of Directors of
Information and Communication Networks Public Company Limited and its subsidiary

Opinion

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

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

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company and its subsidiary 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 our professional judgment, were the most significant in my audit of the consolidated financial statements and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have performed the responsibilities described in the Auditor's Responsibility section of my report. The financial statements in my report includes the responsibility related to these matters. The performance of work includes the audit method designed to respond to the risk assessment from presenting information that is significant misstatement in the financial statements. The result includes the audit methods on these matters and is used as a basis in expressing my opinion on the overall financial statements.

Key audit matters and audit methods on each matter are as follows:

Revenue recognition and cost of sales and service under the agreement

The Company and its subsidiary have revenues from sales and service under the agreement, project cost estimate under the agreement and estimate of project loss under the agreement as described in Notes 6.1 a) and 6.1 b) to the financial statements. As the revenue and project cost under the agreement has material amount including the valuation method of the revenue recognition, cost and estimates of loss that may arise are matters that require significant judgment of the management in assessing the stage of work completion, total cost estimate expected in performing work in accordance with each agreement, ability to make delivery to customer by the specified time and assessing the likelihood of the chance for incurring loss and measurement of loss that may be incurred from the agreement. Change in judgment that relates to the stage of work completion and total cost estimate will significantly affect the adjustment both positively and negatively on the revenues and gross profit. Therefore, I paid attention to verifying the accuracy and appropriateness of the stage of work completion and value of total cost expected to be used in performing work throughout the project to be significant matters in my audit.

Risk response by the auditor

I have assessed and understood the process used by the company in assessing the stage of work completion, total cost estimate expected to be used for performing work by the agreement and cost adjustment, recognition of revenues and cost of sales and service and testing significant actual controls, accuracy and completeness of revenues and cost by:

- Reading the details of the agreement and inquire the management on the conditions and risks related to revenue recognition and loss estimate that may arise including testing the grouping of services of the agreement.
- Inquiring the responsible management and understanding the process in acquiring revenue from the agreement, estimate and project cost adjustment, recognition of revenue and cost, estimate of stage of work completion and loss that may arise from the agreement.

- Testing the efficiency of the internal control system designed by the Company and its subsidiary to control the agreement process, estimates and project cost adjustment, revenue recognition, estimate of stage of work completion and loss that may arise from the agreement.
- Assessing the appropriateness and testing the related internal control system involving the method used by the management in monitoring and considering the reasonableness of the stage of work completion assessment evaluated by the engineer including assessing the knowledge and qualification of the engineer.
- Auditing the actual cost with supporting documents and testing the calculation of the stage of work completion from the actual cost incurred as at the end of the period and total cost expected to be used in performing work under the agreement throughout the project.
- Comparing the difference between the percentage of work completion of the actual work performed as assessed by the engineer and the percentage of work completion considered from the cost incurred including reviewing the reason that supports the conclusion from the comparison.
- Analyzing the gross profit of construction work with the project cost estimate to assess the loss estimate that may arise.
- Verify the accounting records of revenue account through general ledger to find out the irregularity throughout the accounting period.
- Considering the information disclosure related to the basis of revenue recognition and loss estimate that may arise in the notes to the financial statements.

Other Matters

The financial statements of Information and Communication Networks Public Company Limited and its subsidiary and the separate financial statements of Information and Communication Networks Public Company Limited for the year ended December 31, 2019 were audited by another auditor who expressed an unqualified opinion in accordance with the report dated February 19, 2020.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct 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 consolidated financial statements and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company and its subsidiary's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Company and its subsidiary'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 Company and its subsidiary'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 consolidated financial statements and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company and its subsidiary to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiary to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Company and its subsidiary audit. I remain solely responsible for my audit opinion.

I have communicated 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 the internal control system that I have identified during my audit.

I also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on 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 consolidated financial statements and separate 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is Ms.Thanyaphorn Tangthanopajai.



(Ms.Thanyaphorn Tangthanopajai)

Certified Public Accountant

Registration No. 9169

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 24, 2021

20 Financial Statements

STATEMENT OF FINANCIAL POSITION

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

AS AT DECEMBER 31, 2020

		(Unit: Baht)			
		Consolidated		The Company Only	
	Notes	2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	9	302,554,924	284,716,554	293,875,824	282,005,123
Current investments - fixed deposits		5,579,738	721,616	2,006,679	533,235
Trade and other receivables	10	208,504,044	258,358,469	158,675,736	248,515,669
Unbilled receivables		572,672,787	326,181,473	570,438,632	309,560,176
Inventories	11	148,663,316	160,564,710	148,282,726	160,564,710
Advance payment for goods and services		14,955,159	14,219,123	14,343,859	13,719,123
Other current assets		28,239,283	22,081,822	25,059,833	21,667,843
Total current assets		1,281,169,251	1,066,843,767	1,212,683,289	1,036,565,879
Non-current assets					
Restricted bank deposits	12	147,558,032	104,864,859	141,573,032	95,579,859
Investments in subsidiary	13	-	-	35,700,000	35,700,000
Office improvement and equipment	14	3,928,016	6,631,440	3,694,067	6,237,032
Right-of-use assets	15	13,234,558	-	10,914,948	-
Goodwill	16	14,401,062	14,401,062	-	-
Intangible assets	17	10,982,228	13,247,664	329,582	397,800
Deferred tax assets	23	-	-	1,513,941	1,935,076
Other non-current assets		1,192,604	1,125,865	1,152,782	1,116,865
Total non-current assets		191,296,500	140,270,890	194,878,352	140,966,632
Total assets		1,472,465,751	1,207,114,657	1,407,561,641	1,177,532,511

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

STATEMENT OF FINANCIAL POSITION (CONT.)

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

AS AT DECEMBER 31, 2020

		(Unit: Baht)			
		Consolidated		The Company Only	
	Notes	2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	18	201,349,679	125,113,364	201,349,679	125,113,364
Trade and other payables	19	435,315,002	400,616,338	405,448,767	396,212,007
Unbilled payables		28,406,193	21,136,105	27,439,788	20,920,120
Advanced receipts from customers		155,515,499	58,639,592	153,731,403	58,639,592
Current portion of lease liabilities	15	3,454,701	536,887	2,538,327	493,064
Income tax payable		6,474,604	4,445,181	6,474,604	4,445,181
Other current liabilities		23,118,260	13,310,207	19,680,079	10,945,591
Total current liabilities		853,633,938	623,797,674	816,662,647	616,768,919
Non-current liabilities					
Lease liabilities - net of current portion	15	9,201,727	483,877	7,778,611	472,922
Provision for long-term employee benefits	20	12,776,588	9,583,423	11,871,937	8,888,132
Deferred tax liabilities	23	342,818	135,937	-	-
Total non-current liabilities		22,321,133	10,203,237	19,650,548	9,361,054
Total liabilities		875,955,071	634,000,911	836,313,195	626,129,973

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

STATEMENT OF FINANCIAL POSITION (CONT.)

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

AS AT DECEMBER 31, 2020

(Unit: Baht)

	Notes	Consolidated		The Company Only	
		2020	2019	2020	2019
Liabilities and shareholders' equity (cont.)					
Shareholders' equity					
Share capital					
Registered share capital					
450,000,000 ordinary shares of Baht 0.50 each		225,000,000	225,000,000	225,000,000	225,000,000
Issued and fully paid-up share capital					
450,000,000 ordinary shares of Baht 0.50 each		225,000,000	225,000,000	225,000,000	225,000,000
Share premium		155,062,688	155,062,688	155,062,688	155,062,688
Retained earnings					
Appropriated - Legal reserves	21	20,500,000	15,000,000	20,500,000	15,000,000
Unappropriated		173,133,018	156,976,087	170,685,758	156,339,850
Equity attributable to the owners of the Company		573,695,706	552,038,775	571,248,446	551,402,538
Non-controlling interests of the subsidiary		22,814,974	21,074,971	-	-
Total shareholders' equity		596,510,680	573,113,746	571,248,446	551,402,538
Total liabilities and shareholders' equity		1,472,465,751	1,207,114,657	1,407,561,641	1,177,532,511

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

STATEMENT OF COMPREHENSIVE INCOME

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEAR ENDED DECEMBER 31, 2020

		(Unit: Baht)			
		Consolidated		The Company Only	
	Notes	2020	2019	2020	2019
Revenues					
Sales and services income	22	1,469,857,672	1,198,723,912	1,326,431,302	1,139,442,118
Other income		943,336	2,542,292	874,497	2,309,553
Total revenues		1,470,801,008	1,201,266,204	1,327,305,799	1,141,751,671
Expenses					
Cost of sales and services		1,245,520,107	1,008,532,075	1,117,028,798	958,626,301
Selling and servicing expenses		37,256,308	32,564,842	31,650,377	28,893,483
Administrative expenses		45,763,063	41,791,133	41,011,442	37,468,148
Total expenses		1,328,539,478	1,082,888,050	1,189,690,617	1,024,987,932
Profit before finance cost and income tax expenses		142,261,530	118,378,154	137,615,182	116,763,739
Finance cost		127,151	-	40,748	-
Profit before income tax expenses		142,134,379	118,378,154	137,574,434	116,763,739
Income tax expenses	23	28,739,705	24,092,387	27,730,786	23,725,495
Profit for the year		113,394,674	94,285,767	109,843,648	93,038,244
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		113,394,674	94,285,767	109,843,648	93,038,244

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

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit: Baht)

