



บริษัท วิค จำกัด (มหาชน)

WIİK PUBLIC CO., LTD.

แบบแสดงรายการข้อมูลประจำปี /
รายงานประจำปี 2566

(แบบ 56-1 One Report)

Annual Report 2023

Form 56-1 One Report 2023



LESSO



WIİK PUBLIC CO., LTD.
www.wiik.co.th

90 CW Tower A, 35th Floor,
Ratchadaphisek Road,
Huaykwang Bangkok 10310 Thailand
Tel : +662 612 8600 Fax : +662 645 2828 - 29

Contents

	<u>Page</u>
Message from the Chairman	2
Part 1 Business Operations and Operating Results	3
1. Structure and Business Operations of the WIIC Group	3
2. Risk Management	49
3. Driving business for sustainability	54
4. Management Discussion and Analysis: MD&A	79
5. General information and other important information	112
Part 2 Corporate Governance	115
6. Corporate Governance Policy	115
7. Corporate Governance Structure and key information about the Board of Directors Sub-committees, Executives, Employees and Others	136
8. Report on key performance in corporate governance	161
9. Internal Control and Related Transactions	179
Part 3 Financial Statements	184
10. Report of the Board of Directors' Responsibility in Financial Statements	184
11. Independent Auditor's Report	185
12. Financial Statements and Notes	190
Attachment	249
Attachment 1 Details of Directors, Executives, and Controlling Person, A person assigned the highest responsibility in accounting and finance, A persons assigned to be directly responsible for overseeing accounting, the company secretary and coordinating agent in case of foreign company	249
Attachment 2 Details of Directors in subsidiaries	263
Attachment 3 Details of the Head of Internal Audit and Compliance	264
Attachment 4 Business assets and details on asset valuation	266
Attachment 5 Full version of Corporate Governance Policy and Practice and business ethics	268
Attachment 6 Sub-Committee Report	269

Message from the Chairman

In 2023, the WIIK Group had a net profit of 49.41 million Baht, compared to 2022 with a net profit of 95.78 million Baht, decreased (46.37) million Baht or (48.41) % from the previous year. This was mainly because income from the pipe production, distribution, and installation business decreased by 18.75%, due to the country's economic conditions and the lack of government budgets. Meanwhile, income from the water management business increased by 16.15% compared to 2022 due to the recovery of tourism.

On 23 February 2024, the Board of Directors considered the economic slowdown from decreased purchasing power and high levels of debt in the real estate sector. Therefore, the investment plan for constructing the PVC pipe factory with a total investment of 704.16 million Baht was postponed. The change was to install a new PVC pipe and PP-R pipe production line in the existing building with a total investment of 40.35 million Baht, which is expected to help increase income competitiveness and market share in Thailand and abroad for the WIIK group. Besides, the Board of Directors approved paying dividends at the rate of 0.06 Baht per share, a total dividend of 50,260,983.72 Baht, along with issuing WIIK-W3 warrants at no charge to the existing shareholders in the ratio of 3 existing ordinary shares to 1 unit of warrant.

The conduct of the Company's business under any circumstances, we continue to focus on being a leader in quality. Both in terms of product manufacturing and installation services with honesty and fairness to customers, including the development of new products to meet the demands of customers, development of the organization and the potential of personnel, anti-corruption and anti-corruption policy, Good Corporate Governance policy review coupled with Social and environmental stewardship. These are all things that the Company gives importance to.

The Board of Directors and the Company executives would like to thank all customers and shareholders for continuous supports, and thank all employees for their working hard. We hope that all of you continue to cooperate and be confident with the Company. We will together be successful in 2024.



Police General Chidchai Vanasatidya, Ph.D.

Chairman of the Board of Directors

WIIK Public Company Limited

Part 1 Business Operations and Operating Results

1. Structure and Business Operations of the WIik Group

Background

In 1980, WH Pipe International, who is in the group of KWH Pipe limited, the world leader in the field of Design, Manufacturer, Supply, and Installation of High-Density Polyethylene (HDPE) pipe for more than 50 years from Finland, was invited by Metropolitan Waterworks Authority of Thailand (MWA) to submit a proposal to renew Bangkok's corroded cast-iron water pipe system in Rama IV, Rajdamri, and Charoenkrung roads. At that time the existing cast-iron pipelines had approximately 40% water loss. This was a turn-key project which included design, construction, and material supply. WH Pipe International had been awarded the project by offering relining installation method which feed the new HDPE pipes into the old and corroded cast-iron pipes. This technique reduces the scope of trench digging and eliminates leakage.



Unquestionably, the main reasons that made Metropolitan Waterworks Authority of Thailand trusted in WH Pipe International and its HDPE pipe, which last more than 50 years life span according to TIS Standards, would certainly be small water transport interruption during HDPE relining, low cost, fast installation of HDPE Pipeline and noticeably less interruption of traffic (due to few roads surface excavation). These reasons would be contributed to the high rate of the success of this project as KWH Pipe Limited set up the first supply and installation of HDPE Pipe Company in Thailand named **Wiik & Hoeglund Company Limited** on April 4, 1983.

Wiik & Hoeglund Company Limited was established with initial capital of Baht 22 million and KWH Pipe Limited was a major shareholder, holding 90 percent of total shares. The Company has set up its first factory in Nava Nakorn Industrial Estate and later in 1989 moved to Bang Pu Industrial Estate with bigger production capacity in order to response to the rapid economy growth at that time. The followings are vital moves of the company;

- On March 22, 1995 the company was registered as a public company and moved the factory to The Amata Nakorn Industrial Estate with higher production capacity. The Company is a first manufacturer of HDPE pipe who obtained quality assurance system certified to ISO 9003 in Thailand.
- In 1996, the Company was registered in the Stock Exchange of Thailand with registered capital of Baht 60 million which was equivalent to 600,000 shares of common stock. The first day of the Company's shares trading in the Stock Exchange Market was held on February 8, 1996. And after that, there are changes of capital as follows.
 - In 2006, the Company increased its capital from Baht60 million to Baht300 million and KWH Pipe Limited, was a major shareholder, holding 65.99% of shares.
 - After that, there was an increase in capital and offering new shares by PP and RO, stock dividends payment, including the exercise of warrants. As of December 31, 2023, the registered capital is 837,683,062 Baht and paid-up capital is 837,683,062 Baht, divided into ordinary shares of 837,683,062 shares with a par value of 1 Baht per share.
- ISO standard that the company received.
 - In 1995 the Company was certified according to ISO 9003.
 - In 1999 the Company was certified according to ISO 9001.
 - In 2009, the Company was certified according to ISO14001.
- Changes in the shareholders
 - In 2013, KWH Pipe Limited and Uponor Infrastructure Solutions Segment merged into a new company under the name Uponor Infra Oy. Reflecting to this merge, Uponor Infra Oy was a major shareholder, holding 65.99 percent of KWH Pipe Limited in Finland.
 - In 2015, a group of Thai's investors in Thailand showed interest in WIik and purchased all of the Company's shares held by Uponor Infra Oy. However, WIik Public Company Limited and Uponor Infra Oy continue being partners and work together in Asia. Under the Licensing Agreement with the Uponor Infra Oy, the Company has continued its manufacturing and selling HDPE structured wall light weight pipe under WEHOLITE brand name solely.
 - In 2020, the Company allocated 140,000,000 new ordinary shares to a specific investor (Private Placement) at the offering price of 2 Baht per share, with a par value of 1 Baht per share, a total of 280 million Baht to Lesso (Thailand) Investment Limited, an indirect subsidiary of China Lesso Group Holdings Limited.

In this regard, such offering price of the newly issued ordinary shares at Baht 2 per share is lower than 90% of the market price of the Company's shares according to the SET Notification, which is equal to THB

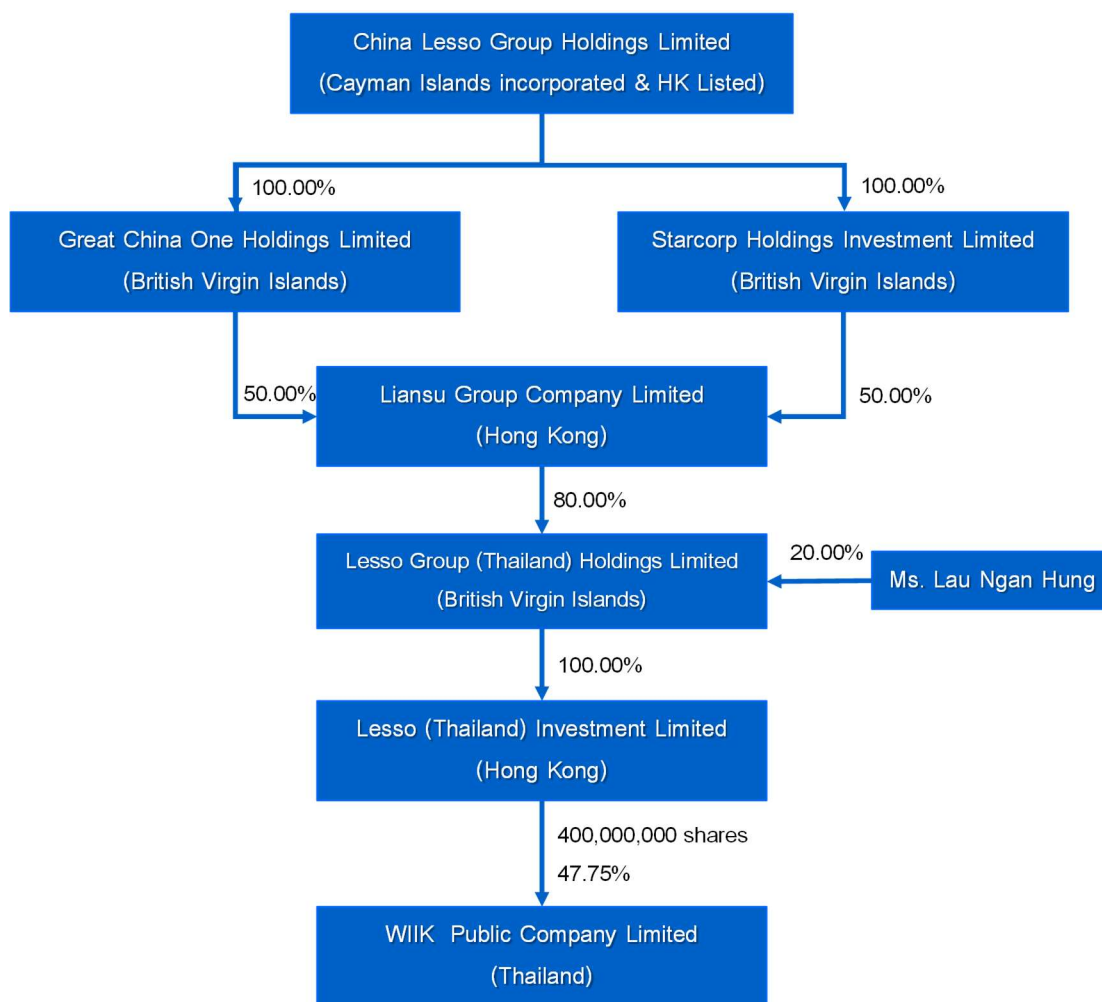
2.4743 per share. Therefore, the issuance and allocation of the newly issued ordinary shares for offering to the Investor are deemed to be an offering of the newly issued shares at a low price and the Investor shall be prohibited from selling (Silent Period) all such newly issued ordinary shares for 1 year from the date the Company's newly issued ordinary shares start trading on the SET (1-year Silent Period, starting from 30 November 2020 to 30 November 2021). Lesso (Thailand) Investment Limited has voting rights equal to the shareholders of the Company under the Company's Articles of Association. They sent the representatives to take the position of the Company's director according to the shareholding proportion to help support and co-supervise the management of the Company.

- In 2021, the Company allocated new ordinary shares not over 330,000,000 new ordinary shares with a par value of Baht 1 per share to existing shareholders of the Company proportionate to their shareholding (Right Offering) at an offering ratio of 1.75 existing shares to 1 new ordinary share (a fraction of share shall be disregarded) at the offering price of Baht 2.70 per share, scheduled the subscription period during 13-19 August 2021.

Lesso (Thailand) Investment Limited ("LESSO"), a major shareholder of the Company, informed the intention to subscribe for the said newly issued ordinary shares of not exceeding 260 million shares, representing of subscribing by right 80 million shares and over-subscribing of 180 million shares.

As a result, the shareholding percentage and voting rights of LESSO in the Company would increase from 24.25% passing the threshold shareholding percentage at 25% for the obligation to mandatory tender offer, which would cause LESSO to have duties to comply with the mandatory tender offer obligation in accordance with the Notification of the Capital Market Supervisory Board No. ThorJor. 12/2011 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers. However, the Extraordinary General Meeting of the Company's Shareholders on 15 July 2021, approved the waiver from mandatory tender offer by using the resolution of shareholders' meeting (Whitewash) and the entering into transaction with a connected person for LESSO. After the capital increase, LESSO has been allocated 260 million newly issued ordinary shares, making LESSO currently holds 400 million ordinary shares or 47.75% of the paid-up capital.

Shareholding structure of China Lesso Group Holdings Limited



China Lesso Group Holdings Limited (Stock Code of Hong Kong Stock Exchange: 2128) is a leading large-scale industrial group that manufactures piping and building materials in mainland China. After more than 36 years of rapid development, the Group has evolved into a leader in the industry of building materials and home improvement. It provides high-quality products and services such as plastic piping, building materials and home improvement, new energy, environmental protection, and operates a supply chain service platform.

Currently, the Group has established over 30 advanced productions bases in 18 provinces of China and in foreign countries. The Group has established a nationwide sales network and has also developed long-term strategic partnerships with 2,807 independent and exclusive first-tier distributors that enable timely and efficient supply of comprehensive, quality products and professional services to customers. As an integrated manufacturer of a comprehensive range of piping and building materials, China Lesso provides over 10,000 types of quality products, which are widely applied to such fields as home improvement, civil architecture, municipal water supply, drainage, energy management, electric power transmission, telecommunication, gas supply, fire services, environmental protection, agriculture and marine aquaculture.

- The Company's business expansion

- In 2016 the Company entered the water resources management business in order to meet the demand for water in the industrial sector through WIik Water Company Limited (WW) which is a 100% shareholding subsidiary. Currently WW operates the water supply system for 4 Industrial Estate such as;
 - (1) Siam Eastern Industrial Park Mabyangporn Sub-district, Pluakdaeng District, Rayong Province
 - (2) Wellgrow Industrial Estate Homsil Sub-district, Bangpakong District, Chachoengsao Province.
 - (3) Patong Municipality, Kathu District, Phuket Province
 - (4) Thai Namsiri Intertex Company Limited, Wellgrow Industrial Estate, Bangsamak Sub-district, Bangpakong District, Chachoengsao Province.
 - (5) Chumnumsup industrial area, Khlongnueng Sub-district, Khlongluang District Pathumthani Province.
 - (6) Kamala Subdistrict Administrative Organization, Kathu District.
- Early 2019, WIik Water Company Limited (WW) which is a 100% shareholding subsidiary, invested in WIik PT Company Limited (Formerly WOG ITR Water Solution Company Limited) (“WIik PT”) with the objective of acquiring the right to be a service provider in accordance with the agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province (client) dated 16 July 2012, period of 30 years including ownership of the water treatment plant and other assets used in the business of WIik PT. At present, such agreement remains 20 years.
- In 2022, WIik Water Company Limited (“WW”) signed an agreement with 3 existing shareholders of Southern Consultants and Construction Co., Ltd. (“SC&C”), to jointly invest in 2 tap water production and distribution projects in Phuket. Currently, the subsidiary holds 51% of SC&C's paid-up capital.
- On 23 February 2024, the Board of Directors approved to postpone the investment plan for constructing the PVC pipe factory with a total investment of 704.16 million Baht. The change was to install a new PVC pipe and PP-R pipe production line in the existing building with a total investment of 40.35 million Baht, which is expected to help increase income competitiveness and market share in Thailand and abroad for the WIik group.

■ Change of the Company’s name in the year 2019 as follows

<u>Former</u>	Wiik & Hoeglund Public Company Limited
<u>New</u>	WIik Public Company Limited

Currently WIik Public Company Limited is a manufacturer and supplier of PE pipe and fittings, Weholite Spiro, and WehoTank. The Company can produce Weholite Spiro pipe and Wehotank with size of Diameter 3,500 mm which is the largest PE pipe in the region. The quality of products and services are trusted internationally. The Company also creates opportunities with investment in water resources management which is related business and supports our core business to grow steadily in the future.

1.1 Overview of the Business

WIIC Public Company Limited has played an important role in developing the quality of water supply infrastructure. The development affects and improves the quality of life of all Thai Citizen; especially the change from steel pipe to High Density Poly Ethylene pipe which is widely used in developed countries in Europe for more than 50 years. Superior to steel pipe, HDPE pipe is rust free, easy to be installed and can be used to transport the clean and safe tap water to the consumer. HDPE pipe has long life span and worth for its investment.

The Company realized that the management of water resources is essential for livelihood. The current global climate change has high impact on the rainfall and its variance. Therefore, with the high demand of clean water in both agricultural and industrial sectors, especially in dry season, the proper management in keeping and delivering water is highly required for Thailand.

The Company has foreseen this problem so expanding the business into a water management operator to meet the demand for water usage in agricultural & industrial sectors and for the consumer in a systematic way. The Company has set up WW (holding 100% of its' own shares) for such improvement.

WW and subsidiaries currently operate the water supply system for 5 Industrial Estate / government agencies such as;

- (1) Siam Eastern Industrial Park Mabyangporn Sub-district, Pluakdaeng District, Rayong Province.
- (2) Wellgrow Industrial Estate Homsil Sub-district, Bangpakong District, Chachoengsao Province.
- (3) Patong Municipality, Kathu District, Phuket Province.
- (4) Thai Namsiri Intertex Company Limited, Wellgrow Industrial Estate, Bangsamak Sub-district, Bangpakong District, Chachoengsao Province.
- (5) Chumnumsup industrial area, Khlongnueng Sub-district, Khlongluang District Pathumthani Province.
- (6) Kamala Subdistrict Administrative Organization, Kathu District.

Including distribution of water supply system and integrated waste water treatment systems with modern technology and standard.

As the market leader for the HDPE pipe and fittings, the Company has 30-year experience in supplying its products in Thailand. The Company has also been recognized internationally in terms of products and product quality control. The Company is proud of obtaining the standard of environmental international ISO 14001 and believes that the Company will upgrade water management and produce quality water to allow the consumers to use quality and sufficient water in the future.

1.1.1 Goals and Strategies for Operation

The Board of Directors regularly reviews the Company's vision and mission by considering together with the Management to improve following the goals and future business strategies. On 23 February 2024, the Board of Directors Meeting No.2/2024 reviewed the Company's vision and mission to comply with the business goals and strategies of the WIIC group as follows:

Vision

"Committed to continuous and sustainable growth in the plastic pipe manufacturing and installation business including comprehensive water resource management"

Mission

- (1) The Company strives to increase the sales of high-quality plastic pipe and fittings and maintain the image of high-quality plastic pipe and fittings leader.
- (2) The Company strives to be a competent EPC contractor of special pipe installation projects.
- (3) The Company strives for success in the water management business.
- (4) Continuously and steadily create returns to shareholders by adhering to the principle of treating all stakeholders fairly and equally.

Strategy Leading to Sustainability

- (1) Develop new products which increase competitive advantage and meet market needs.
- (2) Build and maintain a competent installation engineering team.
- (3) Prepare and develop production capacity which is ready to grasp opportunities from national water management policies.
- (4) Increase the competitive advantage by enhancing synergy of products and services in the company group.
- (5) Create opportunities of investing in water management projects which relate and supports the existing company's core business to steady grow up.

1.1.2 Changes and key developments

1) Changes in share capital and issuance of securities

Year 2020

- ❖ On 11 May 2020, the Annual General Meeting of the Company's Shareholders approved the following resolutions.
 - Approved the decrease in the Company's registered capital from Baht 725,335,328 to be Baht 585,335,328 by canceling allotment the ordinary shares for offering to the Private Placement at a price of Baht 1.50 per share, amount of 140,000,000 shares with a par value of Baht 1 per share. The Company registered the decrease in its registered capital with the Ministry of Commerce on 22 May 2020.

- Approved the issuance and allocation of not exceeding 140,000,000 new ordinary shares with a par value of Baht 1 per share, to offer to the Private Placement, by authorised to the Board of Director of the Company to determine the offering price at the market price during the offering period and not the low price according to SEC ruling.
- Approved the increase of the Company's registered capital from Baht 585,335,328 to be Baht 725,335,328 by issuing 140,000,000 new ordinary shares at par value of Baht 1 each to reserve the offering of newly issued ordinary shares offered to the Private Placement. The Company registered the increase in its registered capital with the Ministry of Commerce on 28 May 2020.
- ❖ On 9 October 2020, the Board of Directors approved the allocation and offering of 140,000,000 new ordinary shares at the offering price of 2 Baht per share, with a par value of 1 Baht per share, a total of 280 million Baht to Lesso (Thailand) Investment Limited (Private Placement). The Company received payment for capital increase shares and registered the increase of paid-up capital with the Ministry of Commerce on 27 October 2020 and the said ordinary shares have the silent period for 1 year from the date the Company's newly issued ordinary shares start trading on the SET.
140,000,000 newly issued ordinary shares as mentioned above started trading on the SET on 30 November 2020 and the 1-year Silent Period has expired on 30 November 2021 (details as mentioned in the section Background, page 5).

Year 2021

- ❖ On 23 April 2021, the Annual General Meeting of the Company's shareholders approved the capital increase of Baht 16,927,962 from Baht 725,335,328 to 742,263,290 by issuing 16,927,962 ordinary shares with a par value of Baht 1.00 per share to reserve for the adjustment of the rights of the warrants to purchase ordinary shares of the Company No.2 (WIIC-W2).
- ❖ On 15 July 2021, the Extraordinary General Meeting of the Company's Shareholders passed the following resolutions.
 - Approved the increasing capital and the allotment of new ordinary shares not over 330,000,000 new ordinary shares with a par value of Baht 1 per share to existing shareholders of the Company proportionate to their shareholding (Right Offering) at an offering ratio of 1.75 existing shares to 1 new ordinary share (a fraction of share shall be disregarded) at the offering price of Baht 2.70 per share, representing not over Baht 891 million.

Scheduled the Record Date on 23 July 2021, to determine the name of shareholders who will be entitled to the subscription of new ordinary shares and scheduled the subscription period during 13-19 August 2021.

- Approved the waiver from mandatory tender offer by using the resolution of shareholders' meeting (Whitewash) for Lesso (Thailand) Investment Limited ("LESSO" or "Requester") with unanimous votes, excluding the votes from waiver requester, related person as per Article 258 of the waiver requester, persons acting together (Concert Party) with the Requester and persons under Section 258 of the person acting together (Concert Party) with the Requester.
- Approved the entering into transaction with a connected person by vote of at least three-fourths (3/4) of total votes of shareholders at the meeting and entitled to vote, excluding the votes from shareholders with interests therein.

On 20 August 2021, the Company reported the results of the sale of newly issued ordinary shares to the Stock Exchange of Thailand of 260,241,689 shares at an offering price of Baht 2.70 per share with a par value of 1 Baht per share, or a total of Baht 702,652,560. The Company registered the increase of paid-up capital with the Ministry of Commerce on 25 August 2021.

- ❖ On 30 December 2021, the final exercise date, 10,866 WIIC-W2 warrants were exercised to 14,331 ordinary shares by 3 warrant holders at a price of Baht 3.796 per share. On 12 January 2022, the Company registered the increase in its paid-up share capital with the Ministry of Commerce, and as result the 124,960,790 unexercised WIIC-W2 warrants still outstanding lost their status as securities listed on the Stock Exchange of Thailand, effective from 31 December 2021.

Year 2022

- ❖ On 27 April 2022, the Annual General Meeting of the Company's shareholders approved the capital decrease of Baht 234,580,228 from the existing registered capital of Baht 1,072,263,290 to be the new registered capital of Baht 837,683,062 by canceling 234,580,228 un-paid ordinary shares with a par value of Baht 1 per share, consisting of: (1) the ordinary shares remaining from the offering to the Company's existing shareholders in proportion to their shareholding (Right Offering) of 69,758,311 shares and (2) the ordinary shares reserved for the exercise of WIIC-W2 of 164,821,917 shares. The Company registered the decrease of registered capital with the Ministry of Commerce on 11 May 2022.

Year 2023

-No changes-

2) Changes of debt issuance

Year 2019

- ❖ On 9 August 2019, the meeting of the Board of Directors No. 4/2019 approved the ratification of the issuance and offering of the bill of exchange of not exceeding 150 million Baht. The Company's bills of exchange are unsecured with interest rate at 7 percent per year and matured on 3 December 2019. The Company has made full repayment.

Year 2020 - 2023

-None-

3) The Key Development during the past 3 years

Year 2020

- ❖ On 23 December 2020, the Board of Directors' Meeting of WIIC Water Co., Ltd. ("Subsidiary") No. 5/2020 approved to propose to the Extraordinary General Meeting of Shareholders to consider and approve the capital increase of 90,000,000 Baht from 170,000,000 Baht to 260,000,000 Baht by issuing 900,000 new ordinary shares with a par value of 100 baht per share, at the offering price of 166 Baht per share, scheduled to call the Extraordinary General Meeting of Shareholders No. 1/2021 on the date 9 February 2021.
- ❖ On 23 December 2020, the Board of Directors' Meeting No.10/2020 approved the following transactions:
 - (1) Approved WIIC Water Company Limited ("Subsidiary"), a 100% shareholding subsidiary to increase the capital of 900,000 shares with a par value of 100.00 Baht per share, from 1,700,000 shares to 2,600,000 shares.
 - (2) Approved the Company to subscribe of 450,000 newly issued ordinary shares of a subsidiary with a par value of 100.00 Baht per share at an offering price of 166.00 Baht per share, a total of 74.70 million Baht.
 - (3) Approved the Company to waive the right to purchase 450,000 newly issued ordinary shares of a subsidiary.
 - (4) Approved WIIC Water Company Limited to allocate the remaining 450,000 newly issued ordinary shares to specific directors, executives, and employees of the Company and subsidiaries of 12 persons and 7 investors who are not related to the Company.

Year 2021

- ❖ On 9 February 2021, the Extraordinary General Meeting of Shareholders of WIIC Water Company Limited ("Subsidiary") No.1/2021 approved to increase in registered capital of 90,000,000 Baht from 170,000,000 Baht to 260,000,000 Baht by issuing 900,000 new ordinary shares with a par value of 100 Baht per share at the offering price of 166 Baht per share, including authorizing the authorized directors of the subsidiary to have the power to act necessary or relevant for the achievement of the aforementioned capital increase.

- ❖ On 12 February 2021, the Company notified the intention to purchase additional shares of the Subsidiary in the amount of 450,000 ordinary shares of Baht 166 per share, a total of Baht 74,700,000, and to waive the right to purchase the remaining 450,000 ordinary shares. On 16 February 2021, the Company made an initial payment of 25 percent of total payment for the shares, or a total of Baht 18,675,000.

The authorized Director of Wiik Water Co., Ltd. (the Subsidiary), who has been authorized by the Extraordinary General Meeting of the Shareholders, allocated the remaining new ordinary shares to directors, executives, and employees of the Company and the Subsidiary, totaling 12 persons, and to 7 investors who are not related to the Company. The Subsidiary received the initial payment of 25 percent of total payment, or a total of Baht 37,350,000 and registered the increase in its registered capital with the Ministry of Commerce on 23 February 2021.

Year 2022

- ❖ On 10 May 2022, WIik Water Company Limited (“WW”) signed an agreement with 3 existing shareholders of Southern Consultants and Construction Co., Ltd. (“SC&C”), to jointly invest in 2 tap water production and distribution projects in Phuket. The subsidiary agrees to hold 65% of shares in SC&C of paid-up capital. The details are as follows:

- (1) WW agreed to purchase 52,970 ordinary shares of SC&C, or 51% of the paid-up capital, at 480 Baht per share, a total of 25,425,600 Baht. WW already paid such shares to the existing shareholders of 50% or 12,712,800 Baht conditionally on May 10, 2022.

The remaining 50% of ordinary shares, or 12,712,800 Baht, will be paid when SC&C has completed 2 water supply project contracts in Phuket area.

If SC&C cannot complete 2 water supply project contracts in Phuket area within the specified time, or the group of existing shareholders does not comply with the conditions agreed upon. WW has the right to have the existing shareholders buy back the shares at the price WW paid.

- (2) To purchase 60,040 new shares at 550 Baht per share, a total of 33,022,000 Baht, when 2 water supply project contracts in Phuket are completed. The capital increase is 7,000,000 Baht, divided into 70,000 ordinary shares with a par value of 100 Baht per share to offer to the existing shareholders at an offering price of 550 Baht per share. Both parties agree that WW exercises the right to oversubscribe for WW to hold 65% of SC&C's shares. The proceeds received from the capital increase will be used as the project's funding source.

- ❖ On 11 November 2022, the Board of Directors Meeting No.4/2022 approved investment in the construction of the factory to increase production lines for PVC pipe and PP-R pipe in a total of 704.16 million Baht on the Company's factory land at 7/214 Moo 6 Amata City Industrial Estate (Rayong), Mab Yang Porn, Pluak Daeng, Rayong 21140.

Year 2023

-No significant development-

Year 2024

- ❖ On 23 February 2024, the Board of Directors Meeting No. 2/2024 approved the revision of the investment plan for the PVC pipe factory as follows.
Former The construction of the PVC pipe and PP-R pipe factory for with a total investment of 704.16 million Baht.
New To install the new PVC pipe and PP-R pipe production lines in the existing building with a total investment of 40.35 million Baht.

4) Change of the name and the head office

WIik Public Company Limited (Parent Company)

- ❖ On 1 November 2016, the company changed the head office location as follows.
90 CW Tower A, 35th Floor, Ratchadapisek Rd., Huaykwang, Huaykwang, Bangkok 10310.
- ❖ On 18 December 2019, the Extraordinary General Meeting of Shareholders No.1/2019 approved the change of the Company's name as follows.
Former Wiik & Hoeglund Public Company Limited
New WIik Public Company Limited
The Company registered the change of the Company's name with the Ministry of Commerce on 25 December 2019. However, the Company still uses the securities name "WIik" as before.

WIik Water Company Limited (Subsidiary)

- ❖ On 15 September 2017, Wiik Water Company Limited relocated its head office as follows.
90 CW Tower B, 21st Floor, Ratchadapisek Rd., Huaykwang, Huaykwang, Bangkok 10310.

WIik PT Company Limited (Indirect subsidiary)

- ❖ On 19 March 2019, WIik PT Company Limited relocated its head office as follows.
90 CW Tower B, 21st Floor, Ratchadapisek Rd., Huaykwang, Huaykwang, Bangkok 10310.
- ❖ On 21 June 2019, the Extraordinary General Meeting of Shareholders No. 2/2019 of WOG ITR approved the change of the Company's name as follows:
Former WOG ITR Water Solution Company Limited
New WIik PT Company Limited
The Subsidiary registered the change of Company's name with the Ministry of Commerce on 25 June 2019.

Southern Consultants and Construction Company Limited (Indirect subsidiary)

- ❖ On 20 June 2022, Southern Consultants and Construction Company Limited relocated its head office as follows.
90 CW Tower B, 21st Floor, Ratchadapisek Rd., Huaykwang, Huaykwang, Bangkok 10310.

1.1.3 Utilization of money received from fundraising

1) Offering of newly issued ordinary shares to specific investors (Private Placement)

The Company offered newly issued ordinary shares to specific investors (Private Placement) as the resolution of the Annual General Meeting of Shareholders 2020 on 11 May 2020, a total of 140,000,000 shares at the offering price of THB 2 per share representing of THB 280,000,000. The company has utilized the money received from such capital increase to complete its purposes as follows:

The total capital increase	amount of	280,000,000	Baht
<u>Deduct</u> the utilization of the capital increase as of 31 December 2020			
1) Used as working capital for the Company and its subsidiaries	amount of	280,000,000	Baht
The remaining capital increase fund as of 31 December 2020	amount of	-0-	Baht

2) Offering of newly issued ordinary shares to the existing shareholders in proportion to their shareholding (Right Offering)

The Company offered newly issued ordinary shares to the existing shareholders in proportion to their shareholding (Right Offering) as the resolution of the Extraordinary General Meeting of Shareholders No.1/2021 on 15 July 2021, a total of 260,241,689 shares at the offering price of THB 2.70 per share representing of THB 702,652,560.30. The company has utilized the money received from the said capital increase for the following purposes:

The total capital increase	amount of	702,652,560.30	Baht
<u>Deduct</u> the utilization of the capital increase as of 31 December 2023			
1) Used as working capital for the Company and its subsidiaries	amount of	(526,638,850.00)	Baht
2) Purchased the Injection Molded Fittings production system	amount of	(7,116,066.78)	Baht
3) Construction costs for PVC pipe and PP-R pipe factory	amount of	(1,677,761.79)	Baht
4) Advance payment for machinery	amount of	(19,420,841.57)	Baht
5) Loans to subsidiaries to invest in water management business	amount of	(15,000,000.00)	Baht
6) Cost of construction of PVC pipe and PP-R pipe factory	amount of	(1,187,823.32)	Baht
7) Pay for the machine	amount of	(61,116,853.54)	Baht
8) Loans to subsidiaries for investment in water management work	amount of	(70,000,000.00)	Baht
9) Working capital	amount of	(494,363.30)	Baht
The remaining capital increase fund as of 31 December 2023	amount of	-0.00-	Baht

1.2 Type of Business

1.2.1 Revenue Structure

Revenue from business operations of the Company and subsidiaries during the year 2021 - 2023 could be classified by business segment as follows.

Product line / Business Group	Operated by	% Share holding	Revenue (Million Baht)					
			2023	%	2022	%	2021	%
1. Revenue from pipe production business	WIik	-						
1.1 Domestic sales and installation income	WIik WATER	94.16%						
- PE plastic pipes and fittings			863.65	64.55	1,071.04	69.95	964.34	74.53
- PVC & PPR plastic pipes and fittings			92.77	6.93	126.15	8.24	-	-
1.2 Export sales and installation income								
- PE plastic pipes and fittings			65.26	4.88	58.41	3.81	123.19	9.52
Total			1,021.68	76.36	1,255.60	82.00	1,087.53	84.05
2. Revenue from water management business	WIik WATER	94.16%						
2.1 Revenue from production and distribution of tap water	WIik PT	94.16%	189.71	14.18	162.85	10.64	148.37	11.47
2.2 Revenue from sale and installation of water system	SC&C	48.02%	103.83	7.76	89.87	5.87	48.52	3.75
Total			293.54	21.94	252.72	16.51	196.89	15.22
3. Other income of the WIik Group	WIik	-						
3.1 Transportation services income	WIik WATER	94.16%	4.65	0.35	7.50	0.49	4.45	0.34
3.2 Fines income	WIik PT	94.16%	8.19	0.61	2.56	0.17	-	-
3.3 Gains (losses) on investments designated at fair value through profit or loss	SC&C	48.02%	1.99	0.15	9.36	0.61	(1.17)	(0.09)
3.4 Others			7.91	0.59	3.45	0.23	6.17	0.48
Total			22.74	1.70	22.87	1.50	9.45	0.73
Grand total			1,337.96	100.00	1,531.19	100.00	1,293.87	100.00

Note * On 23 February 2021, the shareholding in WIik Water Company Limited is 94.16%.

** On 10 May 2022, WIik Water Co., Ltd. purchased 51% of SC&C's ordinary shares.

1.2.2 Products information

(1) Group of polyethylene pipe and fittings business




(1.1) Products and Services




WIik Public Company Limited (the Company) is the manufacturer and supply high quality of plastic pipes and fittings for various types of application. The Company's products are produced from High Density Polyethylene (HDPE) resin. The Company's HDPE solid wall pipes (W-HQ Pipe) are OD16mm. – OD1600mm. in size and HDPE structured wall pipe (Weholite) ranking in size from ID300mm. – 3,500mm. for drainage & sewage, and water tank (Weho Tank). The Company's HDPE pipe and fittings are easy to be installed in both on ground and underground without considering the type of soils.



It also provides service of the consultancy, advisory, servicing of HDPE pipe installation. Business scope in details is described as follows;



- The installation and welding of HDPE pipe and fittings
- The full service of HDPE pipeline installation (turn-key contractor) for the private sector which is starting from the services of HDPE pipeline system design, trenching and backfilling, HDPE pipeline and equipment installation, HDPE pipe and fittings welding.
- The installation of HDPE pipeline related equipment such as Air Release Valve or Gate Valve.
- The Consultancy of HDPE pipe and fittings installation.

Products and Services in group of polyethylene pipe and fittings business

Products & Services	Qualification	Usability
<p>(1) Solid Wall Pipe</p> <p>High Quality HDPE pipe (W-HQ pipe)</p>   	<p>The Company's HDPE solid wall pipe (W-HQ Pipe) is produced from High Density Polyethylene, also known as HDPE pipe, which is now widely used in both Government and Private Sectors in the field of water pipeline system, sewage, and cable conduit, etc. The Company's HDPE pipe and fittings are suitable in corrosive of acid and chemical environment. They are Corrosion & Abrasion resistance, light weight, flexibility, easy to bend and transport, long service life, and high impact strength.</p>	<ul style="list-style-type: none"> ● Raw and Portable Water Pipe ● Drainage and Sewage Pipe ● Electrical and Phone Cables Conduit ● Submarine Pipe ● Repair Pipe (relining) ● Mining <p>Generally, HDPE pipe can be divided into categories based on usage and the size of the pipe below;</p> <ul style="list-style-type: none"> ● 16-110 mm outside diameter pipes used for drinking water pipes and sewage for small size of projects. ● 110-315 mm outside diameter pipes used in village and industrial estate as main pipeline for water transport and drainage. ● 110-200 mm diameter pipes of size are commonly used as electrical and phone conduit. ● 315-1600 mm outside diameter pipes used as main pipeline for water transport and drainage.

Products & Services	Qualification	Usability
<p data-bbox="201 272 663 302">(2) Structured Wall HDPE pipe (Weholite)</p>   	<p data-bbox="785 272 1373 1203">Structured Wall or double layer HDPE Weholite pipe is made from High Density Polyethylene (HDPE) resin. The HDPE resin selected by the Company passes the high-quality control according to the International Standards. It makes the Company's HDPE pipe superior to other types of pipes. The Weholite HDPE pipe's weight is also 2-10 times lighter than other types with service life more than 50 years; likewise, the cost of installation and demolition for repair is also lower than other types of pipes. Weholite HDPE pipe is well designed and provides all technical advantages of equivalent polyethylene solid wall pipes but with substantial saving in weight combining greater ease of installation and transportation with increased cost effectiveness. Additionally, Weholite HDPE pipe has low friction loss and can transport more quantity of water compared to other pipes with the same diameter. Weholite HDPE pipe can be produced in many colors according to the customers' requirement. Length per pipe 6-15M. is available.</p> <p data-bbox="785 1224 1163 1253">Internal diameter 300 mm - 3500 mm.</p>	<ul data-bbox="1394 272 1730 695" style="list-style-type: none"> ● Drainage pipe ● Sewage pipe ● Intake & Outfall pipe ● Culvert pipe ● Manhole ● Ventilation pipe ● Relining pipe ● Combined Sewage Overflow

Products & Services	Qualification	Usability
<p>(3) HDPE pipe from High Quality Upgraded Materials (W-EQ PIPE)</p> 	<p>High-density polyethylene pipe from quality-upgraded renewable materials or W-EQ PE pipe, was co-developed by the National Metal and Materials Technology Center, National Science and Technology Development Agency (MTEC), approval number 02010031. W-EQ PE pipe is made from a High-Quality Rework Compound, HQ-RC which uses rework from its pipe production and brings it back to use as much as possible to promote the maximum use of materials according to the circular economy principles.</p>	<ul style="list-style-type: none"> ● Water pipelines for agriculture ● Pipes for industrial plants ● Wastewater collection pipes ● Conduit and cables. ● Fire extinguishing system pipes which must bear high pressure. ● High pressure water pipes ● Drain pipes for landfill waste systems. ● Biogas pipeline
<p>(4) HDPE water tank (WehoTank)</p> 	<p>WehoTank is the development of Structured Wall or double layer HDPE Weholite pipe which is also made from High Density Polyethylene (HDPE) and high standard resin. WehoTank is high quality, clean, and leakproof double layer water tank. WehoTank is also easy to be installed in both on ground and underground, non-toxicity, corrosion resistance, and has long service life for more than 50 years. It is one of a best and cost effective of investments. WehoTank's tank wall is special designed and suitable for water management in the community and industry and best fit for water collection as Rainwater Tank, Sewage Tank, Waste Water treatment Tank, and Bio-Gas Tank.</p>	<ul style="list-style-type: none"> ● Water Storage Tank ● Rainwater Collection Tanks (Rain Storm) ● Wastewater Treatment Tank (CSO) ● Septic Tank ● Retