



Professional for Drives and Power

CPT Drives and Power Public Company Limited

Annual Report

2020

CPT Drives and Power Public Company Limited

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Vision

" We are the leading company (Top Class) in the electrical and control system providing full service (Solution Provider) by using appropriate technology (Optimized) and to be worthwhile (Cost Effective) with great after-sales service (Excellent Services). "

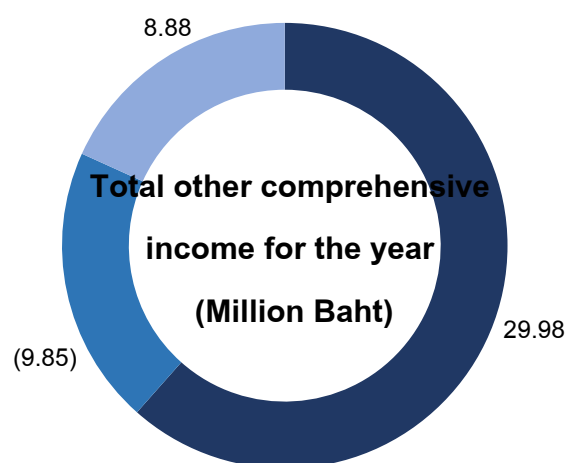
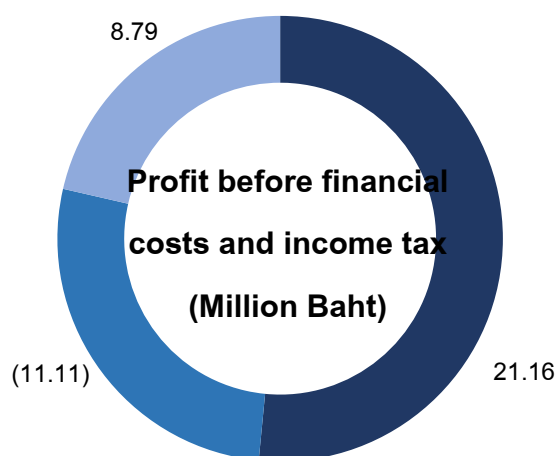
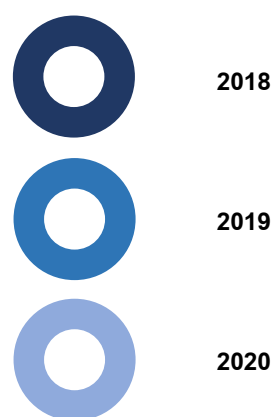
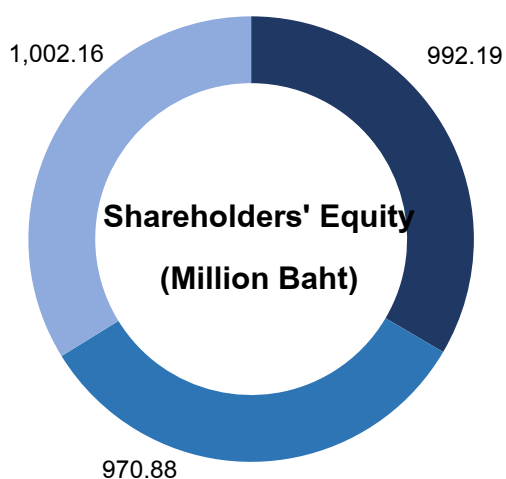
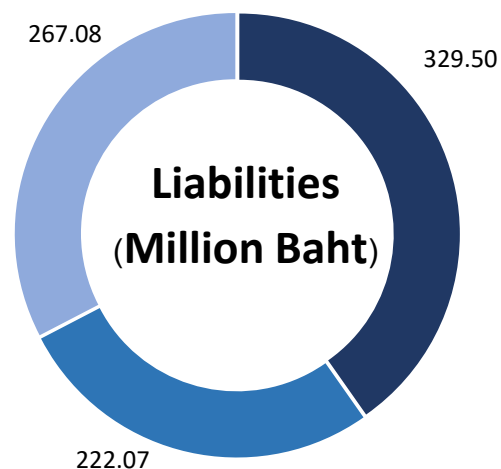
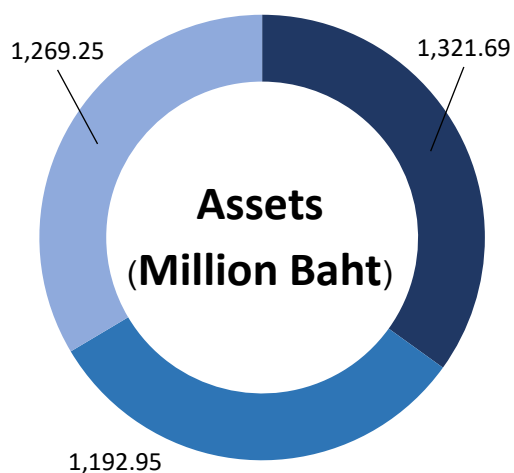
Core Values

1. Honesty and Discipline
2. Customer Centric
3. Accountability
4. Quality
5. TeamWork

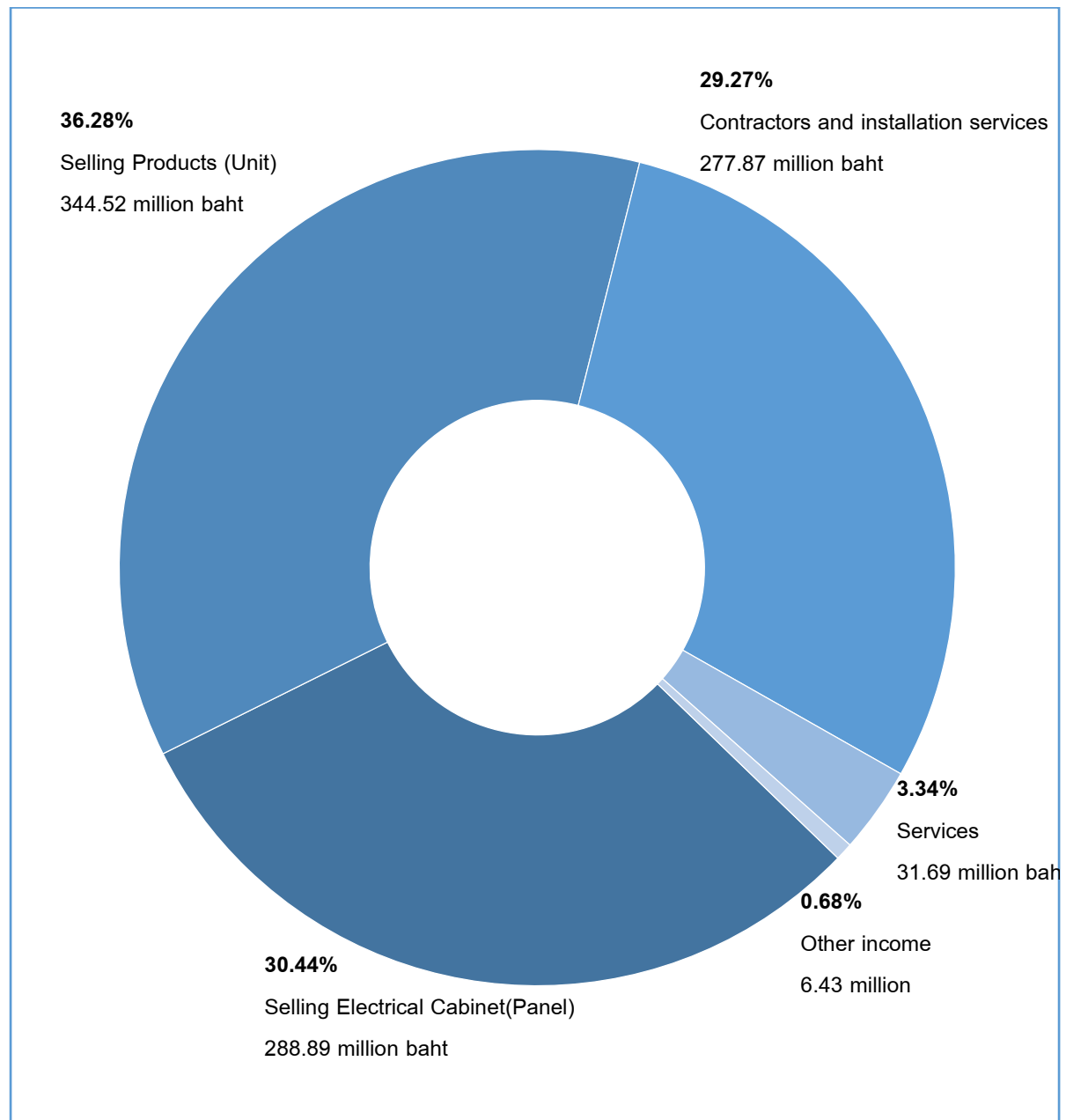


Financial Highlights

Statement of Financial Position			
Financial Statements (Unit: Million Baht)	2018	2019	2020
Assets	1,321.69	1,192.95	1,269.25
Liabilities	329.50	222.07	267.09
Total Shareholders' Equity	992.19	970.88	1,002.16
Income Statement			
Operating Performance (Unit: Million Baht)	2018	2019	2020
Revenues			
Sales revenues	649.31	284.19	633.51
Revenue from contractors and installation services	274.16	244.66	277.87
Service income	28.20	42.66	31.69
Other income	11.42	12.89	6.43
Total Revenues	963.09	584.40	949.50
Expenses			
Cost of sales	510.56	237.61	555.46
Cost of contractors and installation services	236.35	185.21	255.52
Cost of services	17.00	35.05	22.07
Selling expenses	57.76	49.63	37.26
Administrative expenses	121.36	86.58	71.75
Loss (Gain) from Foreign exchange	(1.10)	1.43	(1.35)
Total Expenses	941.93	595.51	940.71
Profit (Loss) before financial costs and income tax	21.16	(11.11)	8.79
Profit (Loss) before income tax	19.57	(11.98)	7.46
Net Profit (Loss) for the year	14.31	(9.85)	5.52
Other Comprehensive Income	15.67	-	3.36
Total other comprehensive income for the year	29.98	(9.85)	8.88
Financial Ratios			
Financial Ratios	2018	2019	2020
Current Ratio (times)	3.17	4.13	3.60
Gross profit margin (%)	19.73	19.88	11.67
Operating profit margin (%)	2.20	(1.90)	0.93
Net profit margin (%)	1.49	(1.69)	0.58
Return on equity (%)	1.32	(1.00)	0.56
Return on assets (%)	0.94	(0.78)	0.45
Return on fixed assets (%)	5.55	(2.66)	1.39
Debt to equity ratio (times)	0.33	0.23	0.27



Revenue Structure 2020



Message from Chairman of the Board



Even in 2020, it would be a challenging year. However, with the cooperation of executives and employees, the Company turned around and had a profitable turnover because it could expand the market base in other industries.

The economy in 2021 continues to be challenging both in terms of government budget delays and vaccination. It results in uncertainty in the economy as a whole. However, I still have confidence in the government policy to drive the EEC, including the energy policy that is a positive factor for this year's economy and the potential of the Company that can be extended to other industries versatile. As a representative of the Board of Directors of the Company, I have confidence in the management and the Company's team that will be able to profit and continue to grow and ready to serve domestic and international industries' needs to create growth of all stakeholders involved.

A handwritten signature in blue ink, likely of Assoc. Prof. Prapas Praisuwanna.

Assoc. Prof. Prapas Praisuwanna
Chairman of the Board

Message from Chief Executive Officer



I want to thank the Board of Directors of CPT Drives and Power Public Company Limited for giving advice and support in the past year, which was a challenging year for the Company. Due to the Covid-19 factor, which has many effects, both economic investments in the industrial sector have slowed down, including changes within the organization and business direction under new strategies and vision.

However, it is gratifying that 2020 was the year the Company turned around with a positive performance, resulted from many factors. At the same time, there has been a firm foundation of the organization to achieve long-term growth with the principle of conducting business using the customer as the center, including offering the right technology with the highest quality and strengthening efficient after-sales service to meet the needs of customers. It is to determine to push the Company for long-term, stable, and sustainable growth to be proud of the Thai Company and the Thai engineering to provide complete and competitive electrical and automation services at the international level.

A handwritten signature in black ink, likely of Mr. Chaiyot Piyawannarat.

Mr. Chaiyot Piyawannarat
Chief Executive Officer

Board of Directors



Assoc. Prof. Prapas Praisuwanna
Chairman of the Board / Independent Director



Education Qualification

- Master of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Director Certification Program (DCP 119/2009), Thai Institute of Directors Association
- Financial Statements of Directors (FSD 20/2013), Thai Institute of Directors Association
- Capital Market Academy Program (CMA 17)

Work experience in the past 5 years

2018 - Present	Chairman of the Board/Independent Director	CPT Drives and Power PCL.
2016 - 2563	Director	PEA Encom International Co., Ltd.
2015 - Present	Chairman of the Board/Independent Director	Communication & System Solution PCL.
2014 - Present	Director	KMIT Lat Krabang Co., Ltd.
2014 - Present	Chairman of the Audit Committee/ Independent Director	Bangkok Sheet Metal PCL.
2013 - 2018	Audit Committee/ Independent Director	CPT Drives and Power PCL.
2010 - Present	Director	State Enterprises Committee (Director's Pool)

Mrs. Wanchalee Kanchanachongkol
Vice Chairman of the Board / Audit Committee / Independent Director



Education Qualification

- Master of Economics, Faculty of Economic Development, NIDA
- Bachelor of Arts (Accounting), Chiang Mai University
- Director Accreditation Program (DAP 104/2013), Thai Institute of Directors Association

Work experience in the past 5 years

2019 - Present	Director and Authorized Director	Yuwan 2019 Co., Ltd.
2020 - Present	Vice Chairman of the Audit Committee/ Independent Director	CPT Drives and Power PCL.
2013 - 2018	Audit Committee/ Independent Director	CPT Drives and Power PCL.

Mr. Suvit Singhajan

Chairman of the Audit Committee / Independent Director



Education Qualification

- Master of Public Administration, (NIDA)
- Bachelor of Law, Ramkhamhaeng University
- Director Certification Program (DCP 176/2013), Thai Institute of Directors Association
- Director Accreditation Program (DAP 104/2013), Thai Institute of Directors Association

Work experience in the past 5 years

2016 - Present	Chairman of the Audit Committee / Independent Director	CPT Drives and Power PCL.
2013 - Present	Chairman of the Audit Committee / Independent Director	Power Solution Technologies PCL.
2012 - Present	Assistant Governor, EGAT	Electricity Generating Authority of Thailand
2012 - Present	Eminent Person	Office of Energy Regulatory Commission

Mr. Worapoj Yodsatat

Audit Committee / Independent Director



Education Qualification

- Bachelor of Engineering in Mechanical, Kasetsart University

Work experience in the past 5 years

2018 - Present	Audit Committee / Independent Director	CPT Drives and Power PCL.
2018 - Present	Chairman of the Board	Indra Systema SA Thailand Co., Ltd
2013 - Present	Director	Poll Online Co., Ltd.
2013 - Present	Director	Cyber Vote Co., Ltd.
2012 - Present	Chairman and Authorized Director	Thaitronic Co., Ltd.
2006 - Present	Director	Alangkarn Property Co., Ltd.

Mr. Somsak Limprasert
Director / Chairman of the Executive Committee



Education Qualification

- Master of Business Administration, Kasetsart University
- Bachelor of Engineering in Telecommunications, King Mongkut's Institute of Technology Ladkrabang
- Director Accreditation Program (DAP 104/2013), Thai Institute of Directors Association

Work experience in the past 5 years

2019 - Present	Director/Chairman of the Executive Committee	CPT Drives and Power PCL.
2013 - 2019	Chief Executive Officer	CPT Drives and Power PCL.

Mr. Chaiyot Piyawannarat
Director / Chief Executive Officer



Education Qualification

- Executive MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Electrical Engineering, 2nd Class Honors, King Mongkut's Institute of Technology Ladkrabang
- Director Certification Program (DCP 2017), Thai Institute of Directors Association

Work experience in the past 5 years

2019 - Present	Director and Chief Executive Officer	CPT Drives and Power PCL.
2007 - 2019	Managing Director	ABB (Thailand) Co., Ltd.

Mr. Noppadol Wichienkuer
Director / Managing Director



Education Qualification

- Bachelor's Degree in Electronics Engineering, King Mongkut's Institute of Technology Ladkrabang
- Director Accreditation Program (DAP 100/2013), Thai Institute of Directors Association

Work experience in the past 5 years

2018 - Present	Director and Managing Director	CPT Drives and Power PCL.
2016 - 2018	Director and Deputy Managing Director	CPT Drives and Power PCL.
2013 - 2016	General Manager (Service Department)	CPT Drives and Power PCL.

Ms. Haruthai Limprasert
Director and Deputy Managing Director (Administration)



Education Qualification

- Master of Internet and E-commerce, Assumption University
- Bachelor of Business Administration in Finance, 1st class honor, Dhurakij Pundit University
- Director Accreditation Program (DAP 100/2013), Thai Institute of Directors Association
- Company Secretary Program (CSP 49/2013), Thai Institute of Directors Association
- Chief Financial Officer Certification Program (CFO 10/2008), Federation of Accounting Professions
- TLCA Executive Development Program (EDP) Class of Year 2020

Work experience in the past 5 years

2016 - Present	Director and Deputy Managing Director (Administration)	CPT Drives and Power PCL.
2013 - 2016	General Manager (Administration)	CPT Drives and Power PCL.

Mr. Monchai Thanyathanet

Director and Deputy Managing Director (Sales and Engineering)



Education Qualification

- Master of Business Administration, Assumption University
- Bachelor's Degree in Electrical Power Engineering, King Mongkut's Institute of Technology Ladkrabang
- Director Accreditation Program (DAP 157/2019), Thai Institute of Directors Association

Work experience in the past 5 years

2018 - Present	Director and Deputy Managing Director (Sales and Engineering)	CPT Drives and Power PCL.
2013 - 2018	General Manager (Sales)	CPT Drives and Power PCL.

Part 1 Nature of Business

1.1 Nature of Business

In 1994, a group of engineers with industrial machinery control equipment consisted of Mr. Somsak Limprasert, Mr. Aphichat Peepathum (resigned on 22 August 2018), and Mr. Noppadol Wichienkuer had seen the opportunity to increase the efficiency and productivity of machines for Thai entrepreneurs by a Thai company. Therefore, all three executives jointly founded CPT (Thailand) Company Limited on 22 March 1994, with a registered capital of 10.00 million baht. The initial objective was to sell electrical equipment to modify the control of old machinery but in a usable condition for quick and stable control by controlling the speed and function of motors and various sensor systems in the power of machinery to be consistent with the production. It included quality devices at a reasonable price. Subsequently, there has been a change in the structure. Therefore, the Company group has established CPT Drives & Power Company Limited. Currently, it is **CPT Drives & Power Public Company Limited ("the Company" or "CPT")**, which stands for "Control Power and Transmission," which means that the electric power system for controlling the operation of the machine. The business is divided into four segments as follows:

1. The sale of electrical cabinets (Panel)

The Company is an expert in selling electrical cabinets (Panel) by assembling electrical cabinets at the Company's factories and distributing to customers in various industrial factories, including the power plants. The type of electrical cabinets the Company producing is divided into two categories i.e.

1.1 Electrical cabinet, Machine Control System

The Company has been conducting the business of selling the electrical cabinet control systems and electric power to control machines' operation in industrial plants by automation, which allows devices to work with better efficiency by linking the computer's approach, storing and displaying data for the production. Then apply the information to control each machine's functioning. It results in precision work, both speed and work procedures to meet the production needs, including maintaining appropriate energy in the production and managing excess energy due to some machinery types returning the power to the electrical system to save energy. The result is the production of quality products and increasing and reminding to promptly repair and maintain each machinery, along with reporting faults of each section of the machine through the reporting and analysis program, which helps to solve various problems faster and reduce unexpected machinery downtime.

It includes the management of electrical cabinet systems, an efficient system for controlling the power supply in the factory toward the connection (Synchronize) the system with electricity to provide electricity to the state.

1.2 Low voltage electrical cabinet (220 - 690 V.) and medium voltage (3.3 - 36 kV.) for factories

The business of selling electrical cabinets for low voltage electrical systems having a size less than 1,000 Volt is transforming electrical voltage to be used in homes and medium-sized motors for the factories. The medium voltage electrical system has a length of 3.3 - 36 kV, which is a transformation down to drive large engines in the factory.

2. The sale of finished products (Unit)

The Company is a large distributor of finished products in the category of electrical equipment and control equipment, which there are standard products distributed as follows:

Brand	Producing Country	Product Type
Siemens AG	German	LV/MV Switchgear Panels (License Partner)
Danfoss (VACON)	Finland	Inverter 220-690V
TMEIC	Japan	Medium Voltage Inverter & AC Motor
Hyosung	Korea	AC Motor Large Size
WEG	Brazil	AC Motor Large and Small Size
TT Electric	France	DC Motor Large and Small Size
Parker Hannifin	England	DC Drives
ZEZ SILKO	Czech Republic	LV Capacitor Bank and MV Capacitor Bank
LS	Korea	PLC, MCCB, Contactor, Overload and MV Switchgear Component
AUCOM	New Zealand	MV and LV Softstarter

3. The contractor services of cable installation and construction of substation with a voltage of 69 - 115 kV

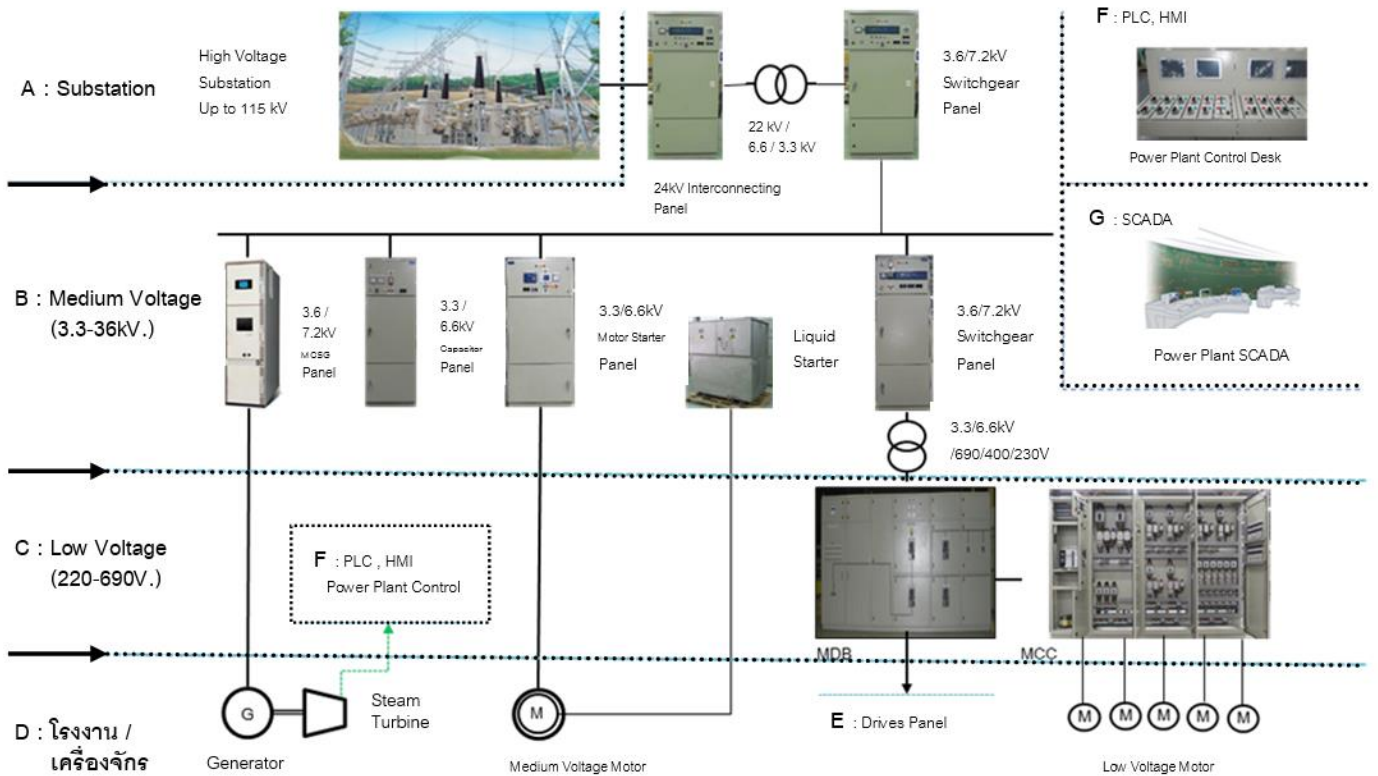
The Company engages in the design and construction of the High Voltage Substation 69 - 115 kV. The electrical power distribution shall start at the power station, which receives electrical energy from the Electricity Generating Authority of Thailand at the voltage level of 230 kV or 115 kV through the transformer (Power Transformer) to reduce the voltage to 33 or 22 kV. The transmission of electrical energy to consumers must reduce the voltage again by using transformers so that a voltage can be used.

The Company also provides cable installation services for electrical cabinet assembly in general industrial plants and substations, such as LV Power Cable & Control Cable, MV Power Cable, Overhead & Underground Line, System Grounding, etc.

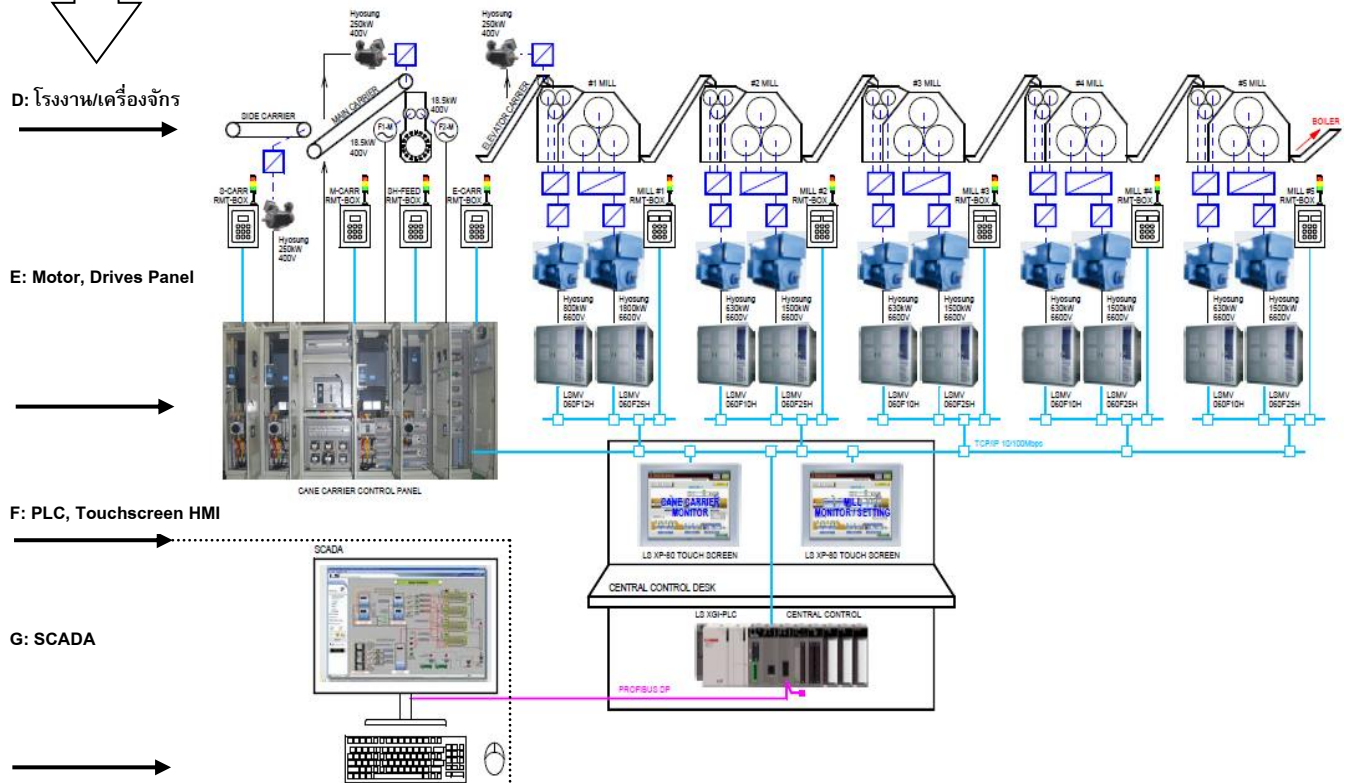
4. Service & Repair

The Company has a service department for customers both within the warranty period and the warranty period has expired. When the product has a problem or cannot be used, the customer can contact the service department. After checking the machine's operation in case the product cannot be used anymore, the Company shall offer the new product to replace the damaged one. In some cases, it is a service to install and modify the customer factory's electrical systems so that the machine works typically. Besides, the Company provides service to check the electrical equipment or electrical systems at the customer's factory and provide repair service and selling spare parts to keep the products in good working condition. However, the Company shall inspect and repair the product distributed from the Company only.

Company Business Overview - Electrical Distribution control system



Company Business Overview - Machine Control System



Group of Customers, Distribution and its Channels

Group of Customers

CPT Drives and Power Public Company Limited commits to use the accumulated knowledge and experience and sees the opportunity in business. Therefore, it has extended the business to other industries for long-term growth. The Company's customers are in the industrial business, which wants to set up machine control systems and electrical control systems.

1. Utility and Government Segment

At present, urban and economic expansion in the country is fast. Utilities are, therefore, essential in economic development. This group of customers is the water industry, petroleum pipelines, electricity generation, government work, infrastructure work, utility system construction, etc.

2. Process Industries Segment

The industrial sector is one of the most important mechanisms that lead the country to economic development in many areas and motivate the business sector to produce and develop new products. This customer group is the owners of industrial factories who need the machinery to make products such as pulp and paper, tire and rubber, cement, plastic, steel, aluminum and metal, electric wire, etc.

3. Energy Industries Segment

The energy industry trend is considered a large industry that provides benefits and necessities for living. The world is interested in the renewable energy business to make the most of renewable energy production and use. It also can use renewable energy for economic development for agriculture and industry. This customer group is petrol, gas, petrochemical, private power generation industry, renewable energy industry such as solar, wind, water, etc.

4. Sugar and F&B Segment

The sugar industry is an important processed agricultural industry in Thailand to meet domestic consumers' needs, including exporting. Besides, the food and beverage industry is still growing continuously. Thus, the food manufacturers and exporters search for business opportunities resulting in food products continually expanding. This group of customers is the sugar factory, and palm oil factory, etc.

In the year 2016 - 2020, the proportion of revenue from sales and services in the country and abroad during the past five years can be summarized as follows:

Table showing the proportion of revenue from domestic and foreign sales and services from 2016 - 2020

Sales and Service Revenue	2016		2017		2018		2019		2020	
	MB	%	MB	%	MB	%	MB	%	MB	%
- Domestic	1,160.19	94.52	1,219.07	98.62	883.79	92.87	562.47	98.42	920.96	97.66
- Foreign	67.24	5.48	17.03	1.38	67.88	7.13	9.04	1.58	22.10	2.34
Total	1,227.43	100.00	1,236.10	100.00	951.67	100.00	571.51	100.00	943.07	100.00

The Company can briefly summarize a list of famous domestic and foreign customers in the industry in the past three years (2016 - 2020) as follows:

Examples of customers in the country by industry type

Industry type	List of Companies	
1. Sugar	<ul style="list-style-type: none"> • Mitr Phol Group • Cristalla Group • KI Sugar Group • Khonburi Sugar Group • Buriram Sugar Group • Kaset Thai Sugar 	<ul style="list-style-type: none"> • Thairungruang Factory Group • Ban Pong Sugar Group • Ratchaburi Sugar Group • Khon Kaen Sugar Group • Thai Sugar Group
2. Steel	<ul style="list-style-type: none"> • Millcon Steel Plc. • TC Metal Works Co., Ltd. • Thai Steel Service Center Co., Ltd. • Parthongkij Steel Industries Co., Ltd. • United Coil Center Co., Ltd. • Bangkok Steel Factory Co., Ltd. • Samchai Steel Industries Pcl. • Siam Yamato Steel Co., Ltd. • N.H.K Steel Co., Ltd. 	<ul style="list-style-type: none"> • Danieli Far East Co., Ltd • Thai Yuan Metal Plc. • Thai Steel Profile Co., Ltd. • Magotteaux Co., Ltd. • Ratchasima Steel Products Co., Ltd. • Siam Steel Syndicate Plc. • Zubb Steel Group Co., Ltd. • Alucon Plc.
3. Paper	<ul style="list-style-type: none"> • Thai Cardboard Group • SCG Group • Double A Plc. • Thai Paper Mill Co., Ltd. • Hiang Seng Fibre Container Co., Ltd. • United Paper Plc. • Inter Pacific Paper Co., Ltd • Thai Packaging Industry Plc. 	<ul style="list-style-type: none"> • Thai Containers Group • Kimberley-Clark Co., Ltd. • Thai Cane Paper Plc. • Burapha Industry Co., Ltd. • Mahachai Kraft Paper Co., Ltd. • Riverpro Pulp & Paper Co., Ltd • Asia Craft Paper Co., Ltd. • Environmental Pulp and Paper Co., Ltd.
4. Cement	<ul style="list-style-type: none"> • The Siam Cement (Kaeng Khoi) Co., Ltd • The Siam Cement (Thung Song) Co., Ltd • Asia Cement Public Co., Ltd 	<ul style="list-style-type: none"> • The Siam Cement (Ta Luang) Co.,Ltd • The Siam Cement (Lampang) Co., Ltd • SCG Cement Company Limited
5. Rubber and Tire	<ul style="list-style-type: none"> • Innovation Group (Thailand) Ltd. • Goodyear (Thailand) Public Co.,Ltd. • Deestone Ltd. • P. I. Industry Co., Ltd • OTANI TIRE Co., Ltd. • Inoue Rubber (Thailand) Public Co., Ltd • IRC Co.,Ltd • Continental Tyres (Thailand) Co., Ltd 	<ul style="list-style-type: none"> • Michelin Siam Co., Ltd • Zeon Advanced Polymix Co., Ltd • Bridgestone Group Thailand Co.,Ltd • Maxxis International (Thailand) Co., Ltd. • Lion Tires (Thailand) Co., Ltd. • IRC (Asia) Research Co., Ltd. • Hua Fong Rubber (Thailand) PCL.
6. Plastics and Chemicals	<ul style="list-style-type: none"> • Group of Linde (Thailand) Plc. • TPI Polene Plc. • Thai Nam Plastics PCL. • Thai Film Industries PCL. • Glow Energy Plc. • TPI Polene Plc. • Focus Development and Construction Plc. • Surin Omya Chemical (Thailand) Co., Ltd. • MMP Corporation Co., Ltd. 	<ul style="list-style-type: none"> • CP Packaging Industry Co., Ltd. • Thai Central Chemical PCL • Thai Plastic and Chemicals Co., Ltd. • Thai Wattana Plastic Co., Ltd. • PTT Global Chemical Plc. • PTT Maintenance and Engineering Co., Ltd. • Wick and Hookland Plc. • Indorama Polyester Industries PCL. • IRPC Plc.

7. Construction

- CAT Telecom Plc.
- Naphassanan Property Co., Ltd. (Rangsit University)
- V.M.P.C. Co., Ltd
- Siam Alpha Tech Co., Ltd.
- Sirithanong Property Co., Ltd.
- All Inspire Development Plc.
- S&W Power Plus Co., Ltd. (Kantharaluk Hospital)
- A House Property Co., Ltd.
- Mass Rapid Transit Authority of Thailand
- Rajamangala University of Technology Phra Nakhon
- Lieng Thavorn Co., Ltd.
- King Mongkut's Institute of Technology Ladkrabang Chumphon Campus
- Sinsap Dingo Co., Ltd.
- Origin Property Plc.
- NSL Foods Co., Ltd.
- ISR Engineering Co., Ltd.
- (Hospital 103, Vientiane)

8. Substation and cable installation service

- Kamphaengphet Biopower Co., Ltd.
- Eastern Water Resources Development and Management Plc. (East Water)
- Printhon Co., Ltd. (BITEC2)
- Otani Rubber Co., Ltd.
- Siam Retail Development Co., Ltd. (Terminal 21)
- Advanced Fiber Co., Ltd.
- Alucon Plc.
- Power Solution Technologies Co., Ltd. (AEC Market)
- Thai Rungruang Industry Co., Ltd.
- Metro Industrial Park Co., Ltd.
- Rangsit Plaza Co., Ltd. (Future Park)
- Leksap Group Co., Ltd.
- Continental Tyres
- Kohler (Thailand)

9. Government

- Royal Irrigation Department
 - Electricity Generating Authority of Thailand (EGAT) and companies in the EGAT group
 - Provincial Waterworks Authority
 - Provincial Electricity Authority (PEA)
 - Metropolitan Electricity Authority
-

Distribution and its Channels

The Company's distribution channels are divided into two tracks consisting of:

1. Direct Contact: The Company uses a straightforward sales strategy to sell products regarding machine control systems by presenting the Company's past work to ensure trust among customers. The Company currently has 197 employees divided into 5 teams and consisted of 12 salespeople in each group with domestic and foreign sales teams.

2. Distributor: The Company provides products to the distributors to forward and increase the company's products' distribution channels to customers both in Bangkok and other provinces.

1.2 Industry Conditions and Competitions

The Company's products and services are an essential component of the system control of machinery and electrical systems in industrial plants, including electrical systems in large buildings such as shopping malls, condominiums, and office buildings. Therefore, the Company's revenue tends to grow according to the industry's economic expansion and investment. The sugar factory group is the primary customer group of the Company.

Industrial Situation and Investment

According to the government policies stimulating, the economy has benefited the confidence of entrepreneurs in the industrial sector. Causing there is the expansion of investment in the new business, such as the construction of industrial plants and the increase of production capacity, affects the demand for machinery control systems and related supporting equipment. The applications for BOI investment promotion information reflect the trend of Thailand's industrial sector, which is in a period of continuous expansion.

Information applying for investment promotion from the BOI between 2015 - 2020

Request for Investment Promotion	2015	2016	2017	2018	2019	2020
Number of projects (projects)	988	1,455	1,456	1,626	1,624	1,717
Investment value (billion baht)	197.73	524.34	641.98	901.77	756.10	481.15

Source: Office of the Board of Investment (BOI)

The investment promotion applications in 2020 included a total of 1,717 investment promotion applications, valued at 481,150 million baht or 30% down. Since 2019, a project was applied to promote the high-speed rail project connecting three airports, a significant investment project worth approximately 162,320 million baht, and the epidemic of the COVID-19 significantly affecting the application for promotion of the new project from abroad. However, compared with the year 2018, which had the value of the total investment promotion of 483,810 million baht, it was found to have a similar deal. In 2020, 1,501 investment promotion projects were approved. There was no change from the previous year and an investment value of 361,410 million baht, a 19% decrease from the same period of last year due to the reduction of investment promotion applications from the coronavirus outbreak 2019. In 2020, 1,320 promotional certificates were issued, a 1% decrease from the same period last year. The investment value was 430,670 million baht, an increase of 20 percent from the same period of the previous year. If considered the number of projects, most of them were investing in the agriculture and food processing industries. As for the value of the industrial electrical investment, appliances and electronics had the highest investment capital.

The Eastern Special Development Zone (EEC) project, the strategic plan under Thailand 4.0

Asia is a leader in driving the world both investment and economic growth. China, India, Japan, South Korea, and ASEAN are essential for operating with over 3.5 billion people and GDP accounting for 32% of global GDP. Thailand is the center of connection with economic groups in Asia from north to south, from China to Indonesia, from east to west, from Vietnam crossing to Myanmar as well as it is a strategic point of the ASEAN Economic Community (AEC) in terms of production, trade, export, and transportation. It is also halfway between Cambodia, Laos, Myanmar, and Vietnam, which is overgrowing. Thailand is, therefore, the best location for investment in ASEAN to connect Asia and the world.

The Eastern Economic Corridor (EEC) Project is a strategic plan under Thailand 4.0 with spatial development, which is the success of the Eastern Seaboard development project operating for over 30 years. This time, the Eastern Economic Corridor Office of Thailand (EECO) has the primary goal of fulfilling the overall picture of investment promotion, enhancing the country's industry, increasing competitiveness, and making Thailand's economy grow in the long run. In the first phase, there are three provinces to be upgraded, i.e., Chon Buri, Rayong, and Chachoengsao to be a special economic zone in the eastern region to systematically and efficiently through management mechanisms under the supervision of the Eastern Economic Corridor Policy Committee.

The government has many development plans to support the EEC. Large projects interesting include Bangkok - Rayong high-speed train project connecting Don Mueang Airport and Suvarnabhumi Airport to Rayong to make traveling to the Eastern districts very convenient and instant. It is expected that the development of this high-speed train will be a catalyst for the economy of the surrounding cities of the high-speed train route. In which there is one central station, U-Tapao Airport Station. Therefore, the U-Tapao Airport Development Project became an airport city (Aerotropolis) to accommodate more passengers from 800,000 people per year to 5 million people per year by 2020. Besides, there is a plan to develop an elevated transport system, including various shopping malls in the airport area. Therefore, the airport area is another attractive location in real estate development and business related to the airport. Another exciting project is establishing the Innovation Zone of the Eastern Economic Corridor, which may call a science park to promote the development of science and innovation for commercial use. It will be the brains for the economic development of this upcoming eastern region efficiently. Of course, if the EEC proceed in the Eastern area, it will be another golden location that investors are interested in and soon will be the country's economic city. EEC's primary investment will be to develop the infrastructure for travel and transportation to support and contribute to the growth of the industry and tourism, which will also have joint ventures from the private sector in some projects.

1.3 Future Operational Goals

According to the business principles aimed to put the customer as the center of operations for sustainable growth, CPT provides three main goals of conducting as follows:

1. The goal of expanding the customer base

In the past, CPT had a customer base in the sugar industry. In which CPT commits to using the knowledge and experience to expand the customer base into other industries, such as Cement, pulp and paper, steel, energy industry, including the private power plant, oil & gas industry, and petrochemical, including investment in government infrastructure with an overall market value estimate of not less than 15,000 million baht/year. In this regard, CPT is continuing to expand the market abroad by focusing on marketing in Southeast Asian countries (ASEAN), which has a GDP growth rate at the top.

2. Service business development

To comply with CPT's strategy of being a leader in providing after-sales services to customers, CPT has a goal of continuous human resource development, both providing knowledge technological capability to be able to serve customers aside from technical knowledge effectively, flexibility, agility in customer service also considered as a guideline for CPT's business operations.

3. Cooperation with partners to expand business

CPT has signed a cooperation agreement with SIEMENS to produce electrical cabinets within the brand of SIEMENS. In which CPT is already able to make and sell commercially.

Simultaneously, CPT moves to find additional alliances in all forms, whether a joint venture or merger, to increase the opportunity to grow and expand the business base in the future relentlessly.

1.4 Risk Factors

In the business conducting faces various risks like other businesses. The risks discussed below is a risk that the Company has considered and viewed that if it happens, it will harm the business, financial status, and the Company's operating results significantly. Besides, there may be other risks that the Company cannot know at this time or is a risk that considers not a chance that may cause significant damage to the business of the Company at this time.

Risks in Business Operations

The risk of project management

Project management risks are essential to any business operation. The risk arises from the delay in project management from customers, such as the delivery of the area to work late, specification and installation change, the shortage of working capital and liquidity of customers, etc. The delay may also be from the Company itself that the subcontractor can not deliver the work scheduled to the Company. It may affect the Company from late penalties or incur additional costs from the set estimates. It results in the delayed revenue recognition from the original set. The project work is a type of contractor and installation services. Substation Construction (Cabling Installation / Substation)

The Company has a hedging plan on the part of the Company, a project plan, and tight control over contractor's and subcontractors' work, including keeping track of the work closely. There is a support plan if the contractor cannot work as planned with many contractors on the vendor list. Besides, there will be a weekly follow-up meeting to make relevant persons aware of the progress. Make a contract for the contractor to bear the damage from the late delivery and provide sources of funds for the operation. If problems are found, they will be solved in time. In case of delays caused by customers' delivery of areas, the Company will make a letter reserve the right for late fines.

The risk of rising costs due to material prices changing

The cost of materials and equipment may change according to market conditions such as cable, copper, steel. The Company has a hedging plan that is the procurement process. The prices of primary materials and equipment are reviewed. Most of which the cost can be fixed during the bidding period. There is a comparison to create a median price. There are also many vendors on the Vendor List, and some materials are reserved.

Financial Risks

The risk from the fluctuation of foreign exchange rates

Since the Company purchases raw materials from abroad, approximately 5% of all purchases are made per year, which must be paid in US dollars and euros. Therefore, the Company is exposed to the risk of exchange rate fluctuation. If the baht depreciates, it will affect the Company's financial statements, causing the Company to incur expenses from foreign exchange losses.

The Company has reduced the exchange rate risk by increasing the volume of orders from sellers in the country and reduces the foreign exchange risk by using the foreign currency forward contracts.

However, the Company may still be affected by the exchange rate accounting because the purchase and payment of goods or raw materials do not occur in the same accounting period. As a result, on the accounting period's closing date, the Company has to account for the unrealized foreign exchange gain or loss.

The risk from collection of accounts receivable

Due to the current economic conditions affected by the COVID-19 outbreak, it may slow down customers' payments. Most of the Company's existing customers are in the private sector. The Company, therefore, has strict control over the quality of trade accounts receivable. Follow up on debt repayment and debt collection, which is considered an essential factor in business operation. For selling new customers, the Company has a policy based on the criteria for determining the credit limit, payment period, and selecting clients from financial status information, performance to manage receivables efficiently.

The Company has expanded its customer base to the government sector to reduce the said risk. Adhere to the allowance for doubtful accounts policy according to accounting standards to prevent the risk of another way.

Other Risks

The risk of relying on executives and personnel with experience and ability

The Company may be affected by the COVID-19 outbreak, resulting in lower-income from late delivery due to the inconvenience to the customer factory area in some areas. For jobs that have already been sold, customers postpone their investment in building a new factory or modify the new system. It is still waiting to see the future situation and many service jobs that refrain from joining work from outsiders.

Part 2 Shareholding Structure and Management

2.1 Shareholding Structure and Management

As of December 31, 2020, the Company had registered a capital of 739,500,000 baht, divided into 900,000,000 ordinary shares with a par value of 0.50 baht per share, which is a paid-up capital of 450,000,000 baht.

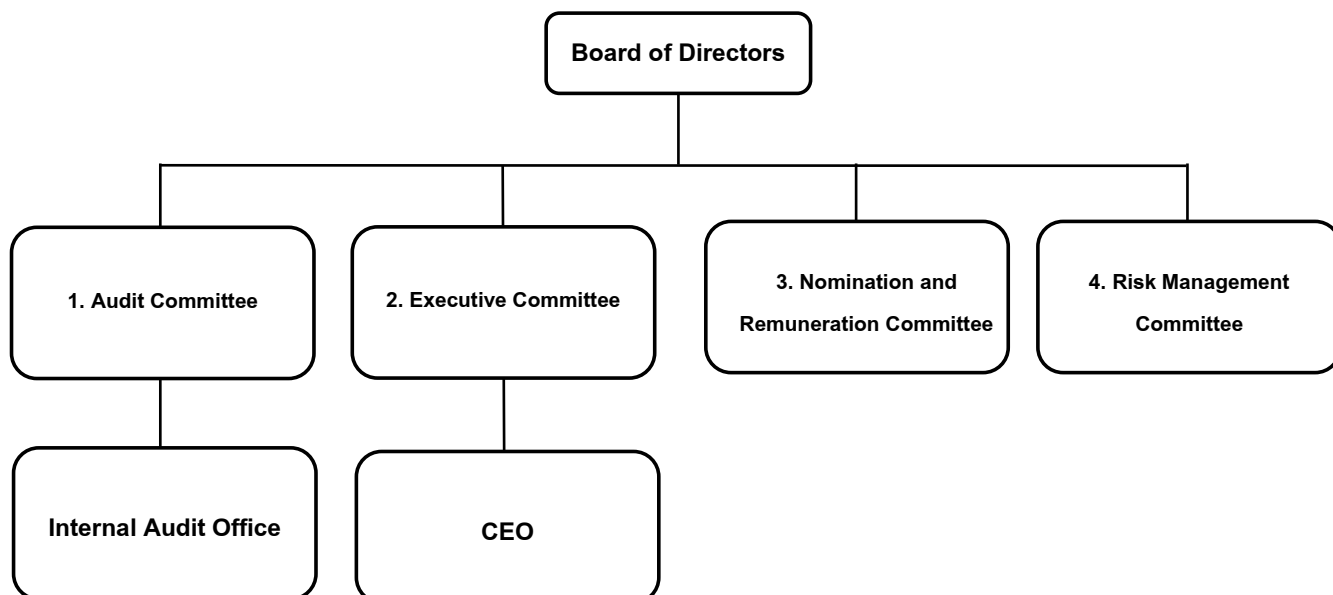
Major Shareholders

List of the top 10 shareholders of the Company as shown in the table below:

Rank	List of shareholders	Number of Shares	%
1	Mrs. Kanya Limprasert	100,000,000	11.11
2	Mr. Jirawut Kuvanan	95,285,500	10.59
3	Mr. Somsak Limprasert	89,243,200	9.92
4	Mr. Noppadol Wichienkuer	81,859,700	9.10
5	Ms. Haruthai Limprasert	66,448,000	7.38
6	Mr. Chaiyot Piyawannarat	50,000,000	5.56
7	Mr. Phengpian Laoramkot	33,190,600	3.69
8	Mr. Krisada Akkarapattayakul	29,687,600	3.30
9	Mr. Kittipak Noicharoen	20,010,300	2.22
10	Mr. Prakrit Witthayabengjang	18,118,800	2.01

Management Structures

As of 31 December 2020, the Company's management structure consisted of the Board of Directors and four sub-committees: the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, and the Risk Management Committee.



Board of Directors

The Company has a total of 9 directors consisting of:

List of shareholders	Position
1. Assc. Prof. Prapas Praisuwanna	Chairman of the Board / Independent Director
2. Mrs. Wanchalee Kanchanachongkol	Vice Chairman / Audit Committee / Independent Directors
3. Mr. Suvit Singhajan	Chairman of the Audit Committee / Independent Directors
4. Mr. Worapoj Yodsatat	Audit Committee / Independent Directors
5. Mr. Somsak Limprasert	Director / Chairman of the Executive Committee
6. Mr. Chaiyot Piyawannarat	Director / Chief Executive Officer
7. Mr. Noppadol Wichienkuer	Director
8. Ms. Haruthai Limprasert	Director
9. Mr. Monchai Thunthanase	Director

Ms. Pakamas Chimlek is the Company Secretary, which passed the 95/2019 Company Secretary Training Program of the Thai Institute of Directors Association.

Authorized Directors, sign to bind the Company.

The authorized directors who sign to bind the Company are Mr. Noppadol Wichienkuer or Ms. Haruthai Limprasert, jointly signed with Mr. Chaiyot Piyawannarat or Mr. Monchai Thunthanase, totaling two people together with the Company's seal affixed.

The scope of duties and responsibilities of the Board of Directors

1. To perform duties under the laws, objectives, and articles of association of the Company and the resolutions of the shareholders' meeting in good faith, be cautious, and protect the Company's interests.
2. To specify the Company's vision, policy, and operating direction to ensure that it follows the established procedures and plans to maximize the business and shareholders' benefit.
3. To set the goals, guidelines, policies, and budgets of the Company. Supervise the administration and management or the assigned person to be under the board of directors' policy.
4. To define the authority for approval and operation relating to the Company with the regular review at least once a year.

5. To provide the control systems for the operation, financial report, and compliance with rules and policies. The Board of Directors should assign a person or an organization that can perform duties independently to supervise the said control system and review necessary plans at least once a year and disclose in the annual report.
6. To ensure the Company's balance sheet and profit and loss statement at the end of the accounting period, the auditors have already reviewed. Then propose to the shareholders' meeting for consideration and approval.
7. To appoint the Audit Committee and set the powers and duties of the Audit Committee.
8. To acknowledge the Audit Committee's reports or the internal audit department, including the auditors and any company advisors, along with establishing the guidelines for improvement if there is a significant fault.
9. To review the adequacy and appropriateness of the internal control system and the Company's risk management policy to cover the entire organization by assigning to the management complying with the procedure and regularly reporting to the Board of Directors. There should be a systematic review to ensure the effectiveness of risk management at least once a year. Disclose information in the annual report and every period once found that the risk has changed, giving priority to early warning signals and various unusual transactions.
10. To consider and approve of important businesses regarding the Company or deem appropriate to maximize the Company benefits.
11. To consider and scrutinize the report submitted to the shareholders for approval at the shareholders' meeting.

The main agenda of the annual general meeting of shareholders is as follows:

- To consider the report of the committee proposed to the meeting showing the operating results of the Company.
 - To view and approve the financial statements.
 - To consider allocating the Company's profits.
 - To present the list of new directors to retire by rotation and nominate the auditors and determine their remuneration.
 - To view items that may cause conflicts of interest in matters requiring approval from shareholders.
 - Other matters
12. To consider the management structure, appoint the executive committee, management team, and other sub-committees as appropriate, including assessing the Company Secretary's appointment under the Securities and Exchange Act.
 13. To consider and evaluate the performance of the Board of Directors and various sub-committees, including ensuring that the Company has an effective process to evaluate senior management's performance.
 14. To approve commission and consulting fees when the sales can be collected from customers, with authority to support more than 5 percent of sales.
 15. The Board of Directors must not engage in the same business and compete with the business of the Company or become a partner in an ordinary partnership or being a partner of limited liability limited partnership or being a director of a private company or other companies that operate in the same business and completing with the business of the Company, whether for personal benefit or the benefit of others unless notified to the shareholders' meeting before a resolution to appoint.
 16. To be responsible to shareholders consistently and perform business by protecting shareholders' benefits and preparing reports for the Company's general information and financial information to report to shareholders and stakeholders or general investors in time and following the law.

17. The Board may authorize one director or more or any other person(s) to act as the Board under the control of the Board of Directors or delegate to such person to have authority as the Board deems appropriate within the period of the Board's discretion. The Board may revoke, change or modify the authorization when seeing appropriate.

Delegation and the responsibilities of the committee must not be a delegation of power or sub-delegate power that makes the board of directors or an attorney from the Board of Directors can approve items that may conflict with the Company (shall mean as specified in the notification of the Securities and Exchange Commission). Except it is for the approval of transactions that are following the policies and criteria approved by the Board of Directors or the shareholders' meeting following the law on securities and exchange, regulations, announcements, orders, or requirements of the Stock Exchange of Thailand or the Securities and Exchange Commission and/or related laws.

18. In the Board of directors' operations as assigned above, if there are laws or regulations or the Company's article of association specified the Board of directors' scope of power. The Board must proceed under the laws or regulations or the Company's article of association. If any action that the Company's directors have or may have benefits or relating to the stakeholders according to the Notification of the Securities and Exchange Commission and/or related laws. Such a director shall not have the power to approve the said operation.

19. The power to proceed following operations shall be able to do so after receiving the shareholders' approval. On any matter that the Directors have an interest or having conflicts of interest with other companies or subsidiaries, such Directors have no right to vote on that matter.

- Any matter that is required by law to be approved by the shareholders' meeting.
- Any transaction in which the Directors have a conflict of interests and are considered that the shareholders' meeting must approve it according to the law of the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand specified.

20. The Board must approve the following matters of Directors' Meeting with the Director's majority votes in attendance and from the shareholders' meeting with a vote of not less than three-fourths of the shareholders' total votes attending the meeting eligible to vote.

- The sale or transfer of business units/activities of the Company - in its entirety or any significant portion thereof - to other parties
- The purchase by the Company or transfer to the Company of business units/activities of other (private or listed) companies to be owned by the Company
- The execution, amendment, or termination of any agreements relating to the rental/leasing of any Company business units/activities - in its entirety or of any significant portion thereof. The authorization of others to take control of or manage the Company's business units/activities, or establish any joint business activities together with other parties, to share in the profits/losses of that collaborative activity
- Issuance of new shares to pay to creditors of the Company according to the debt to the equity conversion project
- The implementation of any amendments to the Company's Memorandum of Association/Articles of Association
- The increase or decrease of the Company's registered capital, the issuance of debentures by the Company, the merger or divestment of the Company/Business
- Any other activities stipulated under the Securities and Exchange Act provisions must be approved by the Board of Directors' meeting and the meeting of Shareholders with the votes mentioned above.

In any matter, the Directors have a conflict of interests with the Company. Such directors do not have the right to vote.

Besides, the Board of Directors also has to oversee the Company comply with the Securities and Exchange Act, SET regulations, such as the related transaction and the acquisition or disposition of significant assets under the rules of the Stock Exchange of Thailand or the Notification of the Securities and Exchange Commission Capital Market Supervisory Board or the laws related to the Company's business.

Audit Committee

As of 31 December 2020, the Audit Committee consisted of:

1. Mr. Suvit Singhajan	Chairman of the Audit Committee
2. Mr. Worapoj Yodsatat	Audit Committee
3. Mrs. Wanchalee Kanchanachongkol	Audit Committee, has sufficient knowledge and experience to review the credibility of the financial statements

Ms. Boonyanee Kusolsophit is the secretary of the Audit Committee.

Scope of Duties and Responsibilities of the Audit Committee

1. To review the Company's financial statements to ensure accuracy and adequacy by coordinating with external auditors and executives responsible for preparing financial reports by the time frame prescribed by the Stock Exchange of Thailand and relevant government agencies.
2. To review and ensure that the Company has a suitable and efficient internal control system and internal audit and risk management. Check to ascertain that internal audit function is independent and hiring, transferring, and removing the head of the audit or any other department responsible for internal auditing.
3. To review and ensure compliance with the SET and other relevant regulators' laws and regulations.
4. To review and discuss the Company's critical risks with management and ensure that the management measures and controls them.
5. To consider, select, and nominate the independent person(s) to be elected as the Company's external auditor(s) as well as to propose their remuneration, and to attend a meeting with the external auditor(s) without the management at least once a year.
6. To consider related party transactions or transactions that may lead to conflicts of interests to ensure that those transactions comply with the laws and regulations of the Stock Exchange of Thailand and are justifiable and for the utmost benefit of the Company.
7. To consider the acquisition or disposition of the Company's assets, which has the transaction size that must be approved by the Audit Committee as specified by the Notification of SET and SEC.
8. To prepare the report of the Audit Committee and disclose in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and consist of at least the following information:
 - An opinion on the accuracy, completeness, and creditability of the Company's financial report
 - An opinion on the adequacy of the Company's internal control system
 - An opinion on compliance with the securities and exchange laws, the regulations of the Stock Exchange of Thailand, or the laws relevant to the Company's businesses
 - An opinion on the suitability of external auditor(s)
 - An opinion on the transactions that may lead to conflicts of interests

- Number of the Audit Committee's meetings, and the meeting attendance by each member
 - An opinion or overview comment of the Audit Committee derived from their performance of duties under the scope of the Audit Committee Charter
 - Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, and are in the scope of the duties and responsibilities assigned by the Board of Directors.
9. Perform any other duties as assigned by the Board of Directors as the Audit Committee may agree.
10. Suppose any suspicious transactions or actions may significantly affect the Company's financial status and performance. In that case, the Audit Committee shall report the board's findings to promptly make any improvement or correction as seen appropriate by the committee. Detailed are displayed below:
- Transactions regarding conflict of interests.
 - Transactions regarding frauds, irregularities, or significant deficiencies in internal control system.
 - Any violation against laws on the securities and exchange, SET regulations, or business-related laws relevant to the Company.
- In case the Board or the management fails to take corrective actions on those transactions within the Audit Committee's timeframe, any of the Audit Committee members may report such transactions or acts directly to SEC or SET.
11. The Audit Committee can request assistance from external advisors or experts related to the audit operation, at the Company's expense, following the Company's regulation as necessary.
12. Review the Company's Article of Association and the previous performance at least once a year.
- Performing the Audit Committee's duties as stated above, the Audit Committee is directly responsible to the Board of Directors. The board remains responsible for the Company's operations to third parties.

Executive Committee

As of 31 December 2020, the Executive Committee consisted of:

1. Mr. Somsak Limprasert	Chairman of the Executive Committee
2. Mr. Chaiyot Piyawannarat	Chief Executive Officer
3. Mr. Noppadol Wichienkuer	Executive Committee and Managing Director
4. Mr. Monchai Thunthanase	Executive Committee and Deputy Managing Director (Sales and Engineering)
5. Ms. Haruthai Limprasert	Executive Committee and Deputy Managing Director (Administration)

Scope of Duties and Responsibilities of the Executive Committee

1. Operate and manage the Company's business to comply with the objectives, article of association, regulations, policies, requirements, order, as well as the resolutions of the Board and/or the shareholders' meeting by adhering to the rules/regulations regarding the meeting of the Executive Committee of the Company.
2. Consider and determine the Company's policy, direction, and business strategy, including the budget plans, human resource management, investment, job enlargement, public relations to be following the framework approved by the Board of Directors as well as supervise the operation of the working group to achieve the target.

3. Consider the management's annual budget allocation before submitting it to the Board of Directors for approval. It shall include consideration and approval of the amendment to the annual budget during the absence of the Board of Directors Meeting then propose to the Board at the next meeting.
4. Approve the payment to purchase products in the Company's regular business in an amount not exceeding 50 million baht (fifty million baht).
5. Approve the payment to purchase products in the usual business of equipment and tools or fixed assets related to normal business operations in the amount per transaction not exceeding 20 million baht (twenty million baht) and purchasing movable property per transaction exceeding 10 million baht (ten million baht).
6. Approve the sales and services provided in the Company's ordinary course of business, such as approving product sales and entering into the contract, in the amount of 300 million baht (three hundred million baht).
7. Approve opening/closing all types of bank accounts with a financial institution and specifying conditions for withdrawal of money or any transaction of the said deposit account.
8. Approval of borrowing money, loan procurement, issuing of the bond, overdraft agreement, or any other loans from the bank or financial institution or general person under the normal business conditions in the amount per transaction not exceeding 50 million baht (fifty million baht), including required the bank to issue a letter of guarantee for the benefit of the Company's business in the amount per transaction not exceeding 50 million baht (fifty million baht).
9. Approve to take the Company's assets mortgage as collateral against any the Company's debt that already exists or will exist in the future in the amount per transaction not exceeding 20 million baht (twenty million baht).
10. Approve essential investment spending as specified in the annual budget for expenditure, as assigned by the Board of Directors, or as agreed in principle approved by the Board of Directors.
11. Be the board of consultant to the management team regarding the financial policy, marketing, personnel management, and other operations.
12. Set the Company's structure, authority, appointment, employment, transfer, compensation, remuneration, bonuses for executives who are non-members of the Executive Committee, and termination.
13. Have the power to authorize an attorney (s) for an operation under the Executive Committee's control, or delegate to such persons to be approved by the Board of Directors deems appropriate within the period the Executive Committee deems appropriate. The Executive Committee may revoke or amend the attorney or the authorization as see appropriate.
14. Carry out any operations according to the assignment from the Board of Directors from time to time.

However, the Executive Committee shall not consider and approve transactions that have any conflicts of interest unless the approval of transactions under the policies and criteria approved by the Board of Directors or the shareholders' meeting and in compliance with the laws. The Board of Directors may cancel, withdraw, and amend the Executive Committee's authority by the resolution of the Board of Directors.

Nomination and Remuneration Committee

As of 31 December 2020, the Nomination and Remuneration Committee consisted of:

1. Mr. Suvit Singhajan	Chairman of the Nomination and Remuneration Committee
2. Mr. Somsak Limprasert	Nomination and Remuneration Committee
3. Mrs. Wanchalee Kanchanachongkol	Nomination and Remuneration Committee

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

1. Set guidelines and policies in nominating Board of Directors and other sub-committee members by considering what would be the appropriate number, structure, and composition of members, and outlining necessary directors' qualifications, and proposing these ideas for approval by the Board of Directors and/or Shareholders' Meeting as appropriate.
2. Consider, select, and propose proper persons to assume the Company's directors whose terms have expired and/or became vacant, including the newly appointed director.
3. Consider, select, and propose appropriate persons to assume the position of the Company's executives, especially the position of Managing Director or Chief Executive Officer.
4. Execute other tasks related to nominations as assigned by the Board of Directors.

Determination of Remuneration

1. Prepare guidelines and policies to determine the Board of Directors and other sub-committees remuneration and propose it to the Board of Directors and/or Shareholders' Meeting for approval as appropriate.
2. Determine necessary and appropriate monetary and non-monetary remuneration for individual members of the Board of Directors by considering each director's duties and responsibilities, performance, comparisons against similar businesses, and the benefits expected in return from each director. The report will be submitted to the Board of Directors for consent and the Shareholders' Meeting for approval.
3. Take responsibility to support the Board of Directors and explain and answer any questions regarding the Board of Directors' remuneration in the Shareholders' Meeting.
4. Report policies and principles/reasons in determining the remuneration of directors and management under the SET guidelines by disclosing them in the Company's annual information disclosure (56-1) and annual report.
5. Be responsible for any other tasks related to the remuneration as assigned by the Board of Directors. The management team and other units have to report or present the information relating to the NRC to support the NRC operation to achieve their assigned tasks.

Risk Management Committee

As of 31 December 2020, the Risk Management Committee consisted of:

1. Mr. Somsak Limprasert	Chairman of the Risk Management Committee
2. Mr. Noppadol Wichienkuer	Risk Management Committee
3. Ms. Haruthai Limprasert	Risk Management Committee
4. Mr. Monchai Thunthanase	Risk Management Committee

Scope of Duties and Responsibilities of the Risk Management Committee

The Board of Directors Meeting No. 1/2017, held on 17 March 2017, passed a resolution to appoint and determine the powers and duties of the Risk Management Committee to support the Board of Directors in formulating risk management policies to cover the entire organization as follows:

1. Establish policies and guidelines for overall risk management that the Company is experiencing or expect to occur and affect the Company (Identification of Risk), including setting policies and giving opinions on risk management both from outside and inside the organization as follows:

- Financial Risk
 - Operational Risk
 - Strategic Risk
 - Compliance Risk
2. Define strategies and guidelines for the Company's risk management, following the risk management policy to assess, monitor, and control each type of risk to an acceptable level by allowing various departments to participate in risk management and control.
 3. Monitor and ensure that risk management activities are in line with the Company's policy and framework approved by the Board of Directors.
 4. Set risk measurement criteria and acceptable risk levels.
 5. Set appropriate risk management measures to cope with different situations.
 6. Assess risks at the organizational level and specifying risk management methods to be acceptable, including supervising risk management under established procedures.
 7. Review the adequacy and effectiveness of risk management policy and the system and comply with the established procedure.
 8. Have the authority to call any related persons to clarify or appoint or define the roles in which all employees' levels are responsible for risk management as appropriate and to report to the Risk Management Committee to achieve objectives.
 9. Report regularly to the Board of Directors about the management, operation, risk status, changes, and areas of improvement to ensure compliance with the Company's policy and strategy.
 10. Provide the risk management manual.
 11. Specify the risks and analyze and assess possible risks, including the trends that may affect the Company.
 12. Create a plan to prevent or reduce the risks.
 13. Evaluate and prepare risk management reports.
 14. Establish an integrated risk management system by linking the information system.
 15. Execute other activities that pertain to risk management as assigned by the Board of Directors.

Management Team

As of 31 December 2020, the Company had 7 executives as follows:

1. Mr. Chaiyot Piyawannarat	Chief Executive Officer
2. Mr. Noppadol Wichienkuer	Managing Director
3. Ms. Haruthai Limprasert	Deputy Managing Director (Administration)
4. Mr. Monchai Thunthanase	Deputy Managing Director (Sales and Engineering)
5. Mr. Teerayut Petchwong	General Manager (Production)
6. Mr. Thanakorn Mapaisansin	General Manager (Service)
7. Mr. Teerasak Patcharoen	General Manager (Design and Engineering)

Scope of duties and responsibilities of the Chief Executive Officer

1. Supervise and approve Company's normal business activities. May hand over power to the Directors or other people to run the work to perform duties on behalf of the Chief Executive Officer in particular under the control of

the Chief Executive Officer and within the time that the Chief Executive Officer deems appropriate. The Chief Executive Officer may cancel, withdraw, change or amend such power.

2. Perform and administrate to comply with the policies, plans, and budgets approved by the Board of Directors and/or the Executive Committee.
3. Be the Company's authorized to conduct the business under the objectives, article of association, policies, rules, regulations, orders, resolutions of the shareholders' meeting, and/or the Board of Directors, and/or the Executive Committee of the Company in all respects.
4. Have the power to delegate authority or authorize an attorney (s) for the operations, which such assignment shall be under the authorization scope of a power of attorney, and/or to comply with the rules and regulations prescribed by the Board of Directors, and/or the Company. Follow up and evaluate the Company's performance regularly to prevent risks from various factors, whether inside or outside the Company.
5. Approve the payment for normal business operations of the Company by purchasing raw material in the amount per transaction not exceeding 30 million baht (thirty million baht) and purchase equipment and tools or fixed assets movable property related to the operation of not exceeding 10 million baht (ten million baht) per transaction and purchase movable property per transaction not exceeding 5 million baht (five million baht).
6. Approve the sales and services provided in the Company's ordinary course of business, such as approving product sales and entering into the contract, etc., in the amount of 300 million baht (three hundred million baht).
7. Approve of borrowing money, loan procurement, issuing of the bond, overdraft agreement, or any other loans from the bank or financial institution or general person under the ordinary business conditions in the amount per transaction not exceeding 20 million baht (twenty million baht), including required the bank to issue a letter of guarantee for the benefit of the Company's business in the amount per transaction not exceeding 20 million baht (twenty million baht).
8. Approve commission and consulting fees when the sales can be collected from customers, with authority to approve not exceeding 5 percent of sales by signing jointly with the Managing Director.
9. Perform any operations following the assignment from the Board of Directors or any other sub-committee from time to time.

However, the Chief Executive Committee shall not consider and approve transactions that are having any conflicts of interest unless the approval of transactions under the policies and criteria approved by the Board of Directors or the shareholders' meeting and in compliance with the laws. The Board of Directors may cancel, withdraw, and amend the Chief Executive Committee's authority by the resolution of the Board of Directors.

Scope of duties and responsibilities of the Managing Director

1. Oversee the Company's business operations and/or the Company's daily operations.
2. Perform and administrate to comply with policies, plans, budgets approved by the Board of Directors and/or the Executive Committee and/or the CEO.
3. Be the Company's authorized to conduct the business under objectives, article of association, policies, rules, regulations, orders, and resolutions of the shareholders' meeting, and/or the Board of Directors, and/or the Executive Committee, and/or CEO of the Company in all respects.
4. Have the power to delegate authority or authorize an attorney (s) for the operations. Such assignment shall be under the authorization scope of a power of attorney, and/or comply with rules and regulations prescribed by the Board of Directors and/or the Company. However, there is no delegation of authority to persons who may have conflicts of interest.

5. Follow up and evaluate the Company's performance regularly to prevent risks from various factors, whether inside or outside the Company.
6. Consider entering into contracts regarding the Company's business, which benefits the Company's business, including stipulating the process and method of making the contract for submission to the Executive Committee, and/or the Board of Directors, and/or the Chief Executive Officer.
7. Approve the payment for normal business operations of the Company by purchasing raw material in the amount per transaction not exceeding 20 million baht (twenty million baht) and purchase equipment and tools or fixed assets related to the operation of not exceeding 5 million baht (five million baht) per transaction and purchase movable property per transaction not exceeding 3 million baht (three million baht).
8. Approve the sales and services provided in the Company's ordinary course of business, such as approving product sales and entering into the contract, etc., in the amount of 100 million baht (a hundred million baht).
9. Approve commission, consulting fees, and coordination fees when the sales can be collected from customers, with authority to approve not exceeding 5 percent of sales by signing jointly with the CEO.
10. Consider allocating bonus or rewards which the Board has approved of Directors to staff or employees or any person who conducts business for the Company.
11. Have the power to consider hiring staff and appointing and rotate across departments or terminate employment. Determine the rate of wage, compensation, bonus, including welfare for all employees except the Executives.
12. Have the power to issue orders, regulations, and notifications, ensure that the operations comply with the Company's policy and interest, and maintain discipline within the organization. Perform any functions according to the assignment from the Board of Directors/ Executive Committee/ CEO from time to time.

Company Secretary

The Board of Directors Meeting No. 1/2019, held on 27 February 2019, resolved to appoint Ms. Pakamas Chimlek as Company Secretary qualified and has passed the Company Secretary Program from the Thai Institute of Directors. The said appointment complies with Section 89/15 of the Securities and Exchange Act B.E. 2535 (amended B.E. 2551), which requires the Company Secretary to be responsible for the following actions on behalf of the Company or the Board of Directors with the scope of authority as follows:

1. Keep and maintain the following documents.
 - Directors' register
 - Notice to the Board of Directors' meeting, minutes of the Board of Directors' meeting and annual report of the Company
 - Invitation letter to the shareholders' meeting and minutes of the shareholders
2. Keep the report of stakeholders as provided by directors of executives.
3. Submit a copy of the stakeholders' report under Section 89/14 to the Chairman of the Board and the Audit Committee Chairman within seven working days after receiving the information. The Company must provide the document retention system to ensure that all preservation is correct and complete and can be inspected in a period of not less than ten years from issuing the document.
4. Be a center for contacting, inquiring, and collecting information that the Board of Directors needs from various departments apart from the Management, such as auditors and internal auditors, including arranging the meeting between the Board of Directors and Executives as required.
5. Conduct any other tasks as notified by the Capital Market Advisory Board.

In 2019 and 2020, the Company held the Board of Director's meeting seven times and six times respectively and the Audit Committee's meeting four times and four times respectively. The details of attendance of each committee were as follows:

The attendance of the meetings of the Board of Directors and the Audit Committee for 2019 and 2020

Name	The Board Meeting		Audit Committee Meeting		Nomination Committee Meeting	
	2019	2020	2019	2020	2019	2020
1. Assoc. Prof. Prapas Praisuwanna	7/7	6/6	-	-	-	-
2. Mr. Suvit Singhajan	7/7	6/6	4/4	4/4	2/2	1/1
3. Mrs. Wanchalee Kanchanachongkol	7/7	5/6	4/4	3/4	2/2	1/1
4. Mr. Worapoj Yodsatat	6/7	6/6	3/4	4/4	-	-
5. Mr. Somsak Limprasert	7/7	6/6	4/4	4/4	2/2	1/1
6. Mr. Chaoyot Piyawannarat*	1/7	6/6	-	4/4	-	-
7. Mr. Noppadol Wichienkuer	6/7	6/6	4/4	4/4	-	-
8. Ms. Haruthai Limprasert	7/7	6/6	4/4	4/4	2/2	1/1
9. Mr. Monchai Thunthanase	6/7	6/6	4/4	4/4	-	-
10. Mr. Teerayut Petchawong**	2/7	-	1/4	-	-	-

Remark: The Company changed Directors by appointing Mr. Chaoyot Piyawannarat* following the resolution of the Board of Directors' Meeting No. 7/2019, held on September 30, 2019, in place of Mr. Theerayut Petchawong **

Director's Remuneration

1. Monetary Remuneration

Total remuneration of directors

The 2020 Annual General Meeting of Shareholders held on July 1, 2020, determined the remuneration of the Board of Directors and the Audit Committee in the form of meeting allowances. Details were as follows:

Position	Meeting Allowance
The Board Meeting	
Chairman of the Board	20,000 baht per time
Vice Chairman / Director	15,000 baht per time
Audit Committee Meeting	
Chairman of the Audit Committee	20,000 baht per time
Vice Chairman / Audit Committee	15,000 baht per time

In 2020, the Company paid remuneration in the form of meeting allowances to the Board of Directors as follows:

	Name	2019	2020
1.	Assoc. Prof. Prapas Praisuwanna	140,000	100,000
2.	Mr. Suvit Singhajan	185,000	155,000
3.	Mrs. Wanchalee Kanchanachongkol	165,000	105,000
4.	Mr. Worapoj Yodsatat	135,000	135,000
5.	Mr. Somsak Limprasert	105,000	75,000
6.	Mr. Chaiyot Piyawannarat*	15,000	75,000
7.	Mr. Noppadol Wichienkuer	90,000	75,000
8.	Ms. Haruthai Limprasert	105,000	75,000
9.	Mr. Monchai Thunthanase	90,000	75,000
10.	Mr. Teerayut Petchawong**	30,000	-

Remark: The Company changed Directors by appointing Mr. Chaiyot Piyawannarat* following the resolution of the Board of Directors' Meeting No. 6/2019, held on September 30, 2019, in place of Mr. Theerayut Petchawong **

Executive Committee

Monetary Remuneration

In the year 2019 and 2020, the Company paid monetary compensation to executives as follows:

1. Remuneration of the Executives

List	2019	2020
Number of Executives	9	9
Total remuneration of executives (baht)	37,417,746	30,969,780
Remuneration Form	Salary / Bonus	Salary / Bonus

2. Other Remuneration

The Company has established the provident fund for the Executives and employees, effective from 1 September 2013 onwards. The provident fund contribution details are as follows:

Number of the work years	Contribution rate and benefits
Less than 3 years	0
Over 3 years but less than 5 years	30
Over 5 years but less than 7 years	50
Over 7 years but less than 10 years	70
Over 10 years	100

2.2 Corporate Governance Policy

The Company places importance and adheres to the principles of good corporate governance in business operations. Therefore, the Board of Directors has established the policy to comply with the principles and best practices for the directors to be in line with the Code of Best Practices for Directors of Listed Companies under the Stock Exchange of Thailand guidelines. Besides, the Company has adopted the principles of good corporate governance as a guideline for the policy development covering the rights and equality of shareholders and stakeholders, structure, roles, responsibilities, and independence of the Board, information disclosure, and transparency, risk management control, as well as business ethics. Allowing management and the Company's business operations are efficient and transparent. The principles of good corporate governance cover five principles as follows:

Article 1: Right of Shareholders

The Company recognizes and respects the right of shareholders. Do not take any action violating or depriving of the rights of shareholders. Encourage shareholders to exercise their rights, such as trading or transferring shares, sharing profits, sufficient information, attending the meeting to exercise the right to dismiss the directors, appointing auditors. It also includes matters affecting the Company, such as dividend allocation, the amendment of the article of association and the memorandum, increase and decrease the capital, and approval of unique items.

The Company shall proceed in various matters, which is to promote and facilitate the exercise of rights of shareholders as follows:

- The Company requires the Board to prepare the invitation letter by having sufficient information for shareholders to be notified seven days before the meeting date according to the Securities and Exchange Commission's rules and regulations and the Stock Exchange of Thailand.
- Chairman of the Meeting will inform the Shareholders of rules of the Meeting and voting procedures and allotted time appropriately.
- Allow shareholders to propose the comments, suggestions, and questions in advance before the Shareholders' Meeting.
- All Shareholders will be allowed to express their opinion and raising questions in the Meeting. Directors and relevant Management team members will attend the Shareholders' Meeting to provide responses to any inquiry presented at the Meeting and take any comments and suggestions into consideration or further actions. After the Shareholders' Meeting, the Company prepares the complete and accurate minutes of the Meeting, which the shareholders can review.
- Suppose any Shareholder cannot attend a Shareholders' Meeting in person. In that case, the Company allows shareholders to appoint a proxy, either Independent Director or any person, to participate in the Meeting on his/her behalf.

Article 2: Equitable Treatment of Shareholders

The Company applies the principle of equal treatment to all Shareholders, be they Management or Non-Management Shareholders, Majority or Minority Shareholders, or local or foreign Shareholders, as follows:

- The Board of Directors shall not add any meeting agenda without notifying shareholders in advance, especially the vital plan that shareholders need to study before making a decision.
- The Company encourages the use of proxy forms on which shareholders can specify their votes. At least one independent director is nominated as an alternative to shareholders' proxies.

- An independent director's appointment to protect minority interests, the minority shareholders can suggest, express opinions, or complaints to independent directors. The independent directors will consider each case appropriately by investigating and finding appropriate remedies, suggestions. The Independent Director considers that it seriously affects all stakeholders or affects the Company's business. They will propose such matters to the shareholders' meeting for consideration in the meeting agenda.
- Promote the exercise, such as allowing minority shareholders to add agenda before the meeting, which is an opportunity for minority shareholders to promptly nominate persons to be appointed as directors in advance promptly with information to consider the nominees' qualifications and consent.
- The Company has set up Insider Trading prevention of related persons, including directors, executives, employees, and employees of the related group (the spouse and minor children of such person). If the employees or executives disclose information or use it for their benefits or those involved shall be considered a severe offense and disciplinary punishment.
- For the sake of transparency and future reference, the Company encourages the use of voting cards for essential agenda items such as related party transactions or acquisitions or disposal of significant assets
- Provide the shareholders the opportunity to appoint directors individually.
- In the shareholders' meeting, Directors and Executives will disclose information about their interests in each agenda to allow the Board to consider the transactions that may have conflicts of interest and to be able to make decisions for the benefit of the Company. The Directors and Executives who have the said interest shall not have the right to vote in that meeting agenda.
- Establish guidelines to maintain and prevent using internal information in writing and inform everyone's guidelines to follow. Require that directors and executives have to report securities holdings according to the law.

Article 3: Role of Stakeholders

The Company gives importance to the rights of all groups of stakeholders and has the policy to treat each group of stakeholders as follows:

Shareholders:

The Company is committed to conducting business with knowledge and management skills. It shall perform duties with integrity and make decisions in good faith and fairness to major and minor shareholders alike and disclose information regularly and thoroughly as according to the truth.

The Company shall provide fair compensation to employees, take care of, and maintain the working environment to ensure employees' safety for life and property. Keep track of and give importance to the development and provision of knowledge and skillsets to employees to ensure their career progress and stability. Strictly comply with laws and regulations relevant to employees, including refining from any actions that may harm the job security of employees and treat them with politeness and respect for human dignity.

Customers:

The Company is committed to producing quality products at a reasonable price. Keep customers' information confidential and continuously search for ways to strictly increase customer benefits and comply with the conditions.

Business Partners and Creditors:

The Company shall not proceed with dishonesty in dealing with business partners and creditors. Strive to comply with the creditors' conditions strictly, whether it is the purpose of using money, repaying, maintaining the quality of the collateral, and any other matters that have been agreed with creditors to achieve mutual benefits.

Business Competitors:

The Company shall behave within the framework of good competition, do not seek confidential information of competitors by dishonest methods or inappropriate and not try to damage the reputation of competitors by making false accusations without baseless.

Society:

The Company refrains from any action that shall damage society, natural resources, and the environment. Seek opportunities to support social, creative activities. Raise awareness of social responsibility among employees at all levels, including implementing or controlling strict compliance with the regulatory agencies' laws and regulations.

Article 4: Disclosure and Transparency

The Company attaches importance to the disclosure of accurate, complete, transparent, and punctual information and following the rules of the Office of the Securities and Exchange Commission. ("The SEC") and the Stock Exchange of Thailand. Disclose information on material matters regarding the Company, including financial reports, non-financial information, and other information, which impact the price of securities and affect the decision-making process of investors and stakeholders of the Company all involved with the Company are equally acknowledged. The Company has publicized the information through the SEC and the Stock Exchange of Thailand, and the website. www.CPTthailand.com.

The Board of Directors is aware of financial reports that must be accurate, complete, true, and reasonable. The Company's consolidated financial statements are prepared following generally accepted accounting standards by choosing to use appropriate accounting policies. The accurate and completed accounting records are enough to maintain the property and identify weaknesses to prevent fraud or unusual operations that are significant by regularly observing, including sufficient important information disclosed in the notes to the financial statements. The Board has also appointed the Audit Committee to check financial reports, related party transactions, and internal control systems. The Audit Committee will report the results to the Board in every meeting. The report of the Board of Directors, Audit Committee, and the Auditor appears in the annual report. As for investor relations, the Company has no plans to establish the department shortly but assigned Ms. Phakamas Chimle, the Company Secretary, to contact shareholders, analysts, and related parties.

Article 5: Board Responsibilities**(1) Board Composition**

The Board of Directors consists of directors with knowledge, ability, and experience to conduct business beneficial to the Company. The shareholders' meeting appoints the Board of Directors, consists of 9 members, 4 of which are independent directors, one chairman of the Board of Directors, one chairman of the Audit Committee, and two Audit Committee members. At least one member of the Audit Committee has sufficient accounting knowledge to perform duties on reviewing financial statements' reliability. In this regard, the Company requires at least one person from the Board of Directors to be the independent directors acting as a representative of minority shareholders

performing the duties of checking and balancing the administration of various businesses of the Company to proceed correctly, and for the best interests of the shareholders. The independent directors have a term to perform duties of 3 years.

The Chairman of the Board of Directors and the Executive Committee or CEO must not be the same person for check and balance purposes using separation of supervision and management roles. The Company has specified the Directors' duties and responsibilities, Executive Committee, Chief Executive Officer, and Managing Director to prevent the Executive Committee CEO. The Managing Director has the power to manage and approve the unlimited financial amount.

(2) Subcommittee

The Board of Directors has appointed a subcommittee to assist in the supervision of the business.

- Five executive directors help streamline the operations with the duties assigned by the Board of Directors.
- At least three audit committee members are responsible for inspecting and overseeing the Company's operations and have the scope of duties as assigned by the Board of Directors. All members have qualifications as stipulated in the Securities and Exchange Act or by rules and regulations of the SEC or the Stock Exchange of Thailand.
- The Nomination and Remuneration Committee has at least three members, most of whom are independent directors. One independent director is the Chairman of the Nomination and Remuneration Committee, responsible for setting criteria and policies for selecting and remuneration of the Board of Directors and sub-committees and nominates suitable persons to be the Directors and determine their compensation.
- There are at least three members of the Risk Management Committee, without being a director of the Company, which serves to support the Board of Directors in formulating risk management policies for the entire organization, including supervising to have a system or risk management process to reduce the impact on the business of the Company appropriately.

However, the Company may recruit other sub-committees to perform duties as assigned to ease the board of directors' management burden.

(3) Roles and Responsibilities of the Board

The Board of Directors takes the role of determining vision and mission and approving guidelines for the setting of business strategies, policies, plans, and budgets. Monitor and supervise the management to take actions according to the procedures established efficiently and effectively under the law's framework, objectives, article of association the Company, and the shareholders' meeting resolution, which the Board of Directors has provided.

3.1 Code of Business Ethics

The Company has formulated the Business Ethics and Code of Conduct, which is regularly reviewed and updated for executives and employees to follow in performing their duties with the central issue of keeping the Company's information confidentially, performing tasks with honesty, and respecting each other's rights. Maintenance of resources both inside the Company and surroundings. The emphasis on business ethics shall lead to honest operations. Internal control can be done more efficiently, resulting in confidence in the capital market and building credibility for investors.

3.2 Policy on Conflict of Interest

The Company has established a policy regarding conflicts of interest because all employees must perform duties for the Company's best interests only. Any actions and decisions must be free from the influence of the

personal needs of the family of relatives or of someone else who personally knows them by defining policies covering two topics as follows:

- **Connected Transactions:** The Company shall carefully consider the appropriateness before making every connected transaction, including setting the related transaction's price and conditions as if entering a transaction with a third party (Arm's Length Basis). The Audit Committee shall consider the necessity and reasonableness of the transaction. When the Company or subsidiaries have made the connected transaction if it is a transaction as specified in the notification of the Stock Exchange of Thailand regarding disclosure of information and the operation of the listed Company in the connected transaction and the announcement of the Capital Market Supervisory Board regarding criteria for making related transactions. The Company shall proceed following the rules, conditions, and procedures of the said announcement, including disclosing the said item in the annual report and the annual registration statement (Form 56-1) to ensure transparency in related transactions as well as eliminate conflicts of interest and other situations that cause conflicts of interest.
- **Other situations causing the conflict of interest, divided into:**
 1. General investment, the Company shall not allow the Company's personnel who are shareholders or receive benefits from competing companies or traders/sellers that the Company is dealing with participating in decisions related to business relations with the said business unless approved by the Board of Directors.
 2. Accepting gifts, personnel at all levels should not receive gifts, tickets, sports tickets, leisure proposals, lodging, or personal offers if such conduct would lead to binding conditions or cause the Company to lose benefits.
 3. Academic work, public service work, being a lecturer or accepting any position, personnel at all levels of the Company can ask for approval from the line director to receive work at an academic institution, public service work, speaker or accepting of any position such as a director or consultant, which will help expand the vision and experience for that personnel. However, must not adopt the Company or their work involved in activities outside unless approved to do so as well

3.3 Internal control

The Company has established an internal control system to assure investors that the Company will have effective operations and increase credibility in the financial statements. Since 2013, the Company has hired BK, IA & IC Co., Ltd. (ceased service during the years 2014 - 2015 and started the service from 2016 to the present), where know accounting and internal control systems being a consultant for tightening the internal control system. Take steps to eliminate risks and unusual items, including establishing an internal audit department responsible for monitoring various control systems.

Besides, the Company has appointed Ms. Boonyanee Kusolsophit to be the Audit Committee secretary accountable for presenting the internal audit results to the Audit Committee at least every three months.

(4) The Board Meetings

The Board of Directors has scheduled meetings at least three months per time. It may hold special meetings as necessary by having a work report submitted to the committee every month to enable the board to oversee and supervise the management's operations continuously. The meeting invitation shall be sent to the directors for consideration at least seven days before the meeting, except in an urgent case to protect the Company's rights or benefits. Directors can request additional information from the company secretary.

(5) Report of the Audit Committee

The Audit Committee is responsible for reviewing financial reports with the Accounting and Finance Department and the auditor to present financial reports to the Board of Directors every quarter. The Board of Directors is responsible for the Company's consolidated financial statements, including financial information (Report of the Board of Directors' Responsibilities for Financial Reports) appearing in the annual report. The said financial statements are prepared following accounting standards certified and audited by the Company's auditor by choosing to use appropriate and accepted accounting policies and practice regularly, including careful discretion in designing and supervision of sufficient disclosure of important information in the notes of the financial statements.

(6) Remuneration

The Company has the policy to determine the remuneration of directors and the audit committee to the level that can motivate the quality directors. The desired compensation is at a level comparable to that of the same industry and linked to the Company's performance. The directors' remuneration must require approval from the shareholders' meeting.

The remuneration of Chief Executive Officer, Managing Director, and Senior Executives determined to be appropriate to the authority and duties following the Board of Directors' rules and policies and for the best interest of the Company. Remuneration in the form of salaries, bonuses, and long-term incentive compensation is in line with the Company's performance and the performance of each executive.

(7) Development of directors and executives

The Board of Directors promotes and facilitates training and education for those involved in the Company's corporate governance system, such as the Board of Directors, audit committee, executives, to have continuous work improvement. Training and education may be conducted internally or using the services of external institutions.

Suppose there is a change of a new director. In that case, the company secretary will provide documents that are beneficial to the performance of the duties of new directors and provide recommendations on the nature of business and business practices for directors.

Nomination and Appointment of Directors and Senior Executives

1. The Board of Directors

The Company has the select committee directors select the persons appointed as directors shall consider the qualifications, knowledge, experience, and time to attend meetings with the Board of Directors regularly. In this regard, the shareholders' meeting shall appoint the directors by using the majority vote according to the following rules and procedures.

1. Each shareholder shall have one vote (1) for each share (1).
2. Each shareholder may exercise all the votes he/she elect one or several persons as director or directors if several persons are to be elected as directors. The shareholder shall not allot his or her votes to any person in any number.
3. Voting for the election of Directors must comply with the majority votes. If there is an equality of votes cast for candidates, the chairman of the meeting has an additional vote.

Composition and Appointment of the Board of Directors

1. The shareholders determine the number of positions the directors should have in the meeting but must not be less than five people. No fewer than half of all directors shall have a domicile in the Kingdom and qualify as required by law.
2. The Board of Directors consists of an independent director, the number of directors which is not less than stipulated by law. Neither having nor used to have any business relationship in the manner that may obstruct the exercise of independent judgment as an independent director. In this regard, the following directors are not considered independent directors.
 - Hold more than 1% of total voting shares, including the shareholding of persons related to the independent directors.
 - Involve in the Company's management or major shareholders or receive a salary from the Company or major shareholders.
 - Be a consultant who receives a salary from the Company or major shareholders or has any benefits directly or indirectly in finance and management of the Company or major shareholders or is a related person or is a close relative to senior management or a major shareholder.
3. The Board shall select an independent director to be the chairman of the Board of directors by considering at least one of the essential areas for the Company: business, marketing, human resource management, finance, law, and management. The Chairman of the Board must not be the Managing Director or Chief Executive Officer.
4. The Company's directors' election shall be under the Articles of Association of the Company and relevant laws requirements with transparency.
5. The nomination of directors requires to proceed by the Nomination and Remuneration Committee's criteria with sufficient details to support the board of directors and/or shareholders' decision.

2. Audit Committee

Composition and Appointment of the Audit Committee

The Board of Directors appoints at least three Audit Committee members and sets the Audit Committee Chairman from the appointed Audit Committee. The audit committee must be a director of the Company and an independent director, which has qualifications as required by the Securities and Exchange Act, including notifications, regulations, and/or regulations of Thailand's Stock Exchange. Besides, at least one audit committee member must be knowledgeable and experience relevant to accounting or finance.

Qualifications of an audit committee member

The Audit Committee of the Company is independent according to the definition of independent directors.

1. Hold no more than 1% of the Company's total voting shares, parent company, subsidiary company, associated Company, or juristic person that may have a conflict of interest, including the shareholding of persons related to the independent directors.
2. Not currently being or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties, parent companies, subsidiaries, affiliates, same level subsidiaries, or legal entities that may have a conflict (currently and two years before the appointment).
3. Not by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons nominated as directors, executives, or controlling parties of the Company or subsidiary.

4. Not currently having or never had any relations with the Company* so that such relationships may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the Company.
5. Neither being, nor used to be the auditor of the Company, parent company, subsidiaries, associated companies, major shareholders, controlling persons of the Company, nor being a key shareholder, controlling person or partner of the audit office having the auditor providing auditing service to the Company, parent company, subsidiaries, associated companies, major shareholders, or the controlling persons of the Company, as a member.
6. Neither being, nor used to be a provider of any professional services including the legal advice or financial advisory services that received fees in the amount of more than two million baht per year from the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, nor being shareholder, the controlling person, or partner of such professional services provider.
7. Not being a director who has been appointed as a representative of the Company, major shareholders, or shareholders relating to major shareholders.
8. Having no other conditions may obstruct the independent expression of comment on the Company's operation.
9. Not being a director who assigned by the Board of Directors to make decisions in the operation of the Company, parent company, subsidiaries, associated companies, or a juristic person that may have conflicts and not being a director of a listed company that is a parent company, subsidiaries, and associated companies.
10. Having duties in the same manner as specified in Notification of Thailand's Stock Exchange regarding qualifications and scope of the audit committee's responsibilities.

3. Executive Committee

Composition and Appointment of the Executive Committee

1. The Board of directors appoints a certain number of the committee as it deems appropriate to become an executive committee performing duties assigned by the Board of Directors. The Board of directors shall appoint a member of the executive committee to be the executive committee's chairman.
2. Director is an expert with knowledge, capability, and experience is beneficial to the Company's operation, and it can spare full time to perform the duty.
3. Meet the qualifications and not possessing the prohibited characteristics prescribed in the Public Limited Companies Act B.E.2535 or other related laws.
4. Directors do not own/run any business similar to or material is competing with the Company or its subsidiaries. Do not being a significant partner in any partnership for personal benefit or others unless notified to shareholders' meeting before a resolution to appoint a member of the Executive Committee according to terms approved by the Board of Directors.

4. Nomination and Remuneration Committee

Composition of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been appointed by the Board of Directors, consisting of at least three directors and executives, with half of the total number of directors being independent directors. The Chairman of the Audit Committee is the Chairman of the Nomination and Remuneration Committee.

5. Risk Management Committee

Composition of the Risk Management Committee

The Risk Management Committee consists of at least three members, which the members are not required to be directors. The Risk Management Committee shall elect one member to be the Chairman of the Risk Management Committee and appointed the risk management committee secretary to assist in the meeting appointments, prepare the meeting agenda, submit the relevant document, and record the minutes.

Qualifications of members of the Risk Management Committee

The qualifications of the Members of the Risk Management Committee must be as follows:

1. Be an expert with knowledge, capability, and experience beneficial to the Company's operation and spare full time to perform the duty.
2. Meet the qualifications and not possessing the prohibited characteristics prescribed in the Public Limited Companies Act B.E.2535 or other related laws.
3. Do not own/run any business similar to or material competing with the Company or its subsidiaries. Do not being a significant partner in any partnership for personal benefit or others unless notified to the shareholders' meeting before a resolution to appoint a member of the Executive Committee under the terms approved by the Board of Directors.
4. The Risk Management Committee consists of the expert in finance, accounting, or risk management at least one person.

6. Senior Management

Suppose the executive position is vacant or unable to perform duties. In that case, the Company shall assign the management at a similar level or the next level to be the person in charge until the recruitment and selection of qualified persons according to the Company's rules. According to the Nomination and Remuneration Committee's consideration, the executive must be a person with vision, knowledge, and experience suitable for the organization's culture.

The control of inside information

The Company has policies and procedures to control and manage internal information of the Company which shall not be disclosed to the public to use for personal gain as follows:

1. Educate directors and executives about the duty to report their securities holdings and their spouse and minor children to SEC according to Section 59 No. SorJor 12/2552 and penalty provisions under section 275 of the Securities and Exchange Act B.E.2535 (include the amendment). Report the acquisition or disposition of the holding of their spouse and minor children to SEC under Section 246 and the penalty provisions under Section 298 of the Securities and Exchange Act B.E.2535 (include the amendment).
2. Ensure the Company's directors and executive officers, including their spouse and minor child, report the holding of securities. Then note the changes in the Company's securities holdings to SEC according to Section 59 and penalty provisions under section 275 of the Securities and Exchange Act B.E.2535 and the notification of SEC No. SorJor 12/2552 and send copies of this report to the Company the same day that the words are submitted to SEC to enable the Company to review the trading of all executives' shares.
3. The Directors, executive officers, and employees of the Company and subsidiaries that received inside information that may affect the stock price needs to be careful when trading securities of the Company in the last month before the financial statements or internal information is disclosed to the public and during 24 hours after the Company's report has been revealed to the public. Those related to inside information must not disclose it to anyone

unless they have indicated that data to the stock market. The penalties for the violation are regarded as a disciplinary offense under the Company's regulations. The Company will consider sanctions as appropriate such as verbal warning, written warning, probation and expelling, dismissal, or removal, depending on the case of violation.

The Auditor's remuneration

1. Audit Fee

Mr. Yuttapong Chuamuangpan has audited the Company's financial statements, Certified Public Accountant No. 9445 from ANS Audit Company Limited. The Company paid audit fees for the year 2019 in the amount of 1.73 million baht and for the year 2020, a total of 1.73 million baht, an annual inspection service fee, and a quarterly review fee.

2. Non Audit Fee

- None -

Dividend Payment Policy

The Company shall make dividend payment at the rate of not less than 40 percent of net profit after tax and legal reserve. However, the dividend mentioned above may change, depending on the investment plan, liquidity, necessity, and other suitability in the future.

Meanwhile, the subsidiaries and/or associates shall also make dividend payments at the rate of 100 percent of net profit after tax and legal reserve. However, the subsidiaries and/or associates may consider dividend payment as per their business conditions, such as investment plan for business expansion.

Connected Transactions

Connected Transactions

The Company has entered into transactions with persons that may have conflicts of interest, such as directors, shareholders, executives, and related companies, which means companies that may have conflicts of interest with the Company, having a relationship with the Director, Executives, and shareholders of the said Company. It can be summarized as follows:

Table showing relationships between individuals and juristic persons that may have conflicts

Person/Juristic Person who may have a conflict of interest	Relationship
1. Communication and Systems Solution Public Company Limited (CSS) conducts importing and selling cables used in the telecommunications network and provides telecommunications system installation services.	Have a mutual independent director and co-chairman of the Board, Assoc. Prof. Prapas Praisuwanna.
2. Bangkok Sheet Metal Public Company Limited (BM) operates the production of racks, conduits, and cabinets.	Have a mutual independent director and co-chairman, Assoc. Prof. Prapas Praisuwanna.
3. Power Solution Technology Public Company Limited (PSTC) engages in designing and installing electrical systems renewable energy.	Have a mutual independent director and co-chairman of the audit committee, Mr. Suvit Singhachan

The trend of Future Connected Transactions

The Company expects that there may be further connected transactions in the future, which are entering into trading transactions and providing services. It is general trade agreements with a person who may have conflicts of interest, have a stake, or have conflicts in the future. The Company shall strictly comply with the policies and procedures described.

In this regard, any related transactions that may occur in the future will follow general trade conditions concerning the fair price and market conditions. The Company assigned the Audit Committee and/or Independent Directors express opinions on the price and compensation rate, including the necessity and appropriateness of that transaction. If any transactions may occur to persons that may have conflicts of interest in the future. The Company shall comply with the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The Company may have an independent expert or the Company's auditor opinion on the said connected transaction to support the decision of the board or shareholders as the case may be. The Company shall disclose the related transaction in the notes to the financial statements, which its auditor has audited.

Summary of connected transactions of CPT Drives and Power Public Company Limited

For the period Jan - Dec 2020

Person / Juristic Person who may have a conflict of interests	Relationship	Relationship	Transaction Value (Million baht)		Outstanding (Million baht)		Rationale and Necessity	Opinion of the Audit Committee
			The year ended December 31		31 December	31 December		
			2020	2019	2020	2019		
Related Party Transaction								
Communication and Systems Solution Public Company Limited (CSS) conducts importing and selling cables used in the telecommunications network and provides telecommunications system installation services.	Have an independent mutual director and co-chairman of the Board, Assoc. Prof. Prapas Praisuwanna.	Buy products	1.05	0.36	-	-	CSS is mainly engaged in distributing cables, which is one kind of raw material that the Company has to assemble for sale. Therefore, the Company buys the raw material in the category of Cable (115kV) to use in the production of substations and other cables. The said purchase has been made through the price comparison process of the purchasing department. It is reasonable and considers other conditions such as quality, discount, payment, and punctual delivery of products.	The Audit Committee has considered that the said purchase transaction is a typical business transaction of the Company and under general trade conditions according to the Company's purchasing policy. In which the Company has made the same transaction with other trading partners, which is reasonable.
		Account payable	-	-	0.20	0.33		
Bangkok Sheet Metal Public Company Limited (BM) operates the production of racks, conduits, and cabinets.	Have an independent mutual director and co-chairman, Assoc. Prof. Prapas Praisuwanna.	Buy products	11.47	6.93	-	-	BM is principally engaged in the sale of conduits and conduits, which is one kind of raw material that the Company has to assemble for purchase. Therefore, the Company purchases raw materials such as electrical conduits for the production of Substation type. The said purchase has been made through the price comparison process of the purchasing department. It is reasonable and considers other conditions such as quality, discount, payment, and product punctual delivery. At present, the accounts payable has been paid. There is an outstanding balance in the credit term period only.	The Audit Committee has considered that the said purchase transaction is a typical business transaction of the Company and under general trade conditions according to the Company's purchasing policy. In which the Company has made the same transaction with other trading partners, which is reasonable.
		Account payable	-	-	4.76	2.19		

Person / Juristic Person who may have a conflict of interests	Relationship	Relationship	Transaction Value (Million baht)		Outstanding (Million baht)		Rationale and Necessity	ความเห็นของคณะกรรมการตรวจสอบ
			The year ended December 31		31 December	31 December		
			2020	2019	2020	2019		
Related Party Transaction								
Power Solution Technology Public Company Limited (PSTC) engages in designing and installing electrical systems renewable energy.	Have an independent mutual director and co-chairman of the audit committee, Mr. Suvit Singhachan.	Revenue from contractors and installation	-	1.49	-	-	PSTC is mainly engaged in designing and installing electrical systems for renewable energy, which the Company has provided Subcontracting and installation services primarily. The service price is reasonable and can be compared to other customers with similar work. As for the said trade receivables, at present, the Company has received payment. There is an outstanding balance in the credit term period only. It follows general normal conditions specified in the contract and the same conditions as other clients of the Company.	The Audit Committee deems that subcontracting and installation services for projects related to Substation work, which the Company calculates from Standard Gross Margin, which is a typical business transaction of the Company with the details as specified in the contract and with the same conditions as those for other customers with similar work. which are reasonable.
		Revenue from services	0.26	0.04	-	-		
		Trade receivable	-	-	0.09	-		

2.3 Internal control and risk management

The Company is aware of the importance of sound internal control systems, which will help the business run efficiently and effectively. The Audit Committee reviews the appropriate internal control system, and there is the internal audit that is following the principles of good corporate governance. In this regard, the meeting of the audit committee to approve transactions related to the Company's internal control system will have the auditors, internal auditors, and executives attend the meeting as appropriate to present the information to the audit committee for acknowledgment, follow up, and find solutions to resolve issues.

Besides, the Company arranges for an internal auditor, which is an independent external organization. In the year 2020, the Company appointed BK, IA, and IC Co., Ltd., operated by Ms. Boonyanee Kusolsophit, the professional internal auditor and the certified auditor, which has knowledge and ability in accounting and internal control systems. She is a consultant for the internal control system. She takes steps to eliminate risks and unusual items, which is appointed from the audit committee's meeting to be the secretary of the audit committee and provide the internal audit results to the Audit Committee at least every three months.

Besides, the Company's auditor from ANS Audit Company Limited has engaged in the Company's internal control regarding the preparation and presentation of the Company's financial statements to ensure the suitability and reliability of financial reports, without finding any significant observations.

In each of the work mentioned above has been presented in concrete, which shows observations, suggestions, and follow-up with details as follows:

(1) Assessment of the adequacy of the internal control system by the Board of Directors

At the Board of Directors Meeting No. 1/2021 held on February 18, 2021, with the Audit Committee participating, the Board assessed the internal control system by inquiring information from the management regarding the sufficiency of the internal control system of the Company in all five parts, which are the Control Environment, Risk Assessment, Control Activities, Information & Communication Systems, and Monitoring Activities. After the evaluation, the committee deems that the Company has sufficient internal control systems regarding transactions with major shareholders, directors, executives, or related parties. The Company's internal control system is appropriate and adequate to protect assets caused by executives being misused or without power. There is an internal audit system that is independent in tracking and evaluating internal control results. However, the Audit Committee has strictly enforced compliance with the Company's principles of good corporate governance to make the operations as transparent and as effective as possible. Besides, the Company has a system for storing important documents that allow directors, auditors, and legal authorities to inspect within a reasonable time.

(2) Assessment of internal control systems by internal auditors

The Company's internal auditors appointed to assess, inspect, and monitor the improvement of the Company's internal control system by conducting the risk assessment and annual internal audit plan, including reviewing as well as monitoring the results of system improvements then report directly to the audit committee at least every quarter. The main objective is to assess the efficiency and suitability of the current internal control system, compliance with relevant policies and procedures, including the usefulness and reliability of the Company's financial reports. In the past, the internal auditors had initially inspected the Company's operations by providing observations and recommendations for improving operational efficiency, which the management has emphasized and have made improvements following the internal auditors' recommendations.

In this regard, the Audit Committee has approved the report of the Company's internal control system audit by considering the internal audit report's information and monitoring compliance with the recommendations of the internal control system prepared by internal auditors. The Company has improved the internal control system, especially the issues that have significant risks to the business already.

2.4 Corporate Social Responsibilities (CSR)

Policy Overview

Corporate social responsibility means operating a business with care for the stakeholders, economy, society, and the environment with morality, ethics, and good governance in carrying out various activities, to be honest, transparent, and fair. The Company operates the business with responsibility to society, environment, and stakeholder groups according to the eight principles of corporate social responsibility guidelines of the Stock Exchange of Thailand has set for the Company to use as part of business process management (CSR - in - Process) as follows:

(1) Conduct business with fairness

Conducting business with fairness creates confidence among related parties. The Company is committed to working business with good ethics to create fair competition with the following guidelines.

1. Behave follows the framework of good competition, promotes free trade competition, avoids nepotism, or joins the conspiracy.
2. Do not seek confidential information about competitors by dishonest or inappropriate methods, such as paying remuneration to competitors' employees.
3. Do not try to damage the reputation of competitors by unfair accusations.
4. Do not support any action violating intellectual property and use products and services with the correct copyrights.

(2) Anti - Corruption

The Company has the policy to conduct business with transparency and adhere to accuracy, not support the creation of success by fraud. The Board of Directors has the policy to comply with anti-corruption laws by setting guidelines for the implementation of details (e).

(3) Respect to Human Rights

Respecting human rights means treating stakeholders, communities, and society with respect for human values and does not violate their fundamental rights. The Company and subsidiaries intend to respect and not violate human rights with the following guidelines.

1. Support and respect for protecting human rights by actively monitoring and preventing businesses from engaging in human rights abuses, such as not supporting forced labor, against child labor, etc.
2. According to international standards, promote compliance with human rights requirements within their businesses and encourage the implementation of human rights principles.

(4) Fair Treatment to Labor

The Company has the policy to treat all employees equally and fairly, taking care of safety and hygiene in the workplace. Promote organizational level learning and human resource development to enhance the work of employees professionally. Develop work systems and create innovation in the organization with the following guidelines.

1. Provide fair employment conditions and allow employees to receive appropriate compensation based on their potential.
2. Provide appropriate care and welfare for staff such as annual leave, reasonable overtime, medical treatment as necessary and proper, etc.
3. Appointment, rotation, rewarding, and punishment of employees will be done in good faith equally and based on knowledge capabilities and suitability of staff.
4. Provide care for the work environment to be safe for life and employee property.
5. Develop employees to practice skills and increase potential by providing employees with thorough and consistent learning opportunities.
6. Comply Law-abiding and regulations relating to employees strictly.
7. Avoid any actions that are not fair, which may affect employees' job security, and treat employees with politeness.

(5) Responsibilities to Consumers

The Company is committed to producing quality and standards products and standards at a reasonable offering price, keeping customers' secrets consistently. Continuously search for ways to increase customer benefits and comply with various conditions strictly with the following guidelines.

1. Deliver quality products and standards that meet the needs of customers under fair conditions.
2. Continuously develop products and services to add value to the business and increase benefits for customers.
3. Provide accurate and sufficient information about products and services that are not exaggerated to provide customers with adequate information to make decisions.
4. Keep customers' confidential information and not use it to benefit themselves or those involved wrongfully.

(6) Environment Care

The Company is aware of the importance of protecting the environment not to cause various pollution problems, including global warming, which affects human life and the ecosystem. The Company has a policy not to take any action that will damage natural resources and the environment with the following guidelines.

1. Use resources efficiently and having energy-saving measures as well as considering the reuse of resources.
2. Develop products and services that do not affect the environment, which is safe to use.
3. Use technology and standardized production procedures by considering reducing and pollution treatment before releasing it to nature.
4. Regularly support activities that contribute to society and the environment.

(7) Communities and Society Development

The Company has the policy to promote the use of business processes to improve the quality of life, which helps to build the economy and strengthen the community and society with the following guidelines.

1. Employment support in the community.
2. Seek opportunities to support social and creative community activities.
3. Raise awareness of social and environmental responsibility among employees at all levels.
4. Control to be strictly implemented following the spirit of laws and regulations issued by the regulatory agencies.

(8) Innovation and dissemination of innovation from the operations of social, environmental, and stakeholder

The Company recognizes that stakeholders have an essential role in determining business direction. Therefore, it gives importance to care and consideration of all groups of stakeholders both inside and outside the organization.

The Company has the policy to promote the co-creation of stakeholders in the development of innovations that create a balance between value and value to the community, society, and environment, along with the business's sustainable growth with the following guidelines.

1. Analyze the work process thoroughly to create opportunities for development towards the discovery of business innovation.
2. Create opportunities to create new products with stakeholders for growth while creating sustainable business profits.
3. Collaborate with government agencies in product development to help the underprivileged and society.

To ensure everyone in the organization is informed of the anti-corruption policy, the Company shall disseminate the said policy through the Company's communication channels, such as letter, email, Annual Registration Statement (Form 56-1), and annual report (56 - 2). Such policy is reviewed regularly.

1. Operation and Report Preparation

Social responsibility following the above policies and guidelines is always a part of the Company's business operation. The Company operates under the specified policies and procedures from procuring quality raw materials at a reasonable price and creating fair competition avoiding nepotism. The Company shall compare products from many raw material suppliers to compare prices and increase bargaining power.

For the production process, the Company inspects and controls the product quality from the beginning until the final step before delivering the product to the customer and providing suggestions on how to use the Company's products in the customer's production process to help reduce cycle time in production. Besides, the marketing department will follow up after sales to listen to problems and suggestions from customers then bring to improve and develop new products to meet the needs of customers.

Due to the Company's business relies on knowledgeable personnel, expertise, and experience, the Company management is aware of human resources' importance. It has the policy to promote the new generation of knowledgeable and capable personnel to keep up with the changing technology by arranging staff training and providing opportunities for employees to learn and gain experience in transferring production technology from abroad, which is the manufacturer of that machine directly.

2. Business practices that affect social responsibility

- None -

3. Prevention of involvement in corruption

Corruption means using power acquired or the abuse of existing property for the benefit of oneself, family, friends, acquaintances, or any other undue services, which causes damage to others' interests. Corruption can occur in many ways, such as bribery of officials by giving or accepting bribes, money, belongings, conflict of interest, money laundering, misappropriation, obstruction of the justice process, etc.

The Company has established guidelines for compliance with the anti-corruption policy as follows:

1. Directors, executives, and employees of the Company are prohibited from operating or accepting or providing support corruption in all forms, both directly and indirectly. The Company establishes a regular review of compliance with the anti-corruption policy and considerations guidelines to align with the policy rules, regulations, announcements, laws, and business changes.
2. The anti-corruption measure is a part of business operations and the responsibility of the Board of Directors, executives, supervisors, all employees at all levels to provide comments about practices to ensure that anti-corruption processes meet the specified policies.

3. The Company does not engage in or support bribery of any kind. All activities must be under supervision, including charitable donations, donations to political parties, giving gifts, and support activities, which is transparent and does not intend to convince public or private officials to take inappropriate actions.
4. The Company provides suitable internal control regularly to prevent employees from improper behavior, especially sales, marketing, and purchasing.
5. Create a corporate culture that is honest and adheres to fairness. Promote honesty and be responsible for performing duties, including the media, to see the Company's commitment.
6. Responsible for preparing financial reports that are accurate, complete, following generally accepted accounting standards.
7. Avoid conflicts of interest that may lead to corruption, such as not holding shares in competing companies, avoid using internal information for their benefit in buying or selling company stock, or providing internal information to others.
8. Have an effective internal control system that is concise and assess the internal control system's adequacy annually. In this regard, the Company hired an outsource company to act as an internal auditor to evaluate risks and unusual items. The internal audit results will be presented to the audit committee at least every three months.
9. If spot any actions that are considered fraud affecting the Company, both directly and indirectly, notify the managing director immediately. The Company shall keep the confidentiality of the person who reports or complaints about corruption.
10. Ensure everyone in the organization is informed of the anti-corruption policy. The Company will disseminate the said policy through the Company's communication channels such as letter, email, annual registration statement (56 - 1), and annual report (56 - 2), which shall regularly review every year.

Part 3 Financial information

3.1 Responsibilities of the Board of Directors for Financial Report

The Board of Directors of CPT Dire & Power Public Company Limited is responsible for preparing, disclosing, and presenting the Company's financial statements, including information that appears in the annual report. The aforementioned financial statements were prepared correctly according to the financial reporting standards by using appropriate accounting policies and estimates relating to financial reports. Important information is disclosed sufficiently in the notes to the financial statements. The auditor has already reviewed the financial statements and issued an opinion in detail.

The Board of Directors has appointed the audit committee consisting of independent directors to oversee financial statements. Assess the internal control system to be efficient and effective, including preparing financial statements following Thai financial reporting standards, which is in line with international financial reporting standards to ensure that accounting records are accurate, complete, sufficient, timely, and to prevent fraud or unusual operations. The opinion of the audit committee has been disclosed in this annual report.

The Board of Directors deemed that the Company's internal control and internal audit systems can assure that CPT Drives and Power Public Company Limited's financial statements presenting the financial status, performance, and cash flow are substantially correct.



(Assoc. Prof. Prapas Praisuwanna)
Chairman of the Board

3.2 Report of Audit Committee

The Audit Committee of CPT Drives & Power Public Company Limited consists of 3 independent directors. i.e., Mr. Suvit Singhajan being the chairman of the Audit Committee, Mrs. Wanchalee Kanchanachongkol, and Mr. Worapoj Yodsatat as members of the Audit Committee. According to the Audit Committee charter, there is an essential scope of duties and responsibilities to supervise the Company's financial reports to follow generally accepted accounting standards and principles and review the Company's operations under good corporate principles governance. Besides, there is an effective internal control system in compliance with relevant laws and regulations and overseeing cases of possible conflicts of interest between the Company and the connected persons. In 2020, the Audit Committee held four meetings according to the details of the attendance of each audit committee as follows:

Name	Position	Meeting held / Meeting attended
1. Mr. Suvit Singhajan	Chairman of the Audit Committee	4/4
2. Mrs. Wanchalee Kanchanachongkol	Audit Committee	3/4
3. Mr. Worapoj Yodsatat	Audit Committee	4/4

The meeting was held with the relevant senior management, internal auditor, and auditors. The review results of the audit committee can be summarized as follows:

Financial statements The Audit Committee reviewed the quarterly financial statements and the financial statements for 2020 of the Company with the auditors and management to ensure that the financial statements have been correctly prepared in all material respects following generally accepted accounting standards. Ensure that the information disclosure is sufficient, complete, and reliable to comply with relevant laws and notification, including considering new accounting standards in all respect. Besides, there is a special meeting with the auditor without the management attending to ensure that the auditor is independent to perform their duties.

Connected transaction The Audit Committee has considered the disclosure of Company information. If a related transaction occurs or transactions that may cause conflicts of interest between the stakeholders and the Company, it must be disclosed completely to be confident that it has complied with the Stock Exchange of Thailand (SET) rules. Whereby the Company has complied with good corporate governance policies.

Internal control system The Audit Committee assessed the internal control system following the Securities and Exchange Commission's guidelines, which covers the internal control environment of the organization, risk management, operational control, information and communication systems, including tracking systems. The Audit Committee deems that the Company has adequate and effective internal control.

Internal Audit Supervision BK, IA & IC Company Limited, a company providing internal auditing services, is the Company's internal auditor. The Audit Committee shall consider the annual internal audit plan, the Internal Audit Report and regularly follow up on internal audit results with the management and advise internal auditors to ensure that the annual internal audit plan's implementation is efficient. The 2020 internal audit results found no indications of fraud or significant deficiencies in internal control.

Risk management The Audit Committee has reviewed together with the direction regarding risk management. Monitor operations, including proposing effective risk management procedures to ensure that the Company with ongoing risk management and consider preventing and managing significant business risks, both currently and in the future, and imposing additional measures for improvement.

Compliance with the Securities and Exchange Act, SET regulations, and the laws related to the Company's business The Audit Committee has supervised the Company to comply with the Notification of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and the laws relating to business operations regularly. To ensure maximum efficiency and effectiveness, including the treatment of the Company' business stakeholders with fairness, transparency, and can be verified according to the principles of good corporate governance to build credibility for investors and stakeholders.

Consider and appoint an independent person to act as the Company's auditor. The Audit Committee has considered the appointment of the Company's auditors for the year 2021 based on their independence, qualifications, skills, knowledge, experience, and the appropriate remuneration to their duties and responsibilities. Therefore, it proposes to the Board of Directors to consider the appointment of the Company's auditors for the year 2021 by appointing Mr. Atipong Atipongsakul, CPA Registration No. 3500 or Mr. Sathien Vongsnan, CPA Registration No. 3495 or Mr. Vichai Ruchitanont, CPA No. 4054, or Ms. Kultida Pasurakul, CPA Registration No.5946 or Mr. Yuttapong Chuamuangpan, CPA Registration No.9445 or Ms. Kanitta Siriphatanasomchai, CPA Registration No.10837 from ANS Audit Company Limited to be the Company's auditor by fixing remuneration in the amount of 1,790,000 baht, excluding other service fees (Non-audit Fee).

18 February 2021

On behalf of the Audit Committee



Mr. Suvit Singhajan

Chairman of the Audit Committee

3.3 Independent Auditor's Report

To the Shareholders and the Board of Directors of CPT Drives and Power Public Company Limited

Opinion

I audited the consolidated and separate financial statements of CPT Drives and Power Public Company Limited and its subsidiaries, and of CPT Drives and Power Public Company Limited, respectively, which comprise the consolidated and separate financial statements position. As of December 31, 2020, the consolidated and separate statements of profit or loss and other comprehensive income statements of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of the CPT Drives and Power Public Company Limited and its subsidiaries, and of CPT Drives and Power Public Company Limited, respectively, as at December 31, 2020, and their financial performance and cash flows for the year then ended, following Thai Financial Reporting Standards (IFRS).

Basis for Opinion

I conducted my Audit following Thai Standards on Auditing (TSAs). My responsibilities under those standards were further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I was independent of the Company following the Federation of Accounting Professions Code of Ethics for Professional Accountants and the ethical requirements relevant to my Audit of the financial statements. I had fulfilled my other ethical responsibilities under these requirements. I believed that the audit evidence I had obtained was sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

In my professional judgment, critical audit matters were of most significance in my audit of the current year's financial statements. These matters were addressed in the context of my audit of the financial statements and informed my opinion thereon. I did not provide a separate opinion on these matters.

Revenue from contractor and installation services

Risk

The Group has revenues from contractor and installation services for the year ended December 31, 2020, 277.87 million baht. The Group recognized payments based on the completion of contractor and installation services measured by the proportion of contract costs incurred for the work performed as at the statement of financial position date, relative to the estimated total costs of the contract at completion. The recognition of revenues, therefore, relies on estimates on the stage of completion of each contract. Profit or loss on contracts is a crucial risk for the audit because of the judgment involved in preparing suitable estimates of the forecast costs on such agreements, affecting the number of revenues recognized in the year ended December 31, 2020.

Auditor's Response

My audit procedures included sampling selecting those contracts that could have a significant impact on the Company's financial results to:

- Assess the appropriateness of Management's estimated total construction cost by verification with reliable sources of external and internal audit evidence
- Verify the expenses incurred to purchase documents.
- Test the calculations of the state of completion.
- Compare the state of completion with the information from the Company's engineers.

Besides, I also conducted site visits for specific significant projects from the selected sampled items.

Allowance for devaluation of inventories

Risk

As described in Note to Financial Statement No. 10, the Group had an allowance for inventory devaluations as of December 31, 2020, in the amount of 14.39 million baht. The allowance is estimated from the percentage of each aging inventory based on the Management's historical experience and the information from suppliers about the products' useful lives. The appropriateness of the allowance for inventory devaluations requires significant Management's judgment.

Auditor's Response

I gained an understanding of the internal control related to the estimation of the allowance for inventory devaluations. I also verified the accuracy of the aging report used for estimating. I then determined the appropriateness of the allowance for inventory devaluations by comparing inventory's historical movements and obtaining information from significant suppliers regarding the products' useful lives.

Highlighted information and events

I drew attention to Note 8 to the financial statements during the year ended December 31, 2020. The Company had been operating in trading and installing solar panels in size 5.00 kW to 10.00 kW. The Company had one large customer and revenue from sales and services from such transactions for the year ended December 31, 2020, in 190.46 million baht. As of December 31, 2020, there were outstanding receivables overdue for 20 days and 138 days in the amount of 100.43 million baht and 72.35 million baht, respectively. However, I did not express a conditional opinion on this matter.

Other Information

Management was responsible for the other information. The additional information comprises the annual report's information but did not include the financial statements and my auditor's report. The Annual Report for the year was expected to be made available to me after the date of this auditor's report. My opinion on the financial statements did not cover the other information, and I did not express any assurance conclusion.

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

When I read the Annual Report, if I concluded that there was a material misstatement therein, I was required to communicate the matter to 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 these financial statements following Thai Financial Reporting Standards. For such internal control, as management determines, it is necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives were to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole were free from material misstatement, whether due to fraud or error and to issue an auditor's report that included my opinion. Reasonable assurance was a high level of assurance but is not a guarantee that an audit conducted following TSAs would always detect a material misstatement when it existed. Misstatements could arise from fraud or error and were considered material if, individually or in the aggregate, they could reasonably be expected to influence users' economic decisions based on these financial statements.

As part of an audit under TSAs, I exercised professional judgment and maintained professional skepticism throughout the audit, including:

- Identify and assess the risks of material misstatement of the consolidated 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 to design audit procedures appropriate in the circumstances, but not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cause significant doubt on the Group's ability to continue as a going concern. If I concluded that material uncertainty existed, I was required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions might cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the entities' financial information or business activities within the Group to express an opinion on the consolidated financial statements. I was responsible for the direction, supervision, and performance of the group audit. I remained solely responsible for my audit opinion.

I 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 internal control that I identified during my audit.

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

From the matters communicated with those charged with governance, the auditor determined those matters of most significance in the audit of the current period's financial statements and separate financial statements as the critical audit matters. The auditor described these matters in the auditor's report unless law or regulation precluded public disclosure about the issue or in infrequent circumstances. I determined that a point should not be communicated in my statement because the adverse consequences of doing so would reasonably be expected to outweigh such communication's public interest benefits.



(Yuttapong Chuamuangpan)

Certified Public Accountant Registration Number 9445

ANS Audit Company Limited

Bangkok, February 18, 2021

3.4 Operational Results and Financial Status

Auditors and Summary of the Auditor's Report

Financial statements for the year ended December 31, 2019

ANS Audit Company Limited audited it. Mr. Yuttapong Chuamuangpan, Certified Public Accountant No. 9445, a certified auditor by the SEC, performed audits following generally accepted auditing standards. He commented that Company's financial statements showed financial position, performance, and cash flow in essence, according to the Financial Reporting Standards.

Financial statements for the year ended December 31, 2020

ANS Audit Company Limited audited it. Mr. Yuttapong Chuamuangpan, Certified Public Accountant No. 9445, a certified auditor by the SEC, performed audits following generally accepted auditing standards. He commented that Company's financial statements showed financial position, performance, and cash flow in essence, according to the Financial Reporting Standards. Additional information and events highlighted in Note 8 to the financial statements about one large customer and the revenue from sales and service from such transaction for the year ended December 31, 2020, amounting to 190.46 million baht. As of December 31, 2020, there was an outstanding 20-day and 138-day debtor balance of 100.43 million baht and 72.35 million baht, respectively.

Statement of Financial Position
As of December 31, 2018 - 2020
(Unit : MB)

Financial Position	Consolidated Financial Statements					
	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets						
Cash and cash equivalents	58.32	4.41	38.30	3.21	217.42	17.13
Trade and other current receivables - net	350.51	26.52	214.00	17.94	407.90	32.14
Contract assets	69.64	5.27	34.97	2.93	123.25	9.71
Inventories - net	94.87	7.18	93.67	7.85	89.58	7.06
Other current financial assets - net	387.04	29.28	375.69	31.49	-	-
Total current assets	960.38	72.66	756.63	63.42	838.15	66.04
Non-current assets						
Non-current receivables - net	-	-	-	-	8.81	0.69
Deposit for purchases fixed assets	9.20	0.70	0.30	0.03	-	-
Current tax assets	-	-	5.10	0.43	7.21	0.57
Property, plant and equipment - net	333.96	25.27	405.75	34.01	389.10	30.65
Intangible assets - net	0.97	0.07	7.16	0.60	6.57	0.52
Deferred tax assets - net	15.29	1.16	17.42	1.46	16.35	1.29
Other non-current assets	1.89	0.14	0.59	0.05	3.06	0.24
Total non-current assets	361.31	27.34	436.32	36.58	431.10	33.96
Total assets	1,321.69	100.00	1,192.95	100.00	1,269.25	100.00
Liabilities and Shareholders' Equity						
Current liabilities						
Short - term loans from financial institutions	24.67	1.87	24.27	2.04	7.96	0.63
Trade and other payables	228.16	17.26	94.40	7.91	149.61	11.79
Contract liabilities	16.22	1.23	44.42	3.72	55.48	4.37
Finance lease liabilities, due within one year	1.89	0.14	2.61	0.22	1.85	0.15
Current Income tax payable	5.58	0.42	-	-	-	-
Provision for product warranty	15.96	1.21	12.70	1.07	14.93	1.18
Other provisions	10.85	0.82	4.68	0.39	2.91	0.23
Other provisions	303.33	22.95	183.08	15.35	232.74	18.35
Non-current liabilities						
Liabilities under lease agreements - net	1.77	0.13	9.11	0.76	7.65	0.60
Non - current provisions for employee benefits	23.83	1.80	27.86	2.34	25.61	2.02
Other non - current liabilities	0.57	0.05	2.02	0.17	1.09	0.09
Total non - current liabilities	26.17	1.98	38.99	3.27	34.35	2.71
Total liabilities	329.50	24.93	222.07	18.62	267.09	21.06

Statement of Financial Position (continued)
As of December 31, 2018 - 2020
(Unit : MB)

Financial Position	Consolidated Financial Statements					
	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Shareholders' equity						
Share capital						
Registered						
1,479,000,000 ordinary shares at a par value of 0.50 baht per share						
Registered capital						
1,255,000,000 ordinary shares at a par value of 0.50 baht per share	-	-	-	-	739.50	58.26
Registered capital						
900,000,000 ordinary shares at a par value of 0.50 baht per share	-	-	627.50	52.60	-	-
Capital issued and fully paid	450.00	34.05	-	-	-	-
900,000,000 ordinary shares at a par value of 0.50 baht per share	450.00	34.05	450.00	37.72	450.00	35.45
Share premium	469.63	35.53	469.63	39.36	469.63	37.00
Proceeds from the offering of warrants	-	-	-	-	22.40	1.75
Retained earnings						
Appropriated						
Legal reserve	34.11	2.58	34.11	2.86	34.38	2.71
Unappropriated	37.62	2.85	17.02	1.43	25.63	2.02
Total shareholders' equity attributable to owners of parent	991.36	75.01	970.76	81.37	1,002.04	78.93
Non-controlling interests	0.83	0.06	0.12	0.01	0.12	0.01
Total shareholders' equity	992.19	75.07	970.88	81.38	1,002.16	78.94
Total liabilities and shareholders' equity	1,321.69	100.00	1,192.95	100.00	1,269.25	100.00

Consolidated statement of comprehensive income

As of December 31, 2018 - 2020

(Unit : MB)

Performance	2018		2019		2020	
	Amount	%	Amount	%	Amount	%
Revenues						
Revenues from sales of goods	649.31	67.42	284.19	48.63	633.51	66.72
Revenues from contractor and installation services	274.16	28.46	244.66	41.87	277.87	29.26
Revenues from services	28.20	2.93	42.66	7.30	31.69	3.34
Other income	11.42	1.19	12.89	2.20	6.43	0.68
Total Revenues	963.09	100.00	584.40	100.00	949.50	100.00
Expenses						
Cost of sales	510.56	53.01	237.61	40.66	555.46	58.50
Cost of contractor and installation services	236.35	24.54	185.21	31.69	255.52	26.91
Cost of services	17.00	1.76	35.05	6.00	22.07	2.32
Selling expenses	57.76	6.00	49.63	8.49	37.26	3.92
Administrative expenses	121.36	12.60	86.58	14.82	71.76	7.56
(Gain) loss on exchange rates	(1.10)	(0.11)	1.43	0.24	(1.35)	(0.13)
Total Expenses	941.93	97.80	595.51	101.90	940.72	99.08
Profit (loss) before finance costs and income tax	21.16	2.20	(11.11)	(1.90)	8.78	0.92
Finance costs	(1.59)	(0.16)	(0.87)	(0.15)	(1.32)	(0.14)
Profit (loss) before income tax	19.57	2.04	(11.98)	(2.05)	7.46	0.78
Tax income (expenses)	(5.26)	(0.55)	2.13	0.36	(1.94)	(0.20)
Profit (loss) for the year	14.31	1.49	(9.85)	(1.69)	5.52	0.58
Other comprehensive income						
Items not to be reclassified to profit or loss in subsequent periods						
- Actuarial gain (loss) - net of income tax	15.67	1.62	-	-	3.36	0.36
Total comprehensive income (loss) for the year	29.98	3.11	(9.85)	(1.69)	8.88	0.94
Profit (loss) attributable to						
Equity holders of the parent	14.47	1.50	(9.81)	(1.68)	5.52	0.58
Non-controlling interests	(0.16)	(0.01)	(0.04)	(0.01)	-	-
	14.31	1.49	(9.85)	(1.69)	5.52	0.58
Total comprehensive income (loss) attributable to						
Equity holders of the parent	30.14	3.12	(9.81)	(1.68)	8.88	0.94
Non-controlling interests	(0.16)	(0.01)	(0.04)	(0.01)	-	-
	29.98	3.11	(9.85)	(1.69)	8.88	0.94
Basic earnings (loss) per share	0.0161		(0.0109)		0.0061	
Weighted average number of issued and fully paid-up ordinary shares (million shares)	900		900		900	

Consolidated statement of cash flows			
As of December 31, 2018 - 2020		(Unit : MB)	
Items	2018	2019	2020
Cash flows from operating activities :			
Profit (loss) for the years	14.31	(9.85)	5.52
Adjustments to reconcile profit (loss) before income tax for the years to cash received (used) operating activities			
Depreciation and amortization	14.42	14.66	23.90
(Reversal) allowance for doubtful accounts	24.52	2.44	(0.08)
Allowance for inventories devaluation	2.40	2.42	2.49
Loss on write-off of assets	1.06	0.16	2.49
Profit on the disposal of financial assets	(3.71)	(0.28)	(0.42)
Unrealized gains from measurement of financial assets	-	(0.56)	-
Unrealized losses from derivatives contracts	0.73	0.52	0.41
(Profit) unrealized exchange loss	(0.36)	-	(0.05)
Interest income	(2.15)	(5.08)	(3.15)
Interest expenses	1.59	0.87	1.33
(Reversal) Provision for Warranty Liabilities	4.77	(0.66)	4.24
Reversal other current provisions	-	(6.17)	(1.77)
Non-current provisions for employee benefits	12.05	4.03	4.87
Tax (income) expenses	5.25	(2.13)	1.94
Profit from operating activities before changes in operating assets and liabilities	74.88	0.37	41.72
Operating assets (increased) decreased :			
Trade and other current receivables	34.39	130.44	(204.13)
Contract assets	(25.95)	38.85	(88.28)
Inventories	29.08	(2.72)	1.60
Other non - current assets	(1.73)	1.30	(2.48)
Operating liabilities increased (decreased) :			
Trade and other current payables	(45.82)	(134.79)	55.52
Contract liabilities	(21.85)	28.20	11.07
Warranty Liabilities Provisions	(5.08)	(2.60)	(2.00)
Other non-current liabilities	(1.17)	1.46	(0.93)
Cash received (used) from operating activities	36.75	60.51	(187.91)
Employee benefit obligations paid	(1.18)	-	(2.92)
Interest paid	(1.59)	(0.88)	(1.32)
Income tax paid	(33.33)	(10.68)	(3.82)
Net cash received (used) operating activities	0.65	48.95	(195.97)

Consolidated statement of cash flows			
As of December 31, 2018 - 2020			(Unit : MB)
Items	2018	2019	2020
Cash flows from investing activities :			
Interest income	0.53	5.49	4.18
Cash received from disposal of current financial assets	596.80	288.45	491.10
Cash paid for current financial assets	(530.00)	(276.25)	(115.00)
Restricted financial institution deposits (increased) decreased	2.40	-	-
Cash paid for other non-current financial assets	-	-	60.00
Cash received from disposal of other non-current financial assets	-	-	(60.00)
Cash paid for payment of deposit for purchase of fixed assets	(9.20)	(0.30)	-
Cash received from disposal of fixed assets	1.63	0.89	3.21
Cash paid for the purchase of fixed assets	(89.91)	(64.21)	(9.95)
Cash paid to purchase intangible assets	(0.55)	(7.78)	(1.33)
Decreased cash of the subsidiary from liquidation	-	(1.20)	-
Net cash received (used) in investing activities	(28.30)	(54.91)	372.21
Cash flows from financing activities :			
Decrease in short-term loans from financial institutions	(9.47)	(0.21)	(16.24)
Repayment of liabilities under financial leases agreements	(1.80)	(2.38)	(3.28)
Cash received from the offering of warrants	-	-	22.40
Dividend paid	(125.99)	(10.80)	-
Non-controlling interest increase (decrease)	1.00	(0.67)	-
Net cash received (used) in financing activities	(136.26)	(14.06)	2.88
Cash and cash equivalents increase (decrease)-net	(163.91)	(20.02)	179.12
Cash and cash equivalents remaining at the beginning of the year	222.23	58.32	38.30
Cash and cash equivalents remaining at the end of the year	58.32	38.30	217.42
Supplemental Disclosures of Cash Flows Information			
Additional assets from contractual liabilities			
Payable purchase assets increase (decrease)	2.17	10.45	1.04
Assets increased from the transfer of deposits for the purchase of fixed assets	0.81	0.55	(0.27)
	-	9.20	0.30
Dividend payable	0.01	-	-
Assets increase from the transfer of goods	-	1.50	-
Depreciation is recorded as the cost of the asset	-	2.26	-

Important Financial Ratios			
As of December 31, 2018 - 2020			
Financial Ratios	2018	2019	2020
Liquidity Ratio (times)	3.17	4.13	3.60
Quick Ratio (times)	2.62	3.45	2.69
Account Receivable Turnover (Times)	2.70	2.23	3.33
Average Collection Period (Day)	135	164	110
Inventory Turnover (Times)	6.91	4.86	9.09
Day Supply in Inventory (Day)	53	75	40
Account Payable Turnover (Times)	3.70	3.42	8.64
Average payment period (total) (days)	99	107	42
Cash Conversion Cycle (Day)	90	132	108
Gross Profit Margin (%)	19.73	19.88	11.67
Operating Profit Margin (%)	2.20	(1.90)	0.93
Net Profit Margin (%)	1.49	(1.69)	0.58
Return on Equity (%)	1.32	(1.00)	0.56
Return on Assets (%)	0.94	(0.78)	0.45
Fixed Asset Turnover Ratio	5.55	(2.66)	1.39
Total Assets Turnover (Times)	0.62	0.45	0.77
Debt Ratio (Times)	0.33	0.23	0.27

3.5 Notes to Financial Statements

For the Year Ended December 31, 2020

1. General Information

CPT Drives and Power Public Company Limited (The "Company") was registered as a juristic person under the Civil and Commercial Code of Thailand on July 25, 2003. On September 16, 2013, the Company converted to a public company limited under the law governing public limited companies and became a listed company in the Stock Exchange of Thailand on December 20, 2017. The Company's registered address is No.230/7, Thetsabarnrungruknuer Road, Ladyao, Jattujak, Bangkok. The Company operates in Thailand. The Company engages in the distribution of electrical equipment and control systems used in industrial plants, including installation and construction of substations.

2. Basis for Preparation of the Financial Statements

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and applicable rules and regulations of the Thai Securities and Exchange Commission.

Presentation of the financial statements complies with Notification of the Department of Business Development, dated December 26, 2019, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided, translated based on the Thai version.

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

Preparation of the financial statements in conformity with Thai Financial Reporting Standards ("TFRS") requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

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

Coronavirus Pandemic 2019 (COVID-19)

The COVID-19 pandemic has caused an economic slowdown adversely affecting most businesses and industries. This situation may bring uncertainties and affect the environment in which the Group operates. These uncertainties may have a financial impact on the valuation of assets, provisions and contingent liabilities.

Basis for preparation of the consolidated financial statement

a) The consolidated financial statements include the financial statements of CPT Drives and Power Public Company Limited and its subsidiaries (together referred to as “Group”)

The Company's subsidiaries, the details are as follows:

Subsidiary	Business type	Shareholding
CPT Bio Energy Co., Ltd. (Formerly CPT Leasing Co., Ltd.)	Invest and operate businesses to produce all types of natural energy for distribution.	99.99
CPT-EEE Joint Venture Co., Ltd.	Provide design services and install the electric system.	94.99

On August 14, 2019, the Company acquired 999,997 ordinary shares in CPT Bio Energy Co.,Ltd. (Formerly CPT Leasing Co., Ltd.) at Baht 1.25 per share (a par value of Baht 5) for a total investment of Baht 1.25 million. The acquisition resulted the Company hold a 99.99 percent of the registered capital.

On September 4, 2019, the Company acquired 1,899,998 ordinary shares in CPT-EEE Joint Venture Co., Ltd. at Baht 1.25 per share (a par value of Baht 5) for a total investment of Baht 2.37 million. The acquisition resulted the Company hold a 94.99 percent of the registered capital.

b) The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

c) The financial statements of subsidiaries are prepared using the same significant accounting policies as the Company.

d) The balances between the Company and its subsidiaries, and significant intercompany transactions have been eliminated in the consolidated financial statements.

e) The separate financial statements prepared for the benefit of the public by presenting the investments in subsidiaries at cost method.

3. New financial reporting standards and accounting treatment guidance

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

During the year 2020, the Company and its subsidiaries adopted the revised (revised 2020) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2020. These financial reporting standards seek alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of either the Company or its subsidiaries, except the adoption of the financial reporting standards related to financial instruments and TFRS 16 Leases. The changes to key principles and impacts are summarized as follows:

Financial reporting standards related to financial instruments

TFRSs related to financial instruments consists of the following five accounting standards and interpretations:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standards

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

TFRS 16 Leases

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

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

Impacts on the financial statements

The Group has adopted these two groups of reporting standards as from January 1, 2020 under the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies are therefore recognized in the statement of financial position as at January 1, 2020.

The impact of first-time adoption of new accounting standards on the consolidated and separate statement of financial position as at January 1, 2020 is as follows

	Unit : Baht		
	Consolidated and Separate financial statements		
	As of December 31,	As of January 1,	
	2019	TFRS 9	2020
Statement of Financial Position			
Current assets			
Current investments - net	375,685,440.06	(375,685,440.06)	-
Current financial assets - net	-	375,685,440.06	375,685,440.06

However, the change in accounting policy due to the adoption of new financial reporting standards does not have any impact on retained earnings as at January 1, 2020.

b) Revised financial reporting standards

In February 2021, the Federation of Accounting Professions announced the new TFRS 16 Lease (revised 2020), which was amended to provide the following two practical forms of relief:

- 1) Rent concessions to lessees as a result of the COVID-19 pandemic:

A lessee may elect not to assess whether a COVID-19 related rent concession is a lease modification and shall account for those rent concessions as if they were not lease modifications. This amendment is effective for fiscal periods beginning on or after June 1, 2020.

- 2) Lease modifications as a result of interest rate benchmark reform:

This will be effective for fiscal periods beginning on or after January 1, 2022.

The management of the Group has believed that the adoption of these financial reporting standards does not have any significant impact on the financial statements.

c) Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of COVID-19”

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of COVID-19.”

The Accounting Treatment Guidance was published in the Royal Government Gazette on April 22, 2020, and is effective for financial statements prepared for reporting periods between January 1, 2020 and December 31, 2020.

Among the temporary relief measures on accounting alternatives, the Group has elected:

- Not to consider forward-looking information to measure the expected credit losses of trade receivable when using simplified approach.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to consider rent concessions for lessee as a result of the COVID-19 pandemic as a lease modification.

However, the management believes that there will have no significant effects to the financial statements after the relief.

4. Summary of Significant Accounting Policies

Recognition of revenues and expenses

Revenues and expenses are recognized on an accrual basis.

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

Revenue from repair and services are recognized when the services have been rendered.

Revenue from installations and construction of substations are recognized in proportion to the stage of completion, by calculating the actual construction costs incurred up to the end of the period as compared to

the total anticipated construction costs to be incurred to completion. This also considers the results of the evaluation by the Company's engineers. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. The construction costs incurred during the periods are recognized as an expense in the event there is a probability that total project costs exceed contract revenues. The Company immediately recognized estimated loss as an expense in the statement of profit or loss.

Penalties arising from delay

Contingent liabilities from penalties are recognized as an expense in the accounting period in which they are incurred.

The amount of contract revenues that maybe decreased as a result of penalties arising from delay caused by the contractor in the completion of the contract where there is no any impact on the financial statements in the past.

Cash and cash equivalents

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

Contract assets and liabilities

The recognized revenues which are not yet due as per contracts are presented as "Contract assets" in the statement of financial position. The instalment amounts due and received according to the contracts, but not yet recognized as revenue, are presented as "Contract liabilities" in the statement of financial position.

Inventories

Inventories are stated at the lower of cost (First-in, First-out) or net realizable value. Cost of material comprises the purchase price and cost directly attributable to the acquisition of the material. The cost of finished goods, work in progress and work under installation comprises those of raw materials, direct labor, other direct costs and related production overhead allocated on the basis of normal operating activities.

The Group sets up allowance for the decline in value of inventories on the basis of damage, and long outstanding or obsolete inventories.

Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

Property, plant and equipment/ Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any). Depreciations of plant and equipment are calculated by reference to their costs on a straight-line basis over their estimated useful lives as follows:

Types of assets	Useful lives (Years)
Buildings	5, 20, 50
Buildings improvements	5
Machinery	12
Office equipment	5
Furniture and fixtures	5
Tools and equipment	5
Vehicles	5, 7

Land is stated at cost. No depreciation is provided.

Depreciation method, useful life and the residual value will be reviewed at the end of the accounting period and adjusted if appropriate.

Borrowing costs directly attributable to the acquisition, construction or production of an asset in preparation for its intended use are capitalized as part of the cost of the respective assets.

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

Leases

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

The Group assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases 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.

The Group as a lessee

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

a) Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use

assets includes the amount of lease liabilities initially recognized, initial direct costs incurred, and lease payments made at or before the commencement date of the lease 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 shorter of their estimated useful lives and the lease term, as follows:

	Useful life (number of years)
Vehicle	5, 7

b) Lease liabilities

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

In calculating the present value of lease payments, the Group uses 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 interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

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

The Group as a lessor

Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognized as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognized over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognized as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognized as an expense over the lease term on the same basis as the lease income.

Intangible asset and Amortization

Deferred license fees are stated at cost less accumulated amortization and allowance for impairment (if any). Amortization is calculated by the straight-line method based on the term of agreements 5 years.

Impairment of non-financial assets

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

An impairment loss is recognized in profit or loss.

Income tax

Income tax expenses comprise current tax and deferred tax.

Current tax

The Group's 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

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

The Group recognized deferred tax liabilities for all taxable temporary differences while they recognize 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 utilized.

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

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

Employee benefits

Short-term benefits

The Group's salaries, wages, bonuses and social security contributions are accounted as expenses on an accrual basis.

Post-employment benefits – defined contribution plan

The Group operates a provident fund that is a defined contribution plan, the assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and the Company. Contributions to the provident fund are charged to the statement of comprehensive income in the period to which they relate.

Post-employment benefits – defined benefit plan

Employee benefit obligations for severance payment, set-up according to labor law, are recognized as a charge to results of operations over the employee's service period. They calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Group recognized actuarial gains or losses in other comprehensive income for the period in which they arise.

Foreign currencies

The financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate prevailing at the end of reporting period. Gains and losses on exchange are included in determining income.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate

of the amount can be made. Where the Group expects reimbursement for a provision, the reimbursement is recognized as a separate asset, but only when there is virtually certainty of the reimbursement.

Segment reporting

Segment performance reported to the Group's executive committee (decision makers with highest authority over the operation) represents transactions directly from the operating segment, including the appropriate allocation items

Financial instruments

Accounting policies adopted since January 1, 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortized cost

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

Financial assets at amortized cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognized as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in profit or loss.

Derecognition of financial instruments

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

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

Impairment of financial assets

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Accounting policies adopted before January 1, 2020

Trade receivables and allowance for doubtful accounts

Trade receivables are stated at net realizable value. Allowance for doubtful accounts is an estimate of those amounts which may prove to be uncollectible based on a review of the current status of existing accounts receivables and the domestic economic environment.

Derivatives

The Group uses forward exchange contracts as a derivative to hedge its exchange rate risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Fair value measurement

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

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

Basic earnings (loss) per share and diluted earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the profit (loss) for the year attributable to equity holders of the parent by the weighted average number of ordinary shares during the years.

Diluted earnings (loss) per share are calculated by dividing profit (loss) for the year attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that such conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

5. Significant Accounting Judgments 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:

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 entity recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

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

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation.

Estimated construction project costs

The Group estimated costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labor costs and other miscellaneous costs to be incurred to completion of service, and taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Allowance for loss on construction projects

The Group reviews its construction work-in-progress to determine whether there is any indication of foreseeable losses. Identified foreseeable losses are recognised immediately in the statement of profit or loss when it is probable that total contract costs will exceed total contract revenue as determined by the management.

Allowance for diminution in inventory value

In determining an allowance for diminution in inventory value, the management needs to make judgment with respect to estimating loss from slow moving and deteriorated inventories, including the effect from declines in net realisable values of inventories.

Depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodic basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount.

Indications include significant falls in the market value of assets or the future economic benefits of assets, significant changes in the overall business strategy impacting to the future utilization of assets, significant negative industry or economic trends, significant loss of market share, and significant unfavorable regulatory and court decisions that impact the business.

The impairment analysis of property, plant and equipment, right-of-use assets and intangible assets requires management to make subjective judgments concerning estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to determine the present value of those cash flows. The cash flow estimates are based on currently available information about the operations and require management to make judgments regarding future market conditions and future revenues and

expenses relevant to the assets or the cash generating units subject to the review. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses 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 extend or to terminate.

Lease classification - The Group as a lessor

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

Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilized. Significant judgment by management is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future profits.

Post-employment benefits under defined benefit plans

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

Allowance for expected credit losses of trade receivables and contract assets

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

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgment to assess of the results of the litigation and found that it is probable that loss will be incurred. Therefore, it recorded contingent liabilities with estimated future loss.

6. TRANSACTIONS WITH RELATED PARTIES

Related parties are defined as companies that control other companies or have significant influence over other companies in making financial and/or operational decisions. This includes the companies that have common shareholders or executive management.

Transactions with related parties are conducted at agreed prices on market value or, where no market value exists, at contractually agreed prices.

The followings present relationships with enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or have common directors or shareholders with the Company.

Name of related parties	Nature of relationships
Communication and System Solution Public Co., Ltd.	Common independent directors
Bangkok Sheet Metal Public Co., Ltd.	Common independent directors
Power Solution Technologies Public Co., Ltd.	Common independent directors and audit committee
CPT Bio energy Co., Ltd. (Formerly CPT Leasing Co., Ltd.)	Subsidiary
CPT-EEE Joint Venture Co., Ltd.	Subsidiary

The Company had significant business transactions with related parties for the years ended December 31, as follows:

	Unit : Baht	
	Consolidated and Separate Financial Statements	
	2020	2019
Revenues from Service		
Power Solution Technologies Public Co., Ltd.	262,500.00	40,000.00
Revenue from contractor installation services		
Power Solution Technologies Public Co., Ltd.	-	1,490,461.98
Purchase of inventories		
Communication and System Solution Public Co., Ltd..	1,047,455.35	362,677.50
Bangkok Sheet Metal Public Co., Ltd.	11,465,798.18	6,931,347.94

The Company had transactions with related parties by using cost plus profit as mutually agreed. Significant balances with related parties as at December 31, can be summarized as follows:

	Unit : Baht	
	Consolidated and Separate Financial Statements	
	2020	2019
Trade and other current receivables		
Power Solution Technologies Public Co., Ltd.	93,625.00	-
Trade and other current payables		
Communication and System Solution Public Co., Ltd.	201,031.60	328,144.93
Bangkok Sheet Metal Public Co., Ltd.	4,756,060.09	2,193,485.94
Total trade and other current payables	4,957,091.69	2,521,630.87

MANAGEMENT COMPENSATION

Compensation for management for the year ended December 31, consisted of:

	Unit : Baht	
	Consolidated and Separate Financial Statements	
	2020	2019
Short - term benefits	28,558,170.00	35,553,826.76
Post - employment benefits	2,411,610.00	1,863,919.00
Total management remuneration	30,969,780.00	37,417,745.76

Management comprises those persons who have authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

7. Cash and Cash Equivalents

Cash and cash equivalents as at December 31, consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash on hand	83,073.52	425,271.76	83,073.52	425,271.76
Cash at banks	75,417,593.83	35,938,002.83	71,714,398.34	32,185,323.73
Cheque due	1,793,540.00	1,934,400.00	1,793,540.00	1,934,400.00
Fixed deposit	140,120,942.74	-	140,120,942.74	-
Total cash and cash equivalents	217,415,150.09	38,297,674.59	213,711,954.60	34,544,995.49

As of December 31, 2020, the interest rate was 0.13% to 1.10 per year for savings and fixed deposits.
(As of December 31, 2019: 0.13 percent to 0.63 percent per year)

8. Trade and other receivables - Net

Trade and other receivables as at December 31, consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables				
Trade receivables from related companies	93,625.00	-	93,625.00	-
Trade receivables - other companies				
Post - dated cheque	1,335,820.00	6,871,134.00	1,335,820.00	6,871,134.00
Trade receivables - other companies	401,442,278.59	208,825,097.86	401,442,278.59	208,825,097.86
Total trade receivables from other companies	402,778,098.59	215,696,231.86	402,778,098.59	215,696,231.86
Total trade accounts receivable	402,871,723.59	215,696,231.86	402,871,723.59	215,696,231.86
Allowance for expected credit losses	(24,481,310.01)	(26,960,170.10)	(24,481,310.01)	(26,960,170.10)
Trade receivables - net	378,390,413.58	188,736,061.76	378,390,413.58	188,736,061.76
Less non-current trade receivables	9,200,000.00	-	9,200,000.00	-
Allowance for expected credit losses	(392,394.87)	-	(392,394.87)	-
Non-Current Trade Receivables - net	8,807,605.13	-	8,807,605.13	-
Total current trade receivables - net	369,582,808.45	188,736,061.76	369,582,808.45	188,736,061.76
Other current receivables				
Accrued income under contracts	22,199,891.69	16,855,778.46	22,199,891.69	16,855,778.46
Advance payments	286,692.00	606,684.00	286,692.00	606,684.00
Advance payment for goods	7,936,842.23	3,828,978.40	7,936,842.23	3,828,978.40
Accrued interest income	178,091.69	1,210,534.57	178,091.69	1,210,534.57
Prepaid expenses	5,810,343.65	988,068.28	5,810,343.65	988,068.28
Undue input tax	1,703,204.90	355,280.68	1,703,204.90	355,280.68
Other receivables	197,837.75	1,416,989.65	197,781.23	1,416,962.59
Total other current receivables	38,312,903.91	25,262,314.04	38,312,847.39	25,262,286.98
Total trade and other current receivables - net	407,895,712.36	213,998,375.80	407,895,655.84	213,998,348.74

Accrued income under contracts is revenue from sales of unbilled items under the terms of the particular agreement. The Company will bill to the customers when the Company's products conjoin with other components of the customer.

The Company had trade receivables classified by age analysis as follows:

	Unit : Baht	
	Consolidated and Separate Financial Statements	
	2020	2019
Trade receivables from related companies		
Not over 3 months	93,625.00	-
Total trade receivables from related companies	93,625.00	-
Trade receivables - other companies		
Current	72,841,199.22	82,267,369.48
Not over 3 months	214,467,430.15	76,511,753.92
Over 3 - 6 months	77,667,034.24	11,057,305.06
Over 6 - 12 months	51,200.00	498,855.40
Over 12 months	37,751,234.98	45,360,948.00
Total trade receivables - other companies	402,778,098.59	215,696,231.86

During the year ended December 31, 2020, the Company had operated to buy, sell, and install solar panels of 5.00 kilowatt to 10.00 kilowatt. The Company had a large customer and earning revenue from sales and service from the items mentioned above for the year ended December 31, 2020, amounting to 190.46 million baht and as of December 31, 2020.

The outstanding balance of receivables overdue 20 days and 138 days amounted to 100.43 million baht and 72.35 million baht.

Trade receivables were overdue 12 months or more, for which an allowance for doubtful accounts had not been set up as trade receivables pending installments. The management expected that the funds would be collected up to the said outstanding balance.

9. Contract Assets / Contract Liabilities

9.1 Contract Assets

Assets resulting from the contract as of December 31 consisted of:

	Unit : Baht	
	Consolidated and Separate Financial Statements	
	2020	2019
Recognition of income by the stage of completion of work	277,874,082.45	244,664,301.29
Contract Assets		
Contract value	534,728,368.77	238,452,897.79
Recognition of income by the stage of completion of work	292,444,365.04	149,056,325.30
<u>Less</u> value of total billed	(169,457,792.60)	(118,271,515.15)
<u>Add</u> retention receivables for contract	267,371.40	4,184,500.00
Total Contract Assets	123,253,943.84	34,969,310.15

9.2 Contract Liabilities

Liabilities arising from contracts as of December 31, consisted of:

Unit : Baht		
	Consolidated and Separate Financial Statements	
	2020	2019
Contract Liabilities		
Contract value	165,500,000.00	69,043,926.00
Value of contracted work to be charged	43,724,000.00	19,833,785.20
<u>Less</u> accumulated amount recognized as revenues under the percentage of completion basis	(17,713,173.80)	(7,272,426.53)
Contract Liabilities	26,010,826.20	12,561,358.67
<u>Add</u> advances received from customers	15,868,873.00	-
<u>Add</u> deposit receipts of goods and services	13,606,053.82	31,854,881.21
Total Contract Liabilities	55,485,753.02	44,416,239.88

10. Inventories - Net

Inventories as at December 31, consisted of:

Unit : Baht		
	Consolidated and Separate Financial Statements	
	2020	2019
Raw material	101,043,958.98	93,737,765.99
Work in process	3,879,516.88	10,564,286.11
Finished goods	-	3,358,002.14
Goods in transit	1,535,827.27	402,505.48
Total inventories	106,459,303.13	108,062,559.72
<u>Less</u> allowance for inventories devaluation	(16,878,352.43)	(14,387,848.59)
Inventories - Net	89,580,950.70	93,674,711.13

11. Other current financial assets - Net

Other current financial assets as at December 31, consisted of:

Unit : Baht		
	Consolidated and Separate Financial Statements	
	2020	2019
Investment in Open-end Fund - Fair value	-	97,698,395.07
Fixed deposits	-	277,987,044.99
Other current financial assets - Net	-	375,685,440.06

Fair values as at December 31, are presented in the following:

	Unit : Baht			
	Consolidated and Separate Financial Statements			
	2020		2019	
	At cost	Fair Value Level 2	At cost	Fair Value Level 2
Fixed Income Fund - Cost	-	-	97,133,372.92	97,133,372.92
<u>Add</u> unrealized gain on investments revaluation	-	-	-	565,022.15
Total other current financial assets - Net	-	-	97,133,372.92	97,698,395.07

Movements in the other current financial assets for the years ended December 31, are summarized below.

Unit : Baht		
Consolidated and Separate Financial Statements		
2020		2019
Balance as of January 1,	375,685,440.06	387,039,286.90
Increase during the year	115,000,000.00	276,254,665.99
Decrease during the year	(491,102,391.01)	(288,450,000.00)
Profit from the disposal of investments	416,950.95	276,465.02
Plus investment value adjustment	-	565,022.15
Balance as of December 31,	-	375,685,440.06

12. Investment in Subsidiaries

Investments in subsidiaries as at December 31, were as follows:

Unit: Thousand Baht			
Separate financial statements			
Subsidiaries	Investment (%)	Issued share capital	Cost method
CPT Bio Energy Co., Ltd. (Formerly CPT Leasing Co., Ltd.)	99.99	1,250.00	1,250.00
CPT-EEE Joint Venture Co., Ltd.	94.99	2,500.00	2,375.00
Investments in subsidiaries			3,625.00

The following is summarized financial information of subsidiaries before inter-company elimination

Unit: Thousand Baht

	CPT Bio Energy Co., Ltd. (Formerly CPT Leasing Co., Ltd.)		CPT-EEE Joint Venture Co., Ltd.	
	2020	2019	2020	2019
As at December 31,				
Current assets	1,225.76	1,250.98	2,477.49	2,501.73
Current liabilities	(25.00)	(25.00)	(25.00)	(25.00)
Non-controlling interests	-	-	(123.79)	(123.84)
For the year ended December 31,				
<u>Loss</u> for the year attributable to non-controlling interests	-	-	(1.21)	(1.16)
Net cash provided by (used in)				
Operating activities	(25.22)	(0.97)	(24.25)	(1.71)
Financing activities	-	1,250.00	-	2,500.00
Cash and cash equivalents increase (decrease) - net	<u>(25.22)</u>	<u>1,249.03</u>	<u>(24.25)</u>	<u>2,498.29</u>

13. Property, Plant and Equipment - Net

Property, plant and equipment as at December 31, 2020 consisted of:

Unit : Baht

	Consolidated and Separate Financial Statements									
	Land	Building	Building improvement	Machinery	Office equipment	Furniture and fixtures	Vehicles	Vehicle rights assets	Building under construction	Total
Cost :										
Balance as at January 1, 2020	129,903,690.85	211,857,777.18	35,906,342.04	89,080,302.30	9,280,990.00	3,399,505.60	14,793,507.33	23,014,998.13	86,020.00	517,323,133.43
Add purchase during the year	-	-	394,394.30	3,913,888.99	1,433,991.91	115,960.68	-	1,390,000.00	3,775,262.58	11,023,498.46
Transfer in/Transfer out	-	-	-	-	-	-	4,947,598.13	(4,947,598.13)	-	-
<u>Less</u> disposal during the year	-	-	-	(69,201.64)	(160,514.71)	(57,147.48)	(10,107,291.75)	(2,468,700.00)	-	(12,862,855.58)
Balance as at December 31, 2020	<u>129,903,690.85</u>	<u>211,857,777.18</u>	<u>36,300,736.34</u>	<u>92,924,989.65</u>	<u>10,554,467.20</u>	<u>3,458,318.80</u>	<u>9,633,813.71</u>	<u>16,988,700.00</u>	<u>3,861,282.58</u>	<u>515,483,776.31</u>
Accumulated depreciation :										
Balance as at January 1, 2020	-	48,674,357.41	29,118,772.08	12,624,737.21	6,629,616.58	2,996,061.29	8,467,746.46	3,062,942.99	-	111,574,234.02
Add depreciation during the year	-	6,528,584.80	2,419,189.55	8,923,481.09	1,010,715.82	163,644.69	547,535.91	2,381,432.05	-	21,974,583.91
Transfer in/Transfer out	-	-	-	-	-	-	2,477,310.82	(2,477,310.82)	-	-
<u>Less</u> disposal during the year	-	-	-	(49,042.97)	(153,503.27)	(55,790.77)	(6,219,302.67)	(682,714.24)	-	(7,160,353.92)
Balance as at December 31,2020	<u>-</u>	<u>55,202,942.21</u>	<u>31,537,961.63</u>	<u>21,499,175.33</u>	<u>7,486,829.13</u>	<u>3,103,915.21</u>	<u>5,273,290.52</u>	<u>2,284,349.98</u>	<u>-</u>	<u>126,388,464.01</u>
Net book value :										
Net book value - net beginning of year	<u>129,903,690.85</u>	<u>163,183,419.77</u>	<u>6,787,569.96</u>	<u>76,455,565.09</u>	<u>2,651,373.42</u>	<u>403,444.31</u>	<u>6,325,760.87</u>	<u>19,952,055.14</u>	<u>86,020.00</u>	<u>405,748,899.41</u>
Net book value - net ending of year	<u>129,903,690.85</u>	<u>156,654,834.97</u>	<u>4,762,774.71</u>	<u>71,425,814.32</u>	<u>3,067,638.07</u>	<u>354,403.59</u>	<u>4,360,523.19</u>	<u>14,704,350.02</u>	<u>3,861,282.58</u>	<u>389,095,312.30</u>

Depreciation for the years ended December 31, 2020, and 2019, amounting to 21.97 million baht and 13.08 million baht, respectively, were in the income statement.

As of December 31, 2020, and 2019, the Company has mortgaged some land and buildings with a local bank to guarantee loans from banks opening letters of credit, overdraft lines, and letters of security for the Company's business (Note 16).

As of December 31, 2020, and 2019, the Company had a utility system, buildings, components, and equipment, which deducted the total amount of depreciation but were still in use in 71.36 million baht, 75.41 million baht, respectively.

14. Intangible Assets - Net

Intangible assets as at December 31, 2020 consisted of:

Unit : Baht				
Consolidated and Separate Financial Statements				
	As of	Changes during the year		As of
	January 1, 2020	Increase	Decrease	December 31, 2020
Cost				
License	7,211,481.73	-	-	7,211,481.73
Computer software	4,031,607.13	1,330,694.80	-	5,362,301.93
Total	11,243,088.86	1,330,694.80	-	12,573,783.66
Accumulated amortization				
License	1,272,382.27	1,442,296.72	-	2,714,678.99
Computer software	2,806,013.72	482,426.59	-	3,288,440.31
Total	4,078,395.99	1,924,723.31	-	6,003,119.30
Intangible assets - net	7,164,692.87			6,570,664.36

On February 13, 2019, The Company entered into two license agreements with a company in Germany and its regional entity in Thailand. The Company was allowed by the owner of the rights to produce and sell certain products in Thailand and provided the technical assistance and training through the life of the contract period of 5 years.

Amortization for the years ended December 31, 2020, and 2019 amounted to Baht 1.92 million and Baht 1.59 million, respectively, included in profit or loss statements.

15. Deferred Tax Assets - Net

Movements in deferred tax assets during the year were as follows:

	Unit : Baht			
	Consolidated and Separate Financial Statements			
	Change, increase (decrease)			As of December 31, 2020
	As of January 1, 2020	Profit and loss	Other Comprehensive income	
Deferred tax assets				
Trade and other current receivable	5,392,034.02	(495,772.02)	-	4,896,262.00
Investments - net	2,877,569.71	498,100.78	-	3,375,670.49
Non-current provisions for employee benefits	5,572,327.80	389,355.20	(839,826.20)	5,121,856.80
Provision for product warranty	2,539,481.30	446,935.15	-	2,986,416.45
Tax loss carry forward not over 5 years	1,069,678.91	(1,069,678.91)	-	-
Property, plant and equipment (Depreciation)	(27,875.22)	2,145.65	-	(25,729.57)
Total deferred tax assets - net	17,423,216.52	(228,914.15)	(839,826.20)	16,354,476.17

Tax (income) expenses for the years ended December 31, were as follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Consolidated financial statements	7,460,459.98	(11,983,088.36)	7,509,914.13	(11,845,344.55)
Income tax rate	20%	20%	20%	20%
Current income tax expenses as tax rate	1,492,092.00	(2,396,617.67)	1,501,982.83	(2,369,068.91)
Non - deductible expenses by the Revenue Code	902,229.13	1,643,698.97	902,229.13	1,645,468.03
Double expenses by the Revenue Code	(114,312.95)	(177,046.65)	(114,312.95)	(177,046.65)
Non - deductible income by the Revenue Code	(354,562.08)	(1,233,738.97)	(354,562.08)	(1,233,738.97)
Unutilized tax loss carry forward	9,890.83	29,317.82	-	-
Tax (income) expenses	1,935,336.93	(2,134,386.50)	1,935,336.93	(2,134,386.50)
The effective tax rate	25.94%	17.81%	25.77%	18.02%

The Group applied the 20% corporate income tax rate for the years ended December 31, 2020 and 2019.

According to the royal decree issued under the Revenue Code, some subsidiaries apply corporate income tax rates based on the ladder rates regarding the reduction of tax rates and exemptions (No. 530), 2011 for entrepreneurs who are small and medium enterprises.

16. Short-Term Loans from Financial Institution

Short-term loans from financial institutions as at December 31, consisted of:

	Unit : Baht	
	Consolidated and Separate Financial	
	Statements	
	2020	2019
Trust receipts	7,956,125.41	24,265,771.81

As of December 31, 2020, and 2019, the Company obtained credit facilities (bank overdrafts, short-term loans, and letters of guarantee) totaling Baht 700 million and Baht 716 million, respectively, and forward exchange contracts amount to U.S. Dollars 6.52 million.

As of December 31, 2020, and 2019, short-term loans from local financial institutions were secured by mortgage of the Company's land and building (Note 13).

17. Trade and Other Current Payables

Trade and other current payables as at December 31, consisted of:

	Unit : Baht			
	Consolidated financial		Separate financial statements	
	statements			
	2020	2019	2020	2019
Trade payables				
Trade payables - related companies	4,957,091.69	2,521,630.87	4,957,091.69	2,521,630.87
Trade payables - other	120,565,311.77	64,878,142.14	120,565,311.77	64,878,142.14
Total trade payables	125,522,403.46	67,399,773.01	125,522,403.46	67,399,773.01
Other current payables				
Accrued commission expenses	3,196,800.08	5,162,354.80	3,196,800.08	5,162,354.80
Revenue Department payable	5,178,153.82	1,250,513.42	5,178,153.82	1,250,513.42
Accrued expenses	6,158,319.21	7,960,093.72	6,108,319.21	7,960,093.72
Accounts payables for purchase of fixed assets	1,647,043.12	1,916,922.45	1,647,043.12	1,916,922.45
Liabilities from forward exchange contracts	409,775.33	522,990.98	409,775.33	522,990.98
Withholding tax payables	1,775,968.38	1,980,737.92	1,775,968.38	1,980,737.92
Undue out put VAT	1,409,627.33	669,553.50	1,409,627.33	669,553.50
Retention payables	4,030,599.89	7,203,993.95	4,030,599.89	7,203,993.95
Other	278,840.00	329,318.00	278,840.00	279,318.00
Total other current payables	24,085,127.16	26,996,478.74	24,035,127.16	26,946,478.74
Total trade and other current payables	149,607,530.62	94,396,251.75	149,557,530.62	94,346,251.75

18. Lease Liabilities - Net

Liabilities under financial lease agreements as at December 31, consisted of:

	Unit : Baht	
	Consolidated and Separate Financial	
	Statements	
	2020	2019
Due within 1 year		
Minimum payments	2,453,964.04	3,322,936.64
Deferred interest	(606,275.66)	(706,887.71)
Present value of minimum payment	1,847,688.38	2,616,048.93
Due over 1 year not exceeding 5 years		
Minimum payments	8,626,863.29	10,661,677.25
Deferred interest	(980,986.56)	(1,550,064.41)
Present value of minimum payment	7,645,876.73	9,111,612.84
Net book value of asset under financial lease	14,704,350.02	19,952,055.14

As of December 31, 2020, and 2019, the Company had vehicles from certain companies under financial lease agreements for 3-4 years and bore effective interest rates of 1.24% to 8.36% per annum.

19. Non-Current Provisions for Employee Benefits

Movement of the present value of non-current provision for employee benefits for the years ended December 31, was as follows:

	Unit : Baht	
	Consolidated and Separate Financial	
	Statements	
	2020	2019
Non - current provisions for employee benefits		
beginning of the years	27,861,639.00	23,831,287.00
Included in profit or loss::		
Current service costs	4,564,155.00	3,394,202.00
Cost of interest	306,432.00	636,150.00
Actuarial (gains) losses arising from		
Financial assumptions changes	1,269,815.00	-
Demographic assumptions changes	(1,863,693.00)	-
Experience adjustments	(3,605,253.00)	-
Pay employee benefits during the year	(2,923,811.00)	-
Non - current provisions for employee benefits ending of the years	25,609,284.00	27,861,639.00

Employee benefit expenses for the years ended December 31, consisted of:

	Unit : Baht	
	Consolidated and Separate Financial Statements	
	2020	2019
Current service cost	4,564,155.00	3,394,202.00
Cost of interest	306,432.00	636,150.00
Total employee benefits expenses	4,870,587.00	4,030,352.00

Employee benefit expenses for the year ended December 31, presented in the income statement as follows:

	Unit : Baht	
	Consolidated and Separate Financial Statements	
	2020	2019
Costs of sales	1,396,935.02	959,735.99
Distribution costs	686,862.00	862,084.03
Administrative expenses	2,786,789.98	2,208,531.98
Total employee benefits expenses	4,870,587.00	4,030,352.00

Critical assumptions for the actuarial assumptions at the assessment date were summarized as follows:

	Unit : Baht	
	Consolidated and Separate Financial Statements	
	2020	2019
Discount rate	1.33	2.73
Future monthly salary increase rate	5.00	6.00
Mortality rate	100% of Thai Mortality Ordinary 2017	100% of Thai Mortality Ordinary 2017

Sensitivity analysis of critical assumptions represented the effect of a change in critical assumptions on the present value of the employee benefit obligations as of 31 December.

	Unit : Baht			
	Consolidated and Separate Financial Statements			
	2020		2019	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	23,148,318.06	28,469,349.04	24,280,343.00	30,490,672.00
Salary increase rate	28,425,946.31	23,131,896.13	30,448,991.00	24,255,705.00
Turnover rate	22,968,839.45	26,665,432.55	24,046,216.00	28,449,443.00

An analysis of the maturity of the payment of benefits as of December 31, was as follows:

	Unit : Baht	
	2020	2019
Within 1 year	-	717,333.00
Over 1 and up to 5 years	7,061,255.00	4,449,998.00
Over 5 and up to 10 years	14,573,340.00	15,693,065.00

20. Share Capital

The Company's Annual General Shareholders' Meeting held on July 1, 2020, resolved to decrease share capital by Baht 135.00 million by reducing unissued shares by 270.00 million, with a par value of Baht 0.50. And then increased and registering 494.00 million ordinary shares, with a par value Baht 0.50, amounting to Baht 247.00 million, whereby 224.00 million share are apportioned for the exercise of CPT-W2, while 270.00 million shares are apportioned as a reserve for the exercise of General Mandate of shares. As a result, the Company's registered capital was increased from Baht 492.50 Million to Baht 739.50 million.

Reconciliations of number of registered ordinary shares and issued and paid-up ordinary shares for ended December 31, 2020 are as follows:

	Unit: Shares	
	Registered ordinary shares	Issued and paid-up ordinary shares
Number of ordinary shares as of January 1, 2020	1,255,000,000	900,000,000
Decrease capital by cancelling remaining registered share capital	(270,000,000)	-
Increase in capital for the exercise of CPT-W2 (Note 21)	494,000,000	-
Number of ordinary shares as of December 31, 2020	1,479,000,000	900,000,000

21. Warrant

Details of the Company's warrant issuance and offering were as follows:

Type	Date of issuance and offering	Offer price of warrant (Baht per share)	Exercise Price (baht per share)	Exercised right warrant per ordinary share	The number of unexercised warrants (Million shares)	Last exercise date of warrants
CPT-W1	01/07/2019	-	0.95	1 : 1	85.00	30/06/2022
CPT-W2	25/09/2020	0.10	0.65	1 : 1	224.00	30/06/2023
					<u>309.00</u>	

During the year, the Company received money from the offering of warrant CPT-W2 totaling 224.00 million shares at the price of 0.10 baht per share, amounting to 22.40 million baht. The Company presented as "advance received from the exercise of warrants" in the shareholders' equity.

22. Basic earnings (loss) per share and diluted earnings (loss) per share

Basic earnings (loss) per share and diluted earnings (loss) per share, the calculation could be shown as follows:

Consolidated financial statements						
For the year ended December 31						
Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share		
2020	2019	2020	2019	2020	2019	
(Thousand baht)	(Thousand baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings (loss) per share						
Profit (loss) attributable to the Company's shareholders	5,526	(9,808)	900,000	900,000	0.0061	(0.0109)
Effect of diluted equivalent ordinary shares						
CPT-W2 (Note 21)	-	-	23,940	-		
Diluted earnings (loss) per share						
Profit (loss) belonging to ordinary shareholders, assuming that there is exercising rights to purchase ordinary shares from warrants	5,526	(9,808)	923,940	900,000	0.0060	(0.0109)

Separate financial statements						
For the year ended December 31						
Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share		
2020	2019	2020	2019	2020	2019	
(Thousand baht)	(Thousand baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings (loss) per share						
Profit (loss) attributable to the Company's shareholders	5,575	(9,711)	900,000	900,000	0.0062	(0.0108)
Effect of diluted equivalent ordinary shares						
CPT-W2 (Note 21)	-	-	23,940	-		
Diluted earnings (loss) per share						
Profit (loss) belonging to ordinary shareholders, assuming that there is exercising rights to purchase ordinary shares from warrants	5,575	(9,711)	923,940	900,000	0.0060	(0.0108)

There was no calculation of the number of equivalent ordinary shares that the Company might issue for CPT-W1 for the year ended 31 December 2020 due to the exercise price higher than the fair value of common shares.

23. Legal Reserve

According to the Public Limited Company Act B.E. 2535, the Company must set aside a reserve fund constituting no less than 5 % of the annual net profit deducted by the total deficit brought forward (if any) until the reserve equals no less than 10 % of the registered capital. This legal reserve is not available for dividend distribution.

24. Dividend

According to the resolution of the 2019 Annual General Meeting of Shareholders held on April 29, 2019, approved the dividend payment to the shareholders of 900 million ordinary shares at the rate of 0.012 baht per share, amounting to 10.80 million baht, paid from performance for the year 2018. The dividends were paid to shareholders in May 2019.

25. Significant Expense by Nature

Significant expenses by nature for the years ended December 31, consisted of:

	Unit: Million Baht	
	Consolidated and Separate Financial	
	Statements	
	2020	2019
Changes in finished goods		
and work in process decrease (increase)	10.04	(8.11)
Purchases electrical equipment	621.96	278.71
Raw materials and consumable materials used	3.00	1.81
Employee benefit expenses	97.44	92.78
Directors benefit expenses	30.97	37.42
Depreciation and amortization	23.90	14.66
Allowance for inventories devaluation	2.49	2.42
(Gain) loss on exchange rate	(1.35)	1.43
(Reversal) Provision for product warranty	4.24	(0.66)

26. Operating Segments

The Company operates in three business segments, i.e., manufacture and distribution of products, contractor and installation services, and service. Visualization of income and expenses by business segment and geographic segment for the year ended December 31 were as follows:

Unit: Thousand Baht

	Consolidated financial statements							
	Revenue from manufacture and		Revenue from contractor and		Revenue from services		Total	
	distribution		installation services					
	2020	2019	2020	2019	2020	2019	2020	2019
Revenues	633,506	284,192	277,874	244,664	31,693	42,656	943,073	571,512
Segment gross profit	78,051	46,580	22,351	59,453	9,622	7,605	110,024	113,638
Other income							6,426	12,884
Gain (loss) on exchange rates							1,354	(1,427)
Distribution costs							(37,263)	(49,626)
Administrative expenses							(71,755)	(86,577)
Finance costs							(1,326)	(875)
Tax income (expenses)							(1,935)	2,134
Gain (loss) for the periods	3,920	(4,037)	1,122	(5,153)	483	(659)	5,525	(9,849)
Assets:								
Property, plant and equipment - net							389,095	405,749
Other							880,153	787,199
Total assets							1,269,248	1,192,948

Geographic information

During the year ended December 31, 2020, and 2019, the Company had sales and overseas revenues of 22.11 million baht and 9.05 million baht, respectively.

Major customers

For the years ended December 31, 2020, and 2019, the Company had revenues from three major customers. The total amount was approximately 358.39 million baht. One large customer group and one customer, the total amount was about 131.44 million baht, respectively.

27. Financial Instruments

Financial risk management policies

The principal financial instruments of the Group include cash and cash equivalents, trade and other current receivables, other financial assets, trade, and other current payables, long-term loans, and liabilities under the lease. The Group is exposed to risks related to these financial instruments and has a risk management policy as follows:

Credit risk

The Company provides credit terms to each customer after confirming their creditworthiness. The collection of accounts receivables is closely monitored and focuses on the overdue receivables. The Company will make provisions for accounts receivable that are overdue. Presently, the Company's management believes that there is no significant loss arising from the uncollected receivables.

The trade accounts receivable classified by age analysis is disclosed in Note 8.

Interest rate risk

The Group is exposed to significant interest rate exposure concerning cash and cash equivalents, trade and other current receivables, financial assets, trade and other current payables, and long-term loans from financial institutions and interest-bearing lease liabilities. However, as most of the financial assets and liabilities bear, interest rates fluctuate with the market rate or have a fixed interest rate close to the current market rate.

As of 31 December 2020 and 2019, significant financial assets and liabilities could be classified by interest rate type. For fixed-rate financial assets and liabilities, it could be classified by maturity date or when the interest rate rescheduled (if the date of the new interest rate was set first) as follows:

Unit: Million Baht						
Consolidated financial statements						
As of December 31, 2020						
		Floating				
Fixed interest rate		interest rate	No	Total		
Within 1 year	Over 1 year	Within 1 year	interest rate	interest rate	Average	
						(% per year)
Financial assets						
Cash and cash equivalents	140.12	-	77.16	0.14	217.42	0.13 - 1.10
Trade and other current receivables - net	-	-	-	407.90	407.90	-
Contract assets	-	-	-	123.25	123.25	-
Non-current financial assets	-	-	-	8.81	8.81	-
	140.12	-	77.16	540.10	757.38	
Financial liabilities						
Short-term loans from financial institutions	-	-	7.96	-	7.96	1.80 - 3.00
Trade and other current payables	-	-	-	149.61	149.61	-
Contract liabilities	-	-	-	55.49	55.49	-
Lease liabilities	1.85	7.65	-	-	9.50	1.24 - 8.36
	1.85	7.65	7.96	205.10	222.56	

Unit: Million Baht

Separate financial statements

As of December 31, 2020

	Fixed interest rate		Floating interest rate	No interest rate	Total interest rate	Average
	Within 1 year	Over 1 year	Within 1 year	Interest rate	interest rate	(% per year)
Financial assets						
Cash and cash equivalents	140.12	-	73.45	0.14	213.71	0.13 - 1.10
Trade and other current receivables - net	-	-	-	407.90	407.90	-
Contract assets	-	-	-	123.25	123.25	-
Non-current financial assets	-	-	-	8.81	8.81	-
	140.12	-	73.45	540.10	753.67	
Financial liabilities						
Short-term loans from financial institutions	-	-	7.96	-	7.96	1.80 - 3.00
Trade and other current payables	-	-	-	149.56	149.56	-
Contract liabilities	-	-	-	55.49	55.49	-
Lease liabilities	1.85	7.65	-	-	9.50	1.24 - 8.36
	1.85	7.65	7.96	205.05	222.51	

Unit: Million Baht

Consolidated financial statements

As of December 31, 2019

	Fixed interest rate		Floating	No interest rate	Total interest rate	Average (% per year)
	Within 1 year	Over 1 year	interest rate			
			Within 1 year			
Financial assets						
Cash and cash equivalents	-	-	37.81	0.49	38.30	0.13 - 0.63
Trade and other current receivables - net	-	-	-	214.00	214.00	-
Contract assets	-	-	-	34.97	34.97	-
Other current financial assets - net	-	-	277.99	97.70	375.69	1.45 - 1.55
	-	-	315.80	347.16	662.96	
Financial liabilities						
Short-term loans from financial institutions	-	-	24.27	-	24.27	3.05 - 4.72
Trade and other current payables	-	-	-	94.40	94.40	-
Contract liabilities	-	-	-	44.42	44.42	-
Lease liabilities	2.62	9.11	-	-	11.73	1.24 - 8.36
	2.62	9.11	24.27	138.82	174.82	

Unit: Million Baht

Separate financial statements

As of December 31, 2019

	Fixed interest rate		Floating	No interest rate	Total interest rate	Average (% per year)
	Within 1 year	Over 1 year	interest rate			
			Within 1 year			
Financial assets						
Cash and cash equivalents	-	-	34.05	0.49	34.54	0.13 - 0.63
Trade and other current receivables - net	-	-	-	214.00	214.00	-
Contract assets	-	-	-	34.97	34.97	-
Other current financial assets - net	-	-	277.99	97.70	375.69	1.45 - 1.55
	-	-	312.04	347.16	659.20	
Financial liabilities						
Short-term loans from financial institutions	-	-	24.27	-	24.27	3.05 - 4.72
Trade and other current payables	-	-	-	94.35	94.35	-
Contract liabilities	-	-	-	44.42	44.42	-
Lease liabilities	2.62	9.11	-	-	11.73	1.24 - 8.36
	2.62	9.11	24.27	138.77	174.77	

Fair value of financial instruments

Given that part of financial assets and financial liabilities are short-term or bearing interest rate closely to market rate, and loans denominated in Thai Baht bearing the market interest rates, the Group's management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying value.

The carrying value and fair value of financial assets and financial liabilities as at December 31, 2020 and January 1, 2020 are presented below.

Unit: Baht			
Consolidated financial statements			
As of December 31, 2020			
	Fair value through profit and loss	Amortized cost price	Total
Financial assets			
Cash and cash equivalents	-	217,415,150.09	217,415,150.09
Trade and other current receivables	-	416,703,317.49	416,703,317.49
Contract assets	-	123,253,943.84	123,253,943.84
Total financial assets	-	757,372,411.42	757,372,411.42
Financial liabilities			
Short-term loans from financial institutions	-	7,956,125.41	7,956,125.41
Trade and other current payables	409,775.33	149,197,755.29	149,607,530.62
Contract liabilities	-	55,485,753.02	55,485,753.02
Lease liabilities	-	9,493,565.11	9,493,565.11
Total financial liabilities	409,775.33	222,133,198.83	222,542,974.16

Unit: Baht			
Separate financial statements			
As of December 31, 2020			
	Fair value through profit and loss	Amortized cost price	Total
Financial assets			
Cash and cash equivalents	-	213,711,954.60	213,711,954.60
Trade and other current receivables	-	416,703,260.97	416,703,260.97
Contract assets	-	123,253,943.84	123,253,943.84
Total financial assets	-	753,669,159.41	753,669,159.41
Financial liabilities			
Short-term loans from financial institutions	-	7,956,125.41	7,956,125.41
Trade and other current payables	409,775.33	149,147,755.29	149,557,530.62
Contract liabilities	-	55,485,753.02	55,485,753.02
Lease liabilities	-	9,493,565.11	9,493,565.11
Total financial liabilities	409,775.33	222,083,198.83	222,492,974.16

Unit: Baht

Consolidated financial statements			
As of January 1, 2020			
	Fair value through profit and loss	Amortized cost price	Total
Financial assets			
Cash and cash equivalents	-	38,297,674.59	38,297,674.59
Trade and other current receivables - net	-	213,998,375.80	213,998,375.80
Contract assets	-	34,969,310.15	34,969,310.15
Other current financial assets	97,698,395.07	277,987,044.99	375,685,440.06
Total financial assets	97,698,395.07	565,252,405.53	662,950,800.60
Financial liabilities			
Short-term loans from financial institutions	-	24,265,771.81	24,265,771.81
Trade and other current payables	522,990.98	93,873,260.77	94,396,251.75
Contract liabilities	-	44,416,239.88	44,416,239.88
Lease liabilities	-	11,727,661.77	11,727,661.77
Total financial liabilities	522,990.98	174,282,934.23	174,805,925.21

Unit: Baht

Separate financial statements			
As of January 1, 2020			
	Fair value through profit and loss	Amortized cost price	Total
Financial assets			
Cash and cash equivalents	-	34,544,995.49	34,544,995.49
Trade and other current receivables	-	213,998,348.74	213,998,348.74
Contract assets	-	34,969,310.15	34,969,310.15
Other current financial assets	97,698,395.07	277,987,044.99	375,685,440.06
Total financial assets	97,698,395.07	561,499,699.37	659,198,094.44
Financial liabilities			
Short-term loans from financial institutions	-	24,265,771.81	24,265,771.81
Trade and other current payables	522,990.98	93,823,260.77	94,346,251.75
Contract liabilities	-	44,416,239.88	44,416,239.88
Lease liabilities	-	11,727,661.77	11,727,661.77
Total financial liabilities	522,990.98	174,232,934.23	174,755,925.21

Financial assets must be measured at fair value through profit and loss. The list is as follows:

Unit: Baht

	Consolidated and Separate Financial Statements	
	As of December 31, 2020	As of January 1, 2020
Current assets		
Other current financial assets		
Open-end Fund - Debt securities	-	97,698,395.07

Derivatives

The Group has the following derivative contracts:

Unit: Baht

	Consolidated and Separate Financial Statements	
	As of December 31, 2020	As of January 1, 2020
Current liabilities		
Foreign exchange contracts - for trade	409,775.33	522,990.98

Foreign currency risk

The Company's exposure to foreign currency risk relates primarily to purchasing primary raw materials and sales of goods denominated in foreign currencies. The Company seeks to reduce this risk by entering into forwarding exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies as of December 31 were summarized below:

Unit: Million

	Consolidated and Separate Financial Statements	
	2020	2019
Asset in foreign currencies		
Deposits with financial institutions		
USD	0.02	0.41
Trade receivables		
USD	0.02	0.03
Other receivables - accrued income under contracts		
USD	0.03	0.09
Liabilities in foreign currencies		
Short-term loans from financial institutions - trust receipts		
USD	0.13	0.54
EUR	0.08	-
Trade payables		
USD	0.09	0.40
EUR	-	0.03

Forward exchange purchase contracts outstanding as of December 31 were summarized as below:

	Unit: Million	
	Consolidated and Separate Financial	
	Statements	
	2020	2019
USD	0.13	1.06
EUR	0.08	0.03

The foreign exchange forward contracts outstanding as of December 31, 2020, will gradually expire within a period of 12 months.

28. Promotional Privileges

The Company was granted promotional privileges from the Board of Investment. Subject to particular imposed conditions, the privileges include an exemption from corporate income tax.

Based on the announcement of the Board of the Investment No. 14/1998 dated December 30, 1998, regarding revenues reporting of a promoted industry, the Company is required to notify the gains from domestic sales and export sales separately, also note separately between the enabled and non-promoted business. The required information is as follows:

Promoted revenues and non-promoted revenues for the year ended December 31 were summarized below:

	Unit: Thousand Baht					
	For the year ended December 31, 2020					
	Consolidated financial statements			Separate financial statements		
	Non -		Total	Non -		Total
	Promoted	promoted		Promoted	promoted	
Revenues						
Revenues from sale of goods	187,743	445,763	633,506	187,743	445,763	633,506
Revenues from construction services	-	277,874	277,874	-	277,874	277,874
Revenues from services	-	31,693	31,693	-	31,693	31,693
Other income	-	6,426	6,426	-	6,423	6,423
Total revenues	187,743	761,756	949,499	187,743	761,753	949,496

Unit: Thousand Baht						
For the year ended December 31, 2019						
	Consolidated financial statements			Separate financial statements		
	Promoted	Non - promoted	Total	Promoted	Non - promoted	Total
Revenues						
Revenues from sale of goods	1,437	282,755	284,192	1,437	282,755	284,192
Revenues from construction services	-	244,664	244,664	-	244,664	244,664
Revenues from services	-	42,656	42,656	-	42,656	42,656
Other income	-	12,885	12,885	-	12,910	12,910
Total revenues	1,437	582,960	584,397	1,437	582,985	584,422

29. Commitments and Contingent Liabilities

29.1 As of December 31, 2020, and 2019, the Company had obligations under leased service charges. The remaining rental and service charges of existing contracts to be paid in the future were as follows:

Unit: Million Baht		
	Consolidated and Separate Financial Statements	
	2020	2019
Not over 1 year	0.83	0.83
Over 1 year but not over 5 years	0.67	1.51
Total	1.50	2.34

29.2 As of December 31, 2020, and 2019, the Company was contingently liable for bank guarantees issued by the banks amount to 430.86 million baht and 135.63 million baht, respectively.

29.3 As of December 31, 2020, and 2019, the Company had unutilized letters of credit amounting to U.S. Dollars 0.04 million (equivalent to 1.22 baht million) and U.S. Dollars 0.01 million (equivalent to 0.39 million baht), respectively.

30. New item categorization list

During the year, the Group reclassified certain account items in the financial position statement as of December 31, 2019, to be in line with the current year's classification. It had no impact on profit for the year or shareholders' equity, which summarized as follows:

	Unit: Baht		
	Consolidated financial statements		
	Before	Reclassified	After
	reclassification	item	reclassification
Statement of Financial Position			
Trade and other current receivables - net	218,182,875.80	(4,184,500.00)	213,998,375.80
Contract assets	30,784,810.15	4,184,500.00	34,969,310.15
	Unit: Baht		
	Separate financial statements		
	Before	Reclassified	After
	reclassification	item	reclassification
Statement of Financial Position			
Trade and other current receivables - net	218,182,848.74	(4,184,500.00)	213,998,348.74
Contract assets	30,784,810.15	4,184,500.00	34,969,310.15

31. Events after the reporting period

According to the resolution of the Board of Directors' meeting No. 1/2021 held on February 18, 2021, approved the proposed annual dividend for 2020 from retained earnings of 900 million ordinary shares at the rate of 0.02 baht per share, amounting to 18.00 million baht, the shareholders' meeting must approve the dividend payment.

32. Approval of Financial Statements

These financial statements have been approved for issuance by the Company's board of directors since February 18, 2021.

3.6 Management's Analysis and Discussion

Performance

Revenue's structures	2020		2019		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from sales of						
1.1 Electric Panel	288.99	30.44	131.47	22.50	157.52	119.81
1.2 Unit Products	344.52	36.28	152.71	26.13	191.81	125.60
Total revenue from sales	633.51	66.72	284.19	48.63	349.31	122.91
2. Revenue from Cable Installation and Substation	277.87	29.27	244.66	41.86	33.21	13.57
3. Revenue from Services	31.69	3.34	42.66	7.30	(10.96)	(25.70)
Total revenue from services	309.57	32.60	287.32	49.17	22.25	7.74
Total operating revenues	943.07	99.32	571.51	97.80	371.56	65.01
4. Other income *	6.43	0.68	12.88	2.20	(6.46)	(50.12)
Total revenues	949.50	100.00	584.40	100.00	365.10	62.47

*Other revenues consisted of sales of scrap, interest income and gain from short-term investments etc.

1. Revenue from sales for the years ended December 31, 2020, and 2019 amounting to 633.51 million baht and 284.19 million baht, respectively. It increased when compared to the year 2019 due to the increase in sales this year from both the sales of existing customers and new customers, including the expansion of the business to the Solar Rooftop market and the backlog from the previous year. It could be delivered to the customer and the revenue recognition within the year.

2. Revenue from contractor and installation services, cabling installation service, and the construction of power substation (Substation) ended on December 31, 2020, and 2019 in an amount of 277.87 million baht and 244.66 million baht, respectively. It increased compared to 2019 due to the number of projects that had increased the number of jobs, the high value of work, and many projects delivered, including the progress of the work in progress making income recognition more than the year 2019

3. Revenue from services for the years ended December 31, 2020, and 2019 amounting to 31.69 million baht and 42.66 million baht, respectively. It was reduced due to the epidemic impact of COVID-19, causing restrictions on traveling to serve customers.

4. Other income for the years ended December 31, 2020, and 2019 amounting to 6.43 million baht and 12.88 million baht, respectively. Due to the interest income, the bank adjusted the interest rate down and decreased the profit from the short-term investment.

Cost of sales and services

1. Cost of sales: The main component was the cost of goods accounted for approximately 70-80 percent of the total cost. The primary raw materials consisted of Equipment to assemble the electrical system to control machines, such as motors, inverters, PLCs, etc. They were ordered from both domestic and international. Besides, other costs of goods sold such as direct labor, consumables, and depreciation accounted for an average of 10-15% of the Company's cost of sales.

For the years ended December 31, 2020, and 2019, the value was 555.46 million baht and 237.61 million baht, increasing due to the purchase of raw materials to support more work. There were also fixed costs, such as increased factory depreciation because there was a second factory.

2. Cost of contractor and installation services were the actual construction cost of the work completed until the end of December 31, 2020, and 2019 equal to 255.52 million baht and 185.21 million baht. The increased cost was related to the increased revenue.

3. Cost of service consisted of service costs and repair costs incurred from expired warranty work for the years ended December 31, 2020, and 2019, valued at 22.07 million baht and 35.05 million baht. It was due to the addition of a department that took care of the business, sales, and service departments, especially to increase profitability.

Selling expenses and administrative expenses

1. Selling expenses for the years ended December 31, 2020, and 2019 were 37.26 million baht and 49.63 million baht or 3.92 percent and 8.49 percent of total revenue, respectively. In 2020, the proportion of selling expenses decreased compared to 2019 due to more efficient cost management.

2. Administrative expenses for the years ended December 31, 2020, and 2019 were equal to 71.76 million baht and 86.58 million baht or 7.56 percent and 14.81 percent of total revenues, respectively. In 2020, the proportion of administrative expenses to total income decreased compared to the year 2019 due to internal management and reorganization.

Financial Cost

The Company had financial costs for the year ended on December 31, 2020, and 2019 in an amount of 1.33 million baht and 0.88 million baht, respectively. The financial costs of 2020 and 2019 were interest payments for short-term loans from trust receipts to import goods and raw materials from abroad and interest paid for the fixed property's finance lease.

Statement of Profit or Loss	For the year ended		Change	
	31 Dec 2020	31 Dec 2019	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenues from sales of goods and services	943.07	571.51	371.56	65.01
Cost of sales and services	833.05	457.87	375.17	81.94
Gross profit	110.02	113.64	(3.61)	(3.18)
Other income	6.43	12.88	(6.46)	(50.12)
Profit before expenses	116.45	126.52	(10.07)	(7.96)
Selling expenses	37.26	49.63	(12.36)	(24.91)
Administrative expenses	71.76	86.58	(14.82)	(17.12)
Loss(Gain) on exchange rates	(1.35)	1.43	(2.78)	(194.92)
Profit before finance costs and income tax	8.79	(11.11)	19.89	(179.10)
Finance costs	1.33	0.88	0.45	51.49
Tax expenses	1.94	(2.13)	4.07	(190.67)
Profit for the periods	5.53	(9.85)	15.37	(156.10)
Net profit per share (Baht)	0.0061	(0.0109)	0.017	

Profit (loss) for the year

For the year ended 31 December 2020, the Company and its subsidiaries had a net profit of 5.53 million baht, and for the year ended 31 December 2019, a net loss of 9.85 million baht. Due to in 2020, the Company had increased sales and lowered costs as described above.

Financial Analysis as of December 31, 2020

Statement of Financial Position	31 December 2020	31 December 2019	Change	
	Million Baht	Million Baht	Increase (Decrease) Million Baht	%
Current assets	838.15	756.63	81.52	10.77
Non-current assets	431.10	436.32	(5.22)	(1.20)
Total assets	1,269.25	1,192.95	76.30	6.40
Current liabilities	232.74	183.07	49.66	27.13
Non-current liabilities	34.35	39.00	(4.65)	(11.92)
Total liabilities	267.08	222.07	45.02	20.27
Total Shareholders' equity	1,002.16	970.88	31.29	3.22
Total liabilities and shareholders's equity	1,269.25	1,192.95	76.30	6.40

Assests

The Company and its subsidiaries had total assets as of December 31, 2020, and 2019 amounting to 1,269.25 million baht and 1,192.95 million baht, respectively. Current assets increased by 81.52 million baht or 10.77 percent due to increased trade accounts receivable and contract assets of 282.18 million baht. The increase in sales Cash and cash equivalents and other current financial assets (Temporary investment) decreased in 196.57 million baht. Non-current assets decreased by 5.22 million baht or -1.20 percent due to land, buildings, and equipment decreased due to the annual depreciation.

Liabilities

The Company and its subsidiaries had total liabilities as of December 31, 2020, and 2019 amounting to 267.08 million baht and 222.07 million baht, respectively. Current liabilities increased by 49.66 million baht or 27.13 percent due to an increase in trade and other payables by 55.21 million baht and the purchase of raw materials and wages that were not yet due. Non-current liabilities decreased by 4.65 million baht or -11.92 percent due to the Company restructuring. It caused the non-current provisions for employee benefits to be reduced.

Shareholders' Equity

Shareholders' equity as of December 31, 2020, and 2019 were 1,002.16 million baht and 970.88 million baht, respectively. Equity increased due to the operating profit in 2020 and the receipt of proceeds from the sale of TSRs (CPT-W2) for private placement.

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