	Notes	Consolidated		The Company Only	
		2020	2019	2020	2019
Profit attributable to :					
Equity holders of the Company		111,654,671	93,674,481	109,843,648	93,038,244
Non-controlling interests of the subsidiary		1,740,003	611,286		
		<u>113,394,674</u>	<u>94,285,767</u>		
Total comprehensive income attributable to :					
Equity holders of the Company		111,654,671	93,674,481	109,843,648	93,038,244
Non-controlling interests of the subsidiary		1,740,003	611,286		
		<u>113,394,674</u>	<u>94,285,767</u>		
Earnings per share	24				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.25	0.21	0.24	0.21

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

FOR THE YEAR ENDED DECEMBER 31, 2020

		Consolidated						(Unit: Baht)
Notes	Issued and paid up share capital	Share premium	Retained earnings			Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiary	Total shareholders' equity
			Appropriated-legal reserve	Unappropriated				
Beginning balance, as at January 1, 2019	225,000,000	155,062,688	10,300,000	131,001,426		521,364,114	-	521,364,114
Profit for the year	-	-	-	93,674,481		93,674,481	611,286	94,285,767
Other comprehensive income for the year	-	-	-	-		-	-	-
Total comprehensive income for the year	-	-	-	93,674,481		93,674,481	611,286	94,285,767
Increase in equity attributable to non-controlling interests of the subsidiary from investments in subsidiary	-	-	-	-		-	20,463,685	20,463,685
Dividend paid	-	-	-	(62,999,820)		(62,999,820)	-	(62,999,820)
Transferred to legal reserve	-	-	4,700,000	(4,700,000)		-	-	-
Ending balance, as at December 31, 2019	225,000,000	155,062,688	15,000,000	156,976,087		552,038,775	21,074,971	573,113,746
Profit for the year	-	-	-	111,654,671		111,654,671	1,740,003	113,394,674
Other comprehensive income for the year	-	-	-	-		-	-	-
Total comprehensive income for the year	-	-	-	111,654,671		111,654,671	1,740,003	113,394,674
Dividend paid	-	-	-	(89,997,740)		(89,997,740)	-	(89,997,740)
Transferred to legal reserve	-	-	5,500,000	(5,500,000)		-	-	-
Ending balance, as at December 31, 2020	225,000,000	155,062,688	20,500,000	173,133,018		573,695,706	22,814,974	596,510,680

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

FOR THE YEAR ENDED DECEMBER 31, 2020

The Company Only							(Unit: Baht)
	Notes	Retained earnings					
		Issued and paid up share capital	Share premium	Appropriated-	Unappropriated	Total shareholders' equity	
				legal reserve			
Beginning balance, as at January 1, 2019		225,000,000	155,062,688	10,300,000	131,001,426	521,364,114	
Profit for the year		-	-	-	93,038,244	93,038,244	
Other comprehensive income for the year		-	-	-	-	-	
Total comprehensive income for the year	29	-	-	-	93,038,244	93,038,244	
Dividend paid		-	-	-	(62,999,820)	(62,999,820)	
Transferred to legal reserve	21	-	-	4,700,000	(4,700,000)	-	
Ending balance, as at December 31, 2019		225,000,000	155,062,688	15,000,000	156,339,850	551,402,538	
Profit for the year		-	-	-	109,843,648	109,843,648	
Other comprehensive income for the year		-	-	-	-	-	
Total comprehensive income for the year	29	-	-	-	109,843,648	109,843,648	
Dividend paid		-	-	-	(89,997,740)	(89,997,740)	
Transferred to legal reserve	21	-	-	5,500,000	(5,500,000)	-	
Ending balance, as at December 31, 2020		225,000,000	155,062,688	20,500,000	170,685,758	571,248,446	

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

STATEMENT OF CASH FLOWS

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEAR ENDED DECEMBER 31, 2020

		(Unit: Baht)			
		Consolidated		The Company Only	
Notes		2020	2019	2020	2019
Cash flows from operating activities:					
	Profit before tax	142,134,379	118,378,154	137,574,434	116,763,739
	Adjustments to reconcile net profit before tax to net cash				
	Provided by (paid from) operating activities:				
	Depreciation and amortization	5,537,000	4,580,635	2,266,153	2,325,633
	Increase in allowance for doubtful debts	-	58,647	-	-
	Loss on write-off of office improvement and equipment	15,980	40,419	15,980	40,419
	Provisions for project delay and warranty (reversal)	1,279,441	880,215	935,108	(875,503)
	Provision for long-term employee benefits	3,193,165	3,038,540	2,983,805	2,852,496
	Unrealised (gain) loss from exchange rate	563	(53,681)	563	(53,681)
	Interest income	(922,701)	(2,129,790)	(853,966)	(1,985,533)
	Interest expense	127,151	-	40,748	-
	Profit from operating activities before changes in				
	assets and liabilities	151,364,978	124,793,139	142,962,825	119,067,570
	Decrease (increase) in operating assets				
	Trade and other receivables	49,854,425	(113,250,044)	89,839,933	(103,728,665)
	Unbilled receivables	(246,491,314)	(142,957,299)	(260,878,456)	(129,255,266)
	Inventories	11,901,394	(104,512,323)	12,281,984	(104,597,266)
	Advance payment for goods and services	(736,036)	(12,228,706)	(624,736)	(11,766,756)
	Other current assets	(5,169,556)	(13,818,999)	(3,590,066)	(13,817,849)
	Other non-current assets	(66,739)	(556,116)	(35,917)	(556,116)
	Increase (decrease) in operating liabilities				
	Trade and other payables	34,516,252	144,727,639	9,054,349	146,147,278
	Unbilled payables	7,270,088	(23,933,702)	6,519,668	(24,033,817)

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

STATEMENT OF CASH FLOWS (CONT.)

INFORMATION AND COMMUNICATION NETWORKS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit: Baht)					
	Notes	Consolidated		The Company Only	
		2020	2019	2020	2019
Advanced receipts from customers		96,875,907	42,129,603	95,091,811	42,129,603
Other current liabilities		8,528,049	(4,891,936)	7,798,817	(1,617,834)
Cash generated from (used in) operating activities		107,847,448	(104,498,744)	98,420,212	(82,029,118)
Cash paid for income taxes		(27,718,107)	(23,676,739)	(25,280,228)	(22,107,528)
Net cash provided by (used in) operating activities		80,129,341	(128,175,483)	73,139,984	(104,136,646)
Cash flows from investing activities					
Net cash paid for invesment in the subsidiary		-	(9,611,864)	-	(35,700,000)
Decrease (increase) in current investments		(4,858,122)	36,795,969	(1,473,444)	36,984,350
Decrease (increase) in restricted bank deposits		(42,693,173)	(27,171,326)	(45,993,173)	(28,362,960)
Acquisition of equipment and intangible assets		(548,712)	(1,188,804)	(513,576)	(756,085)
Cash received for interest income		1,161,435	2,181,622	1,063,975	2,046,200
Net cash provided by (used in) investing activities		(46,938,572)	1,005,597	(46,916,218)	(25,788,495)
Cash flows from financing activities					
Increase in short-term loans from financial institutions		76,236,315	125,113,364	76,236,315	125,113,364
Cash paid for lease liabilities		(1,463,823)	(508,554)	(550,892)	(464,730)
Cash paid for interest		(127,151)	-	(40,748)	-
Cash paid for dividend		(89,997,740)	(62,999,820)	(89,997,740)	(62,999,820)
Net cash provided by (used in) financing activities		(15,352,399)	61,604,990	(14,353,065)	61,648,814
Net increase (decrease) in cash and cash equivalents		17,838,370	(65,564,896)	11,870,701	(68,276,327)
Cash and cash equivalents at the beginning of the period		284,716,554	350,281,450	282,005,123	350,281,450
Cash and cash equivalents at the end of the period		302,554,924	284,716,554	293,875,824	282,005,123
Supplemental disclosure of cash flows information: -					
Non-cash items:					
Increase in equipment and intangible assets from other payables		170,479	-	170,479	-
Increase in right-of-use assets under lease liabilities		13,099,487	-	9,901,844	-

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

1. GENERAL INFORMATION

Information and Communication Networks Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the system integration in telecommunication business. The registered office of the Company is at No.393, D.K.J. Building, 5th Floor, Sukhonthasawat Road, Latphrao Sub-district, Latphrao District, Bangkok.

2. PANDEMIC OF CORONAVIRUS DISEASE 2019 SITUATION

The pandemic of coronavirus disease 2019 (COVID-19) situation with extensive effect on the businesses and industries has resulted in an economic slowdown. The above situation causes the uncertainty in the operations of the business. However, the management of the Company and its subsidiary has been continuously monitoring the progress of the situation and assessing the financial impact in respect of the valuation of assets, provisions and contingent liabilities. The management has adopted certain estimates and judgments in accordance with changing situation.

3. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**3.1 Basis for preparation of the financial statements**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E.2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated October 11, 2016, issued under the Accounting Act B.E.2543.

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

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

3.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Information and Communication Networks Public Company Limited (“the Company”) and the following subsidiary company (“the subsidiary”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding as at December 31, 2020
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Expert Engineering & Operating system integration

Communication Co., Ltd. in communication business Thailand 51%

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

3.3 The separate financial statements present investments in subsidiary presented under the cost method.

4. NEW FINANCIAL REPORTING STANDARDS

4.1 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiary have adopted the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards are aimed at alignment with the corresponding International Financial Reporting Standards, whereby most of the changes are to clarify accounting treatment and to provide accounting guidance for further adoption by the users, except the following standards of which the key principles are effected and they can be summarised as below:

Financial reporting standards related to financial instruments:

A set of TFRSs related to financial instruments, which consists of 5 accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Interpretations of financial reporting standards:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

These financial reporting standards do not have any significant impact on the Company and its subsidiary's financial statements.

TFRS 16 Leases

TFRS 16 Leases 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.

As at January 1, 2020, the Company and its subsidiary have adopted TFRSs related to financial instruments and TFRS 16 in its financial statements without restating the previous year's financial statements, presented for comparative purpose.

The cumulative effect of change in the accounting policy has been disclosed in Note 5 to the financial statements.

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 period of uncertainty relating to this situation.

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

4.2 Financial reporting standards that become effective in the future

During the year, the Federation of Accounting Professions issued a notification of the Federation of Accounting Professions and published in the Government Gazette for the conceptual framework of financial reporting (new) and several revised financial reporting standards from the year 2019 to become effective for the accounting period beginning on or after January 1, 2021 onwards. Such adjustments are to improve/revise the financial reporting principles as follows:

Adjustment in reference to the conceptual framework in the financial reporting standards

Several financial reporting standards refer to “IASB’s Framework for the Preparation and Presentation of Financial Statements.” The adjustment of reference items project on the conceptual framework in the financial reporting standards has updated reference items or parts of them in order to clearly identify in which year “the conceptual framework” of each document is referred.

Conceptual Framework for Financial Reporting

The conceptual framework for financial reporting consists of revised definitions of assets and liabilities, and criteria for recognition of assets and liabilities in the financial statements. It also includes the following new principles and guidance:

1. Measurement, including factors that must be considered in selecting the valuation criteria.
2. Presentation and disclosure as well as the events of which income and expenses are classified into other comprehensive income.
3. Reporting entities.
4. When the assets and liabilities derecognition from the financial statements.

In addition, this Conceptual Framework for Financial Reporting clearly clarifies management's stewardship of the entity's economic resources, prudence, and uncertainty in valuation of financial information.

Definition of Business

Business definition revised in the financial reporting standard No. 3 "Business Combination" describes more clearly on definition of business. The objective is for the business to establish that such transaction has to be recorded as "business combination" or "purchase of assets" or not. Adjustments are as follows:

1. Describe clearly on the consideration of "business", activity group and acquired assets. It must include input data factor and key processes which can significantly generate outputs.
2. Eliminate the assessment that the market partner can substitute input factor or missing process and generate further outputs from the standards.
3. Add practice guide and example to support understanding and help the company assess whether the key process is acquired.
4. Compress the definition of business and definition of outputs by placing interest in the product and service provided to the customer and omit the reference on cost optimization from the standards.
5. Add the intention test as an alternative which allows to make assessment easily whether the activity group and acquired assets are business or not.

Definition of significance

The definition of significance resulted in revising the accounting standard No.1 "Presentation of Financial Statements" and accounting standards No.8 "Accounting Policy, Change in Accounting Estimates and Errors" and necessitate the revision that has a consequence on other financial reporting standards.

The adjustment creates better understanding of the definition of significance by

1. Streamline the definition on the basis of the financial reporting standards and conceptual framework to avoid the confusion that may arise from the definition difference.
2. Include all requirements of the accounting standard No.1 "Presentation of financial statements" in the definition in order to make the definition clearer and describe how the materiality can be precisely applied.
3. Locate the existing practice guidance of the definition of the materiality in the same place as the definition.

Reform of swap interest rate

The reform of swap interest rate resulted in the adjustment of the financial reporting standards No. 9 financial instruments and financial reporting standards No.7 financial instrument disclosure. Such adjustment has changed the hedge accounting requirements, especially to reduce the impact arising from the uncertainty as a result of the swap interest rate reform such as interbank offer rates-IBORs. In addition, the adjustment requires the business to provide additional information to investors regarding the relation of hedging directly impacted from any uncertainties.

The management of the Company and its subsidiary assessed that there was no significant impact of these TFRSs to the financial statements in the year when they have been adopted.

4.3 Thai Financial Reporting Standard No.16 “Leases”

The Federation of Accounting Professions has revised TFRS 16 lease agreements and published in the Government Gazette on January 27, 2021 with the following revisions.

1. The Rent Concessions related to COVID-19, which is effective from June 1, 2020 with earlier application permitted. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.
2. Add the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The management of the Company and its subsidiary assessed that there was no significant impact of these TFRSs to the financial statements in the year when they have been adopted.

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

As described in Note 4 to the financial statements, during the current year, the Company and its subsidiary have adopted TFRS 9 and TFRS 16 by adjusting retained earnings of the cumulative effect of the changes in the accounting policies. Therefore, the comparative information of the previous period was not restated.

The effect of the changes in accounting policies due to the adoption of the above financial reporting standards, are summarised below:

(Unit: Thousand Baht)				
Consolidated				
	As at December 31, 2019	TFRS 9	TFRS 16	As at January 1, 2020
Statement of financial position				
Non-current assets				
Office improvement and equipment	6,631	-	(1,568)	5,063
Right-of-use assets	-	-	4,766	4,766
Current liabilities				
Current portion of lease liabilities	537	-	869	1,406
Non-current liabilities				
Lease liabilities - net of current portion	484	-	2,329	2,813

(Unit: Thousand Baht)				
The Company Only				
	As at December 31, 2019	TFRS 9	TFRS 16	As at January 1, 2020
Statement of financial position				
Non-current assets				
Office improvement and equipment	6,237	-	(1,498)	4,739
Right-of-use assets	-	-	1,498	1,498

5.1 Financial instruments

As at January 1, 2020, the Company and its subsidiary do not have any financial assets measured at the fair value through profit or loss or through other comprehensive income, and do not have any financial liabilities measured at the fair value through profit or loss.

5.2 Leases

These liabilities were measured at the present value of the remaining lease payments, discounted using the Company and its subsidiary's incremental borrowing rates. The Company and its subsidiary incremental borrowing rates applied to the lease liabilities as at January 1, 2020 was ranged between 4.10% to 6.40% per annum.

For leases previously classified as finance leases applying TAS 17, the Company and its subsidiary reclassified the carrying amount of the lease assets and lease liabilities immediately before adoption of TFRS 16 as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
Operating lease commitments disclosed as at December 31, 2019	2,814	1,536
<u>Less:</u> Short-term leases recognised on a straight-line basis as expenses	(927)	(927)
<u>Less:</u> Low value leases recognised on a straight-line basis as expenses	(431)	(431)
<u>Add:</u> Purchase or extension options reasonably certain to be exercised	2,160	-
<u>Less:</u> Termination options reasonably certain to be exercised	-	-
<u>Less:</u> Contracts reassessed as service agreements	(178)	(178)
	3,438	-
<u>Less:</u> Deferred interest expenses	(240)	-
Additional lease liabilities from TFRS 16 adoption	3,198	-
Finance lease liabilities as at December 31, 2019	1,021	966
Lease liabilities recognised as at January 1, 2020	4,219	966

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
Lease liabilities consisted of:		
Current lease liabilities	1,406	493
Non-current lease liabilities	2,813	473
	4,219	966

Right-of-use assets are divided by the following types of assets:

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
As at January 1, 2020		
Office rental	2,396	-
Furniture and office equipment	70	-
Motor vehicles	2,300	1,498
Total right-of-use assets	4,766	1,498

The above adjustments contain the details as follows:

- The lease agreement classified as operating lease - the Company and its subsidiary recognise the rights-of-use assets and lease liabilities for lease agreements classified as operating lease except short-term lease agreement (lease agreement less than 12 months from the commencement date and not contain a purchase option) and the lease of low-value assets. Lease liabilities under the lease agreement are measured by the present value of the amount to be paid under the lease agreement that has unsettled payment. It will be discounted using the incremental borrowing interest rate at the date of initial application of the standards on the financial statements. The right-of-use assets were recognised by the same value as lease liabilities adjusted by advance payment and accrued expense under the lease agreement previously recognised in the financial statements (if any).

6. SIGNIFICANT ACCOUNTING POLICIES

6.1 Revenues and expenses recognition

a) Revenue

- Sales and services income

Revenues from the sale, installation and maintenance for the telecommunication systems are recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled receivables” in the statement of financial position.

The obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Advance receipts from customers” in the statement of financial position.

The service-type warranties provided to customers with a service in addition to the assurance with agreed-upon specifications are recognised as revenue over the periods in which the service is provided.

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

- Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

- Other incomes are recognised on an accrual basis.

b) Expenses

- Cost of sales and services

Cost of rendering installation service, maintenance service and sales of goods are recognised in accordance with the percentage of work completed for which revenue has already been recognised, based on total estimated costs. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained. Differences between the estimated costs and the actual costs are recognised as “work in progress” under inventories or “unbilled payables” under current liabilities.

- Other expenses are recognised on an accrual basis.

6.2 Cash and cash equivalents

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

6.3 Trade accounts receivable

Applicable from January 1, 2020

Trade receivables are recognised initially at the amount of consideration that is unconditional. In case that they contain significant financing components, they will be recognised at its present value of the considerations.

Trade and other receivables are stated at the amount expected to be collectible. The Company and its subsidiary apply the TFRS 9 simplified approach to measure expected credit losses by using a simplified approach, that requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company and its subsidiary have identified the GDP, the unemployment rate and the consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognised in profit or loss within administrative expenses.

Applicable prior to January 1, 2020

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

6.4 Inventories

Finished goods and work in progress are valued at the lower of cost (under the first-in, first-out method) and net realisable value. Cost consists of the cost of equipment, labor, subcontract works and other relevant expenses.

6.5 Investments in subsidiary

Investments in subsidiary is accounted for in the separate financial statements using the cost method. Allowance for impairment loss will be made when the recoverable amounts are lower than the cost of investments.

6.6 Office improvement and equipment/Depreciation

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

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

	<u>Useful lives</u>
Office improvement	10 years
Furniture and office equipment	5 years
Project tool and equipment	5 years
Motor vehicles	5 years
Computer equipment - Hardware	3 - 5 years

Depreciation is included in determining income.

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

6.7 Intangible assets and amortisation

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

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

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

	<u>Useful lives</u>
Customer relationships	7 years
Customer backlog	7 years
Software license	3 - 5 years

6.8 Goodwill

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

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

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

6.9 Related party transactions

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

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

6.10 Financial assets and financial liabilities

Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company and its subsidiary classify its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company and its subsidiary reclassify debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the Company and its subsidiary measure a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Company and its subsidiary's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company and its subsidiary classify its debt instruments:

- **Amortised cost:** A financial assets will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. 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. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- **FVOCI:** A financial assets will be measured at FVOCI 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 carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognised in profit or loss when the Company and its subsidiary's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Classification and measurement of financial liabilities and equity

Financial instruments issued by the Company and its subsidiary must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Company and its subsidiary have an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company and its subsidiary's own equity instruments.
- Where the Company and its subsidiary have no contractual obligation or have an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Company and its subsidiary measure financial liabilities at fair value. The Company and its subsidiary reclassify all financial liabilities as subsequently measured at amortised cost, except for derivatives.

Recognition and derecognition

The Company and its subsidiary shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Company and its subsidiary become party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company and its subsidiary commit to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company and its subsidiary have transferred substantially all the risks and rewards of ownership of the financial assets.

Impairment

The Company and its subsidiary recognise an allowance for expected credit losses (ECLs) for all debt instruments not measured at fair value through profit or loss (FVPL). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company and its subsidiary expect to receive, discounted by the approximate effective interest rate of the financial assets as at the acquisition date. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

6.11 Derivatives

The Company and its subsidiary shall initially recognise derivatives at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. Gain (loss) from remeasurement to fair value through profit or loss. However, if the derivative is designated as a hedging instrument, the recording of measurement gains and losses depends on the type of hedged item.

6.12 Leases

Applicable from January 1, 2020

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

The Company and its subsidiary assess the lease term for the non-cancellable period as stipulated in the lease contract or the remaining period of active leases at the date of initial application (as at January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

Right-of-use assets - as a lessee

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

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and its subsidiary and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiary exercising the option to terminate.

In calculating the present value of lease payments, the Company and its subsidiary use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company and its subsidiary apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognised as expense in profit and loss on a straight-line basis over the lease term.

Applicable prior to January 1, 2020

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

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

6.13 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

6.14 Impairment of assets which are not financial assets

At the end of each reporting period, the Company and its subsidiary performs impairment reviews in respect of the equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

6.15 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiary have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

6.16 Provisions

Provisions are recognised when the Company and its subsidiary have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

6.17 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

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

The Company and its subsidiary recognise 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 Company and its subsidiary review and reduce 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 Company and its subsidiary record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

7. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Estimation of revenues from sales and services and costs of sales and services

In estimating revenues from sales and services and costs of sales and services, the management is required to make judgement based on best knowledge of the current events and arrangements and experience of the business in order to estimate the total cost of integration service, ongoing repair and maintenance which consists of cost of equipment, labor, subcontract works and other relevant expenses for each project, based on information from the engineers/project managers. These estimates are regularly reviewed or whenever the actual costs incurred significantly differ from the estimation.

Revenue from contracts with customers

Identification of performance obligations

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

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Company and its subsidiary recognise revenue over time in the following circumstances:

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

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

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement for expected loss rates based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors.

Office improvement and equipment, right-of-use assets and depreciation

In determining depreciation of office improvement and equipment including right-of-use assets the management is required to make estimates of the useful lives and residual values and review the estimated useful lives and residual values when there are any changes.

In addition, the management is required to review office improvement and equipment and right-of-use assets for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets and subsequent impairment testing require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Determining the lease term of contracts with renewal and termination options

The Company and its subsidiary determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company and its subsidiary reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Fair valuation of financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company and its subsidiary use judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note 30.3 to the financial statements.

8. RELATED PARTY TRANSACTIONS

During the year, the Company and its subsidiary had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and its subsidiary and those related parties.

(Unit: Thousand Baht)					
	Consolidated		The Company Only		Pricing policy
	2020	2019	2020	2019	
<u>Business transactions with subsidiary</u>					
Cost reimbursement	-	-	2,149	-	Actual cost

The outstanding balances between the Company and its subsidiary as at December 31, 2020 and 2019 were as follows:

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Other receivables - subsidiary (Note 10)	-	-	780	-

Directors and management's benefits

For the years ended December 31, 2020 and 2019, the Company and its subsidiary had employee benefit expenses payable to its directors and management as below:

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Short-term employee benefits	37,679	36,046	37,071	35,351
Post-employment benefits	1,843	1,638	1,817	1,617

9. CASH AND CASH EQUIVALENTS

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Cash	5	15	5	15
Bank deposits	302,550	284,701	293,871	281,990
Total	302,555	284,716	293,876	282,005

As at December 31, 2020, bank deposits in saving accounts carried interests between 0.05 and 0.45 percent per annum (2019: between 0.13 and 0.90 percent per annum).

10. TRADE AND OTHER RECEIVABLES

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	172,943	228,397	122,335	218,561
Past due				
Up to 3 months	27,757	29,807	27,757	29,807
3 - 6 months	5,145	-	5,145	-
6 - 12 months	2,573	-	2,573	-
Over 12 months	-	59	-	-
Total trade receivables - unrelated parties	208,418	258,263	157,810	248,368
<u>Less:</u> allowance for doubtful accounts	-	(59)	-	-
Trade receivables - unrelated parties, net	208,418	258,204	157,810	248,368
Total trade receivables	208,418	258,204	157,810	248,368
<u>Other receivables</u>				
Other receivables - subsidiary	-	-	780	-
Advance payments	-	-	-	-
Others	86	154	86	148
Total other receivables	86	154	866	148
Total trade and other receivables	208,504	258,358	158,676	248,516

11. INVENTORIES

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Works in process	46,717	47,689	46,337	47,689
Equipment and deferred maintenance costs	101,946	112,876	101,946	112,876
Total	148,663	160,565	148,283	160,565

12. RESTRICTED BANK DEPOSITS

Restricted bank deposits are saving deposit and fixed deposit of the Company and its subsidiary which are pledged with the banks to secure credit facilities.

13. INVESTMENTS IN SUBSIDIARY

Details of investments in subsidiary as presented in the separate financial statements as follows:

	(Unit : Thousand Baht)					
	Paid-up capital		Investment proportion		Book value	
					Under cost method	
	2020	2019	2020	2019	2020	2019
Expert Engineering & Communication Co., Ltd.	20,000	20,000	51	51	35,700	35,700

On August 7, 2018, the Board of Directors' Meeting of the Company passed a resolution to approve the acquisition of shares in Expert Engineering & Communication Co., Ltd. The Company purchased 102,000 common shares from the existing shareholders (equal to 51 percent of its issued and paid-up share capital from the existing shareholders) and the Company has significant influence over such company. The Company received the shares transfer on January 2, 2019 (the acquisition date) and paid Baht 35.7 million for the share capital of Expert Engineering & Communication Co., Ltd. from its existing shareholders on January 3, 2019.

The values of assets acquired and liabilities assumed from Expert Engineering & Communication Co., Ltd. as at the acquisition date were summarised below:

	(Unit: Thousand Baht)	
	Fair value at the acquisition date	Carrying values at the acquisition date
Cash and cash equivalents	26,088	26,088
Trade and other receivables	380	380
Unbilled receivables	2,919	2,919
Inventories	85	85
Other current assets	408	408
Restricted bank deposits	10,477	10,477
Equipment	378	378
Intangible assets (Note 17)	14,688	53
Deferred tax assets	633	633
Other non-current assets	9	9
Trade and other payables	(5,824)	(5,824)

	(Unit: Thousand Baht)	
	Fair value at the acquisition date	Carrying values at the acquisition date
Unbilled payables	(116)	(116)
Income tax payable	(944)	(944)
Provision for warranty	(2,656)	(2,656)
Other current liabilities	(1,227)	(1,227)
Liabilities under finance lease agreements	(99)	(99)
Provision for long-term employee benefits	(509)	(509)
Deferred tax liabilities	(2,927)	-
Net assets of the subsidiary	41,763	30,055
Non-controlling interests of subsidiary (49%)	(20,464)	(14,727)
Net assets of the subsidiary in the Company's proportion (51%)	21,299	15,328
<u>Add</u> : The difference between the cash payment for purchase of investments and the net assets of the subsidiary in the company's proportion	-	20,372
<u>Add</u> : Goodwill (Note 16)	14,401	-
Cash payment for purchase of investments in subsidiary	35,700	35,700
<u>Less</u> : Cash and cash equivalents of the subsidiary	(26,088)	(26,088)
Net cash payment for purchase of investments in subsidiary	9,612	9,612

The difference between the consideration paid and the fair value of identifiable net assets acquired was included as part of goodwill in the consolidated statement of financial position as at December 31, 2019.

14. OFFICE IMPROVEMENTS AND EQUIPMENT

(Unit : Thousand Baht)

	Consolidated					
	Office improvement	Furniture and office equipment	Project tool and equipment	Motor vehicles	Computer equipment - Hardware	Total
Cost						
As at January 1, 2019	551	4,696	3,650	4,523	2,929	16,349
Increase from subsidiary acquisition (Note 13)	-	980	342	421	413	2,156
Additions	-	83	1	-	515	599
Write off	-	(142)	-	-	(294)	(436)
As at December 31, 2019	551	5,617	3,993	4,944	3,563	18,668
Adjust to right-of-use assets from TFRS 16 adoption as at January 1, 2020	-	(164)	-	(2,458)	-	(2,622)
As at January 1, 2020	551	5,453	3,993	2,486	3,563	16,046
Additions	-	59	-	-	535	594
Write off	-	-	-	-	(165)	(165)
As at December 31, 2020	551	5,512	3,993	2,486	3,933	16,475
Accumulated depreciation						
As at January 1, 2019	199	3,585	468	2,286	1,765	8,303
Increase from subsidiary acquisition (Note 13)	-	745	271	421	341	1,778
Depreciation for the year	55	524	747	466	560	2,352
Depreciation on write off	-	(131)	-	-	(265)	(396)
As at December 31, 2019	254	4,723	1,486	3,173	2,401	12,037
Adjust to right-of-use assets from TFRS 16 adoption as at January 1, 2020	-	(94)	-	(960)	-	(1,054)
As at January 1, 2020	254	4,629	1,486	2,213	2,401	10,983
Depreciation for the year	55	191	749	23	695	1,713
Depreciation on write off	-	-	-	-	(149)	(149)
As at December 31, 2020	309	4,820	2,235	2,236	2,947	12,547
Net book value						
As at December 31, 2019	297	894	2,507	1,771	1,162	6,631
As at December 31, 2020	242	692	1,758	250	986	3,928
Depreciation for the year						
2019 (Baht 1.20 million included in cost of sales and services, and the balance included in administrative expenses)						2,352
2020 (Baht 0.77 million included in cost of sales and services, and the balance included in administrative expenses)						1,713

(Unit : Thousand Baht)

	The Company Only					
	Office improvement	Furniture and office equipment	Project tool and equipment	Motor vehicles	Computer equipment - Hardware	Total
Cost						
As at January 1, 2019	551	4,696	3,650	4,523	2,929	16,349
Additions	-	66	-	-	385	451
Write off	-	(142)	-	-	(294)	(436)
As at December 31, 2019	551	4,620	3,650	4,523	3,020	16,364
Adjust to right-of-use assets from TFRS 16 adoption						
as at January 1, 2020	-	-	-	(2,458)	-	(2,458)
As at January 1, 2020	551	4,620	3,650	2,065	3,020	13,906
Additions	-	36	-	-	535	571
Write off	-	-	-	-	(165)	(165)
As at December 31, 2020	551	4,656	3,650	2,065	3,390	14,312
Accumulated depreciation						
As at January 1, 2019	199	3,585	468	2,286	1,765	8,303
Depreciation for the year	55	460	730	466	509	2,220
Depreciation on write off	-	(131)	-	-	(265)	(396)
As at December 31, 2019	254	3,914	1,198	2,752	2,009	10,127
Adjust to right-of-use assets from TFRS 16 adoption						
as at January 1, 2020	-	-	-	(960)	-	(960)
As at January 1, 2020	254	3,914	1,198	1,792	2,009	9,167
Depreciation for the year	55	157	732	23	633	1,600
Depreciation on write off	-	-	-	-	(149)	(149)
As at December 31, 2020	309	4,071	1,930	1,815	2,493	10,618
Net book value						
As at December 31, 2019	297	706	2,452	1,771	1,011	6,237
As at December 31, 2020	242	585	1,720	250	897	3,694
Depreciation for the year						
2019 (Baht 1.20 million included in cost of sales and services, and the balance included in administrative expenses)						2,220
2020 (Baht 0.76 million included in cost of sales and services, and the balance included in administrative expenses)						1,600

As at December 31, 2020, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 8.89 million (2019: Baht 8.76 million ; The Company Only: Baht 7.35 million, 2019: Baht 7.06 million).

15. RIGHT-OF-USE ASSETS

The net book value of right-of-use assets under the building and equipment lease contracts and the movement for the year ended December 31, 2020 are presented below:

	(Unit : Thousand Baht)			
	Consolidated			
	Office rental	Furniture and office equipment	Motor vehicles	Total
Cost				
As at December 31, 2019	-	-	-	-
Effects of the adoption of TFRS16				
as at January 1, 2020	2,396	164	3,260	5,820
As at January 1, 2020	2,396	164	3,260	5,820
Addition during the year	5,873	-	4,029	9,902
As at December 31, 2020	8,269	164	7,289	15,722
Accumulated depreciation				
As at December 31, 2019	-	-	-	-
Effects of the adoption of TFRS16				
as at January 1, 2020	-	94	960	1,054
As at January 1, 2020	-	94	960	1,054
Depreciation for the year	668	33	732	1,433
As at December 31, 2020	668	127	1,692	2,487
Net book value				
As at December 31, 2019	-	-	-	-
As at January 1, 2020	2,396	70	2,300	4,766
As at December 31, 2020	7,601	37	5,597	13,235

(Unit : Thousand Baht)

	The Company Only			
	Office rental	Furniture and office equipment	Motor vehicles	Total
Cost				
As at December 31, 2019	-	-	-	-
Effects of the adoption of TFRS16				
as at January 1, 2020	-	-	2,458	2,458
As at January 1, 2020	-	-	2,458	2,458
Addition during the year	5,873	-	4,029	9,902
As at December 31, 2020	5,873	-	6,487	12,360
Accumulated depreciation				
As at December 31, 2019	-	-	-	-
Effects of the adoption of TFRS16				
as at January 1, 2020	-	-	960	960
As at January 1, 2020	-	-	960	960
Depreciation for the year	-	-	485	485
As at December 31, 2020	-	-	1,445	1,445
Net book value				
As at December 31, 2019	-	-	-	-
As at January 1, 2020	-	-	1,498	1,498
As at December 31, 2020	5,873	-	5,042	10,915

Lease liabilities

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2020 are presented below:

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
As at December 31, 2019	1,021	966
Effects of the adoption of TFRS16	3,198	-
As at January 1, 2020	4,219	966
Addition during the year	9,902	9,902
Accretion of interest	159	44
Payments during the year	(1,623)	(595)
Decrease from contract cancellation	-	-
As at December 31, 2020	12,657	10,317
<u>Less: current portion</u>	<u>3,455</u>	<u>2,538</u>
Lease liabilities - net of current portion	<u>9,202</u>	<u>7,779</u>

The following lease related expenses are the amounts recognised in profit or loss:

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
Depreciation of right-of-use assets	1,433	485
Interest expense on lease liabilities	159	44
Expense relating to short-term lease	2,500	2,500
Leases of low-value assets	236	212
Total	<u>4,328</u>	<u>3,241</u>

16. GOODWILL

Goodwill in the consolidated statement of financial position, amounting to Baht 14.40 million, arose from the Company's investment in Expert Engineering & Communication Co., Ltd. on January 2, 2019. As a result of this acquisition, the Company directly held 51 percent of the paid up share capital of Expert Engineering & Communication Co., Ltd. with costs of investment directly attributable to the acquisition amounting to Baht 35.70 million, while the net fair value of the identifiable assets, liabilities and contingent liabilities on the acquisition date in proportion to its shareholding amounted to Baht 21.30 million.

The Company and its subsidiary allocated goodwill acquired through business combinations to the cash generating units (CGUs) for annual impairment testing.

The recoverable amount of the CGUs have been determined based on value in use calculation using cash flow projections from financial budgets approved by the management covering 5 year period.

Key assumptions used in value in use calculation are summarised below:

	Percent per annum
Growth rates	2
Discount rates	11

The management determined growth rates based on historical operation results and expected market growth and discount rates as the rate that reflects the risks specific to each CGU. At the end of the year, the management believes that there is no impairment loss for goodwill.

17. INTANGIBLE ASSETS

The carrying amounts of the intangible assets as at December 31, 2020 and 2019 are summarised as follows:

					(Unit: Thousand Baht)
	Consolidated				The Company Only
	Software license	Customer relationships	Customer backlog	Total	Software license
As at December 31, 2020					
Cost	1,366	14,319	316	16,001	1,002
Less Accumulated amortisation	(841)	(4,088)	(90)	(5,019)	(672)
Net book value	525	10,231	226	10,982	330
As at December 31, 2019					
Cost	1,242	14,319	316	15,877	890
Less Accumulated amortisation	(546)	(2,038)	(45)	(2,629)	(492)
Net book value	696	12,281	271	13,248	398

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 are presented below:

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Net book value at the beginning of the year	13,248	199	398	199
Increase in software license from acquisition of subsidiary (Note 13)	-	53	-	-
Acquisition of software license	124	590	112	305
Increase of customer relationships from acquisitions of subsidiary (Note 13)	-	14,319	-	-
Increase of customer backlogs from acquisitions of subsidiary (Note 13)	-	316	-	-
Amortisation	(2,390)	(2,229)	(180)	(106)
Net book value at the end of the year	10,982	13,248	330	398

18. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	Interest rate (percent per annum)	(Unit: Thousand Baht)	
		Consolidated / The Company Only	
		2020	2019
Trust receipt payable	3.65 - 4.00	58,764	22,549
Short-term loans from financial institutions	3.00 - 4.00	142,586	102,564
Total		201,350	125,113

Short-term loan facilities of the Company and its subsidiary are secured by the fixed deposit of the Company and its subsidiary.

19. TRADE AND OTHER PAYABLES

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Trade payables - unrelated parties	409,188	383,794	380,243	380,257
Other payables	1,563	479	1,563	479
Retention payables	1,732	1,816	1,732	1,816
Accrued expenses	22,832	14,527	21,911	13,660
Total trade and other payables	<u>435,315</u>	<u>400,616</u>	<u>405,449</u>	<u>396,212</u>

20. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

The amount of reserve for long-term employee benefit which is the severance payment upon employment termination was as follows:

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Provision for long-term employee benefits at the beginning of the year	9,583	6,036	8,888	6,036
Increased from acquisition of subsidiary (Note 13)	-	509	-	-
Included in profit or loss:				
Current service cost	2,951	2,573	2,762	2,402
Interest cost	242	173	222	158
Past service cost	-	292	-	292
Provision for long-term employee benefits at the end of the year	<u>12,776</u>	<u>9,583</u>	<u>11,872</u>	<u>8,888</u>

On April 5, 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 was effective from May 5, 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiary have additional long-term employee benefit liabilities of Baht 0.29 million (The Company Only: Baht 0.29 million). The Company and its subsidiary reflect the effect of the change by recognising past service costs as expenses in the income statement of the current period.

The Company and its subsidiary expects not to pay long-term employee benefits within 1 year (2019: Nil).

As at December 31, 2020 and 2019, the weighted average duration of the liabilities for long-term employee benefit is 10.65 - 10.93 years (The Company Only: 10.65 years, 2019: 10.65 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Discount rate	2.50% - 2.84%	2.50% - 2.84%	2.50%	2.50%
Salary increase rate	3%	3%	3%	3%
Turnover rate	0% - 12%	0% - 12%	0% - 12%	0% - 12%

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at December 31, 2020 and 2019 are summarised below:

	(Unit: Thousand Baht)			
	As at December 31, 2020			
	Consolidated		The Company Only	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1,056)	1,200	(928)	1,051
Salary increase rate	1,480	(1,313)	1,286	(1,144)
Turnover rate	(1,121)	276	(986)	217

	(Unit: Thousand Baht)			
	As at December 31, 2019			
	Consolidated		The Company Only	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(860)	982	(753)	857
Salary increase rate	1,081	(960)	938	(836)
Turnover rate	(917)	253	(803)	204

21. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a legal reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The legal reserve is not available for dividend distribution.

22. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregated revenue information

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Type of goods or service:				
Sale from supply and maintenance	398,086	247,872	396,306	245,013
Sale from turnkey business	997,517	947,833	855,870	891,410
Service-type warranties	74,255	3,019	74,255	3,019
Total revenue from contracts with customers	<u>1,469,858</u>	<u>1,198,724</u>	<u>1,326,431</u>	<u>1,139,442</u>
Timing of revenue recognition:				
Revenue recognised at a point in time	221,469	177,695	221,205	176,729
Revenue recognised over time	1,248,389	1,021,029	1,105,226	962,713
Total revenue from contracts with customers	<u>1,469,858</u>	<u>1,198,724</u>	<u>1,326,431</u>	<u>1,139,442</u>

For the year ended December 31, 2020, the Company has revenue from lease line service in conjunction to telecommunication business license Type 1 according to the announcement of the National Broadcasting and Telecommunications Commission (NBTC) under telecommunications business license fees in the amount of Baht 36.43 million (2019: Nil).

23. INCOME TAX

Corporate income tax for the year was calculated on profit before income tax for the year using the estimated effective tax rate for the year.

Income tax expenses for the years ended December 31, 2020 and 2019 are summarised as follows:

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Current income tax:				
Current corporate income tax charge	28,533	24,501	27,310	23,911
Deferred tax:				
Relating to origination of temporary differences	207	(409)	421	(186)
Income tax expense reported in the statement of comprehensive income	<u>28,740</u>	<u>24,092</u>	<u>27,731</u>	<u>23,725</u>

The reconciliation between accounting profit and income tax expense are shown below:

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Accounting profit before income tax	142,134	118,378	137,574	116,764
Applicable income tax rate (%)	20%	20%	20%	20%
Accounting profit before income tax multiplied by income tax rate	28,427	23,676	27,515	23,352
Effects of:				
Non-deductible expenses	428	526	330	481
Additional expense deductions allowed	(115)	(110)	(114)	(108)
Total	313	416	216	373
Income tax expense reported in the statement of comprehensive income	28,740	24,092	27,731	23,725

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Deferred tax assets				
Provision for long-term employee benefits	2,555	1,917	2,375	1,778
Provision for project delay and warranty	412	779	362	497
Accumulated amortisation of intangible assets	19	18	19	18
Others	4	19	-	-
Deferred tax liability				
Difference from revenue recognition under the contract	(1,242)	(358)	(1,242)	(358)
Customer relationships	(2,046)	(2,456)	-	-
Customer backlog	(45)	(55)	-	-
Total deferred tax assets (liabilities) - net	(343)	(136)	1,514	1,935

24. EARNINGS PER SHARE

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

	Consolidated		The Company Only	
	2020	2019	2020	2019
Basic earnings per share				
Profit for the years (Thousand Baht)	111,655	93,674	109,844	93,038
Weighted average number of ordinary shares (Thousand shares)	450,000	450,000	450,000	450,000
Profit attributable to equity holders of the Company (Baht per share)	0.25	0.21	0.24	0.21

25. EXPENSES BY NATURE

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Salaries and wages and other employee benefits	104,174	90,071	96,108	81,769
Depreciation and amortisation expenses	5,537	4,582	2,266	2,326
Project delay and warranty (reversal)	(1,576)	(4,276)	(676)	(3,028)
Entertainment fee	6,108	6,080	5,316	5,647
Purchase of goods	476,347	602,448	428,723	584,516
Subcontractor	647,976	479,982	572,126	453,658
Changes in inventories of finished goods and work in progress	11,902	(104,512)	12,282	(104,597)

26. SEGMENT INFORMATION

Operating segment information is reported in a consistent manner with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company and its subsidiary's Board of Directors. The Company and its subsidiary are principally engaged in the system integration in telecommunication business. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

Information about major customers

For the year ended December 31, 2020, the Company has revenue from 3 major customers in the amount of Baht 1,030 million, arising from sales and services in the system integration in telecommunication business segments (2019: Baht 923 million derived from 3 major customers, arising from sales and services in the system integration in telecommunication business segment).

27. PROVIDENT FUND

The Company, its subsidiary and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiary contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the rules of the provident fund of the Company and its subsidiary. During the year 2020, the Company and its subsidiary contributed Baht 3.11 million to the fund (2019: Baht 2.88 million ; The Company Only: Baht 2.81 million, 2019: Baht 2.64 million).

28. EMPLOYEE JOINT INVESTMENT PROGRAM

On February 22, 2018, the Board of Directors' Meeting passed a resolution approving Employee Joint Investment Program. The scheme is for a term of 3 years beginning from August 1, 2018 to July 31, 2021. Details of contributions are as follows:

- Employees contribute 5 percent of their basic monthly salary
- Year 1, the Company additionally contributes 50 percent of employees' contribution
- Year 2, the Company additionally contributes 100 percent of employees' contribution
- Year 3, the Company additionally contributes 150 percent of employees' contribution

Employee Joint Investment Program is managed by Phillip Securities (Thailand) Public Company Limited. The contribution for the year 2020 made by the Company amounting to approximately Baht 3.21 million (2019: Baht 1.80 million).

29. DIVIDENDS

Dividends	Approved by	Dividend per share (Baht)	Total dividends (Thousand Baht)
Annual dividends for 2018	Annual General Meeting of the shareholders on April 24, 2019	0.09*	40,500
Interim dividends for 2019	Board of Directors' Meeting on November 13, 2019	0.05*	22,500
Total dividends for 2019		0.14	63,000
Annual dividends for 2019	Annual General Meeting of the shareholders on April 22, 2020	0.10*	45,000
Interim dividends for 2020	Board of Directors' Meeting on November 11, 2020	0.10*	44,998
Total dividends for 2020		0.20	89,998

(Note * The Company paid dividends by 449,998,000 shares and 450,000,000 shares for 2019 and by 449,999,500 shares and 449,977,900 shares for 2020 as specified by Thailand Securities Depository Company Limited.)

30. FINANCIAL INSTRUMENTS

30.1 Financial risk management

The Company and its subsidiary's financial instruments, as defined under Thai Accounting Standard, comprise cash and cash equivalents, current investments, trade and other receivables, restricted bank deposits, trade and other payables and liabilities under lease agreements. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Company and its subsidiary are exposed to credit risk primarily with respect to trade and other receivable. The Company and its subsidiary manages the risk by adopting appropriate credit control policies and procedures and most customers are government agencies or companies in which the government is a major shareholder. Therefore, the Company and its subsidiary do not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiary are exposure to interest rate risk relates primarily to its cash at banks, current investments and liabilities under lease agreements. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at December 31, 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated					
	As at December 31, 2020					
	Fixed interest rates			Floating interest rate	Non- interest bearing	Effective interest rate
	Within 1 year	1-5 years	Over 5 years			(% per annum.)
Financial assets						
Cash and cash equivalents	302.55	-	-	-	-	0.1 - 0.5
Current investments	5.58	-	-	-	-	0.2 - 0.7
Trade and other receivables	-	-	-	-	208.50	-
Restricted bank deposits	147.56	-	-	-	-	0.1 - 0.7
	<u>455.69</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208.50</u>	<u>664.19</u>
Financial liabilities						
Short-term loans from financial institutions	201.35	-	-	-	-	3.0 - 4.0
Trade and other payables	-	-	-	-	435.32	-
Lease liabilities	3.45	9.20	-	-	-	2.6 - 6.3
	<u>204.80</u>	<u>9.20</u>	<u>-</u>	<u>-</u>	<u>435.32</u>	<u>649.32</u>

(Unit: Million Baht)

	Consolidated					
	As at December 31, 2019					
	Fixed interest rates			Floating interest rate	Non- interest bearing	Effective interest rate
	Within 1 year	1-5 years	Over 5 years			(% per annum.)
Financial assets						
Cash and cash equivalents	284.72	-	-	-	-	0.1 - 0.9
Current investments	0.72	-	-	-	-	0.6 - 0.9
Trade and other receivables	-	-	-	-	258.36	-
Restricted bank deposits	104.86	-	-	-	-	0.1 - 0.9
	<u>390.30</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>258.36</u>	<u>648.66</u>
Financial liabilities						
Short-term loans from financial institutions	125.11	-	-	-	-	3.5 - 5.2
Trade and other payables	-	-	-	-	400.62	-
Lease liabilities	0.54	0.48	-	-	-	6.0 - 6.3
	<u>125.65</u>	<u>0.48</u>	<u>-</u>	<u>-</u>	<u>400.62</u>	<u>526.75</u>

(Unit: Million Baht)

The Company Only

As at December 31, 2020

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum.)
	Within	1-5	Over				
	1 year	years	5 years				
Financial assets							
Cash and cash equivalents	293.88	-	-	-	-	293.88	0.1 - 0.5
Current investments	2.01	-	-	-	-	2.01	0.2 - 0.7
Trade and other receivables	-	-	-	-	158.68	158.68	-
Restricted bank deposits	141.57	-	-	-	-	141.57	0.1 - 0.7
	<u>437.46</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>158.68</u>	<u>596.14</u>	
Financial liabilities							
Short-term loans from financial institutions	201.35	-	-	-	-	201.35	3.0 - 4.0
Trade and other payables	-	-	-	-	405.45	405.45	-
Lease liabilities	2.54	7.78	-	-	-	10.32	2.6 - 6.3
	<u>203.89</u>	<u>7.78</u>	<u>-</u>	<u>-</u>	<u>405.45</u>	<u>617.12</u>	

(Unit: Million Baht)

The Company Only

As at December 31, 2019

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum.)
	Within	1-5	Over				
	1 year	years	5 years				
Financial assets							
Cash and cash equivalents	282.01	-	-	-	-	282.01	0.1 - 0.9
Current investments	0.53	-	-	-	-	0.53	0.7 - 0.9
Trade and other receivables	-	-	-	-	248.52	248.52	-
Restricted bank deposits	95.58	-	-	-	-	95.58	0.1 - 0.9
	<u>378.12</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>248.52</u>	<u>626.64</u>	
Financial liabilities							
Short-term loans from financial institutions	125.11	-	-	-	-	125.11	3.5 - 5.2
Trade and other payables	-	-	-	-	396.21	396.21	-
Lease liabilities	0.49	0.47	-	-	-	0.96	6.0 - 6.3
	<u>125.60</u>	<u>0.47</u>	<u>-</u>	<u>-</u>	<u>396.21</u>	<u>522.28</u>	

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies.

As at December 31, 2020 and 2019 the balances of financial liabilities denominated in foreign currencies are summarised below:

Foreign currency	Consolidated/The Company Only			
	Financial liabilities		Average exchange rate	
	(Million)		(Baht per 1 foreign currency unit)	
	2020	2019	2020	2019
US dollar	-	0.50	-	30.33

30.2 Forward foreign exchange contracts

The Company has entered into forward foreign exchange contracts to manage the exposure to the fluctuations in foreign currencies of trade payables and other payables denominated in foreign currencies.

As at December 31, 2020, the Company has outstanding forward foreign exchange buying contracts as follows:

Currency	Foreign currency (Thousand)	Contract amount (Thousand Baht)	Fair value (Thousand Baht)
USD	103.31	3,223.42	3,222.86

30.3 Fair value estimation

Analysis of financial instruments that are measured at fair value are classified by the valuation methods. The differences of fair value hierarchy are defined as follows:

- Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Use of observable inputs other than quoted prices included within Level 1 for assets or liabilities, either directly (e.g. prices) or indirectly (e.g. derived from prices).
- Level 3 - Use of unobservable inputs such as estimates of future cash flows.

Net fair values

As at December 31, 2020, the fair values of forward foreign exchange buying contracts were stated as net liabilities of Baht 563.

The fair value of forward foreign exchange contracts is determined by the market rate of each contract, which is calculated by financial institutions dealing with the Company at the date of the statement of financial position.

The fair values of derivative financial instruments, which are forward foreign exchange contract, are the market prices adjusted by credit risk of the Company which is calculated by the financial institution of the Company as at the statement of financial position date. This valuation techniques applies at most the available and observable market data and rely as restricted as possible on the entity specific estimates which is the fair value hierarchy in level 2.

31. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2020 and 2019 are as follows:

(Unit: Thousand Baht)			
Consolidated/The Company Only			
Balance as at December 31, 2019	Cash flows Increase*	Cash flows decrease*	Balance as at December 31, 2020
Short-term loans from financial institutions	125,113	420,030	(343,793) 201,350

(Unit: Thousand Baht)			
Consolidated/The Company Only			
Balance as at December 31, 2018	Cash flows Increase*	Cash flows decrease*	Balance as at December 31, 2019
Short-term loans from financial institutions	-	337,247	(212,134) 125,113

* Financing cash flows included net proceed and repayment of cash transactions in the statements of cash flows.

32. COMMITMENTS AND CONTINGENT LIABILITIES

32.1 Operating lease and service agreement commitments

The Company and its subsidiary have entered into several lease agreements and service agreements in respect of building, office building space, office equipment and motor vehicles. The terms of the agreements are generally between 1 to 4 years.

Future minimum lease payments required under these non-cancellable operating leases and service agreement contracts are as follows:

(Unit: Million Baht)				
	Consolidated		The Company Only	
	2020	2019	2020	2019
Payable				
Up to 1 year	0.84	1.99	0.79	1.30
Over 1 and up to 4 years	0.02	0.83	0.02	0.23

32.2 Obligations relating to sales and services under the contracts

As at December 31, 2020 and 2019, the Company and its subsidiary had contracts related to the selling of goods and services that are undelivered and unrendered to their customers of approximately Baht 1,673 million and Baht 1,199 million (the Company Only: Baht 1,634 million and Baht 1,087 million), respectively.

32.3 Guarantees

32.3.1 The outstanding bank guarantees issued by the bank on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of business. The details of the bank guarantees are as follows:

	(Unit: Million Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Guarantee of contractual performance	304	271	299	262
Guarantee of advance payment bond	320	80	320	80
Guarantee of bidding	37	63	36	63
Total	661	414	655	405

As at December 31, 2020 and 2019, a partial amount of credit facilities on bank guarantees is secured by the saving deposit and fixed deposit of the Company and its subsidiary.

32.3.2 As at December 31, 2020, the Company had outstanding letters of credit of USD 0.54 million (2019: USD 0.04 million and Baht 22.41 million).

33. CAPITAL MANAGEMENT

The primary objective of the Company and its subsidiary's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at December 31, 2020, the Company and its subsidiary's debt-to-equity ratio was 1.53:1 (2019: 1.15:1) and the Company's was 1.46:1 (2019: 1.14:1).

34. EVENT AFTER THE REPORTING PERIOD

On February 24, 2021, the Board of Director's Meeting of the Company No.1/2021 passed a resolution to propose to the Annual General Meeting of the Company's shareholders for the approval as follows :

- To approve the appropriation of Baht 5.50 million of the 2020 annual profit to the legal reserve.
- To approve the payment of a dividend in respect of the operating results of 2020 of Baht 0.08 per share, which is an addition of an interim dividend payment of Baht 0.10 per share, totaling dividend payment of Baht 0.18 per share.
- To approve the increment of the registered share capital of the Company of Baht 50 million, from the original registered capital of Baht 225 million to Baht 275 million, by issuing new number of common shares not exceeding 100 million shares at Baht 0.50 par value of per share.

35. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Board of Directors on February 24, 2021.

Executive Summary

Due to the outbreak of the coronavirus pandemic or COVID-19 during the first round at the beginning of 2020 as well as another severe spread around the 4th quarter of 2020 in Thailand, it has been causing a severe business interruption in various business sectors both in Thailand and international level. The Companies had also been affected from this pandemic, for instance, inaccessibility of project sites as per COVID-19 measures to minimize the number of persons to enter their premises. However, the Companies has re-visited and adjusted the project plans as well as arranged further source of fund to support the liquidity of the Companies for a smooth operation in accordance to the new circumstance. This led to the delay in project progress from plan. As of now, the Companies have been allowed to travel to customer sites and to continue the project work as usual with considerate level of health and hygienic concern. In the year 2020 various medium – and big sized projects have been awarded e.g. Filter project, IP Access, maintenance for fiber optic cables, supply of security system for Cloud and supply of ICT and Health Tech system to support and reinforce COVID-19 treatment for Ramathibodi hospital, Siriraj hospital, Rajavithi hospital and Chulalongkorn hospital, etc. This led to a promising business outcome in the year 2020. The Companies reported its total sales of 1,470.80 million THB with the backlog of 1,673 million THB, net profit of 113.39 million THB and net profit attributable to equity holders of the Company of 111.65 million THB. Moreover, during the yearend 2020, a DWDM expansion for Backhaul and Border project is under contract preparation with the customer and it shall secure the new order at the very beginning of the year 2021.

With effective date from 1 December 2020, Mr. Pornchai Krivichian has been appointed as Chief Executive Officer and Mr. Monchai Maneepairoj remains at the position of Chairman of Executive Committee and shall reinforce the business strength with the focus on

telecommunication business, information technology development and digital technology for solid business growth.

Considering the performance in the 4th quarter of 2020, the Company reported its total revenue at 466.92 million THB categorized into sale revenue at 466.71 million THB and other revenue at 0.21 million THB compared to total revenue of 470.03 million THB in the same period of 2019. Its cost of sales and expenses were at 422.36 Million THB or 90.46% of total revenue in Q4/2020 and at 420.16 million THB or 89.39% of total revenue in Q4/2019. Lastly, net profit was equivalent to 35.34 million THB or 7.57 % of total revenue in Q4/2020 showing growth when compared to the same period of last year equivalent to 39.10 million THB or 8.32% of total revenue. The overall performance in Q4/2020 has a slight decline in overall compared to the same period last year.

1. Business Performance Analysis

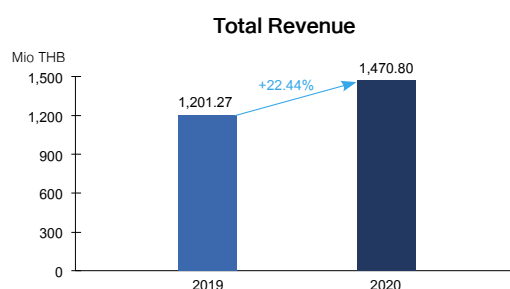
1.1 Revenue

For the year 2019 and of 2020 the Company reported its total revenue of 1,201.27 million THB and 1,470.80 million THB respectively with the increase by 22.44% compared to the same period of last year. Major revenue was recognized from the projects, for instance, High-Speed Internet Service Project in Remote Area (Zone C), Digital Radio Communication Systems and Supply and Installation of Fiber Figure-8 Corrugated Steel Type Armour G.652D 24 Cores and Modification and Expansion for BBIP Regional Network in Lower Northern and Lower North-Eastern Regions and Installation of 850 Frequency Band Filter Circuit according to the Notification of National Broadcasting and Telecommunications Commission regarding the 824-839/869-884 MHz Frequency Band for the Mobile Telecommunications Plan and the 885-895/930-940 MHz Frequency Band for the Mobile Telecommunications Plan, and Supply of Security System for Government Cloud Computing, etc.

Type	Consolidated		Consolidated	
	2019		2020	
	MB	%	MB	%
1. Sales Revenue	1,198.72	99.79	1,469.86	99.94
2. Other Revenue*	2.55	0.21	0.94	0.06
Total	1,201.27	100.00	1,470.80	100.00

Remarks *Other Revenue comprises of interest income etc.

Total revenue can be categorized into sales revenue and other revenue, whereby in 2019 and 2020, sales revenue was accounted for 99.79% and 99.94% of total revenue and other revenue was equivalent to 0.21% and 0.06% respectively.

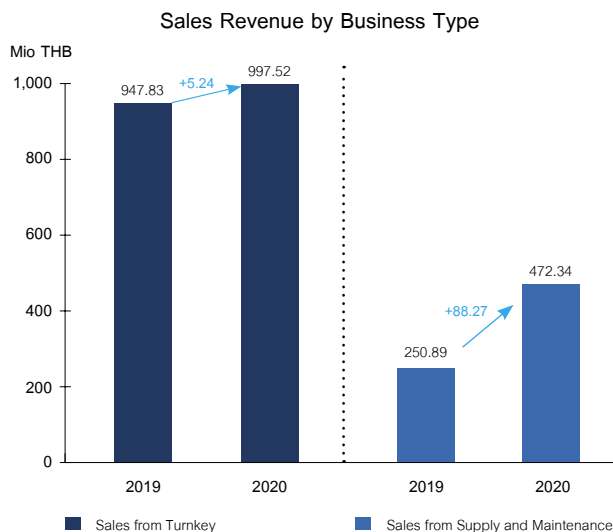


Sales Revenue

Sales revenue in 2020 consisted of turnkey business including telecommunication system, supply and maintenance.

Type	Consolidated		Consolidated	
	2019		2020	
	MB	%	MB	%
Sales Revenue				
Sales Revenue from Turnkey Business	947.83	79.07	997.52	67.86
- Sales Revenue from Telecommunication System	932.58	77.80	997.52	67.86
- Sales Revenue from Construction and Electrical System	15.25	1.27	-	-
Sales Revenue from Supply and Maintenance	250.89	20.93	472.34	32.14
- Sales Revenue from Supply of Telecommunication System	115.78	9.66	180.68	12.29
- Sales Revenue from Maintenance of Telecommunication System	135.11	11.27	291.66	19.85
Total Sales Revenue	1,198.72	100.00	1,469.86	100.00

In 2020, sales revenue from turnkey business and supply and maintenance were reported at 997.52 million THB and 472.34 million THB or proportionately at 67.86% and 32.14% of total sales revenue respectively. Sales revenue from turnkey business showed an increase by 5.24% compared to the same period of last year. In term of revenue from supply and maintenance, it showed an increase by 88.27% because of the new maintenance contracts awarded, the commencement of maintenance portion out of turnkey projects and the revenue recognition of supply for cloud computing order.



Other Revenue

In 2019 and 2020, the Company reported its other revenue at 2.55 million THB and 0.94 million THB respectively, equivalent to 0.21% and 0.06% of total revenue and the major item was interest income.

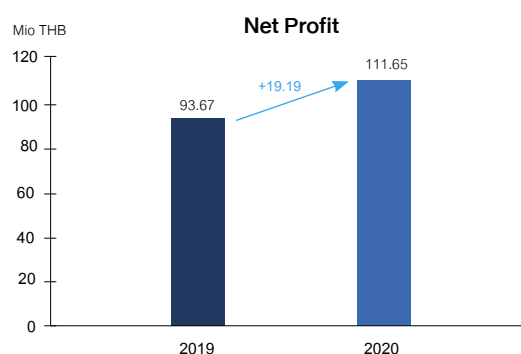
1.2 Cost of Sales and Expenses

Major costs of the Company composed of cost of sales, selling expense, administrative expense and interest expense. In 2019 and 2020, the Company showed its cost of sales and expense at 1,082.89 million THB and 1,328.67 million THB respectively, proportionately at 90.15% and 90.34% of total revenue.

CoS and Expenses	Consolidated		Consolidated	
	2019		2020	
	MB	%	MB	%
Cost of Sales	1,008.53	83.96	1,245.52	84.68
Selling Expense	32.57	2.71	37.26	2.54
Administrative Expense	41.79	3.48	45.76	3.11
Finance Cost	-	-	0.13	0.01
Total CoS and Expenses	1,082.89	90.15	1,328.67	90.34
Total Revenue	1,201.27	100.00	1,470.80	100.00

1.3 Net Profit

As a result of overall business performance, the Company reported its net profit for 2019 and 2020 at 93.67 million THB and 111.65 million THB based on the equity holder of the Company respectively, accounted for 7.80% and 7.59% of total revenue.



2. Financial Status

2.1 Assets

At the end of 2019 and 2020, the Company reported its total assets of 1,207.12 million THB and 1,472.47 million THB respectively. The major asset items are cash and cash equivalents, account receivables, unbilled receivables and inventories at the end of 2019 proportionately at 23.59 %, 21.40%, 27.02% and 13.30% of total assets respectively and at the yearend 2020 proportionately at 20.55%, 14.16%, 38.89% and 10.10% of total assets. Total current assets were accounted for 88.38% for the yearend 2019 and 87.01% for the yearend 2020 to total assets.

With reference to the major asset items, a significant portion remained at the unbilled receivables, which has been outstandingly increased during

the past periods and reached 572.67 million THB equivalent to 38.89% of total assets at the end of 2020. It derived mostly from big-sized projects, for instance, High-Speed Internet Service Project in Remote Area (Zone C) Project, Installation of 850 Frequency Band Filter Circuit according to the Notification of National Broadcasting and Telecommunications Commission, etc. These has to be corresponding to the billing conditions of the project and shall be changed to trade account receivables once the invoicing to customers can be made.

Since 2 January 2019, ICN has acquired the common shares of Expert Engineering and Communication Co., Ltd. by holding 51% of its total shares leading to the preparation of consolidated financial statements from this period onwards.

2.2 Sources of Fund

Liabilities

The Company reported its total liabilities at 634.00 million THB at the end of 2019 and 875.96 million THB at the end of 2020 and the major items are short-term loans from financial institutions, trade and other payables and advance receipts from customers which are regarded as working capital for running the business. And trade and other payables could be depicted as per the table below:

Trade and Other Payables	At 31 Dec. 2019		At 31 Dec. 2020	
	MB	%	MB	%
Trade Payables	383.80	95.80	409.19	94.00
Other Payables	0.48	0.12	1.56	0.36
Trade Payables - Retention	1.81	0.45	1.73	0.40
Accrued Expenses	14.53	3.63	22.83	5.24
Total Trade and Other Payables	400.62	100.00	435.31	100.00

The major trade and other payables were trade payables, mostly for equipment, service and sub-contractor costs in projects.

Most of the liabilities were current liabilities with its proportion as at 2019 and at 2020 at 98.39% and 97.45% of total liabilities respectively.

Shareholders' Equity

The shareholders' equity was in the amount of 552.04 million THB at the year end of 2019 and of 573.70 million THB at the year end of 2020 which has increased corresponding to the business result of which the legal reserve is accounted for at the total amount of 20.50 million THB and the rest of retained earnings was 173.13 million THB after deducting dividend payment amounting to 90.00 million THB.

Funding Structure

D/E ratio of the Company was at 1.15, and 1.53 at the end of 2019 and of 2020 respectively.





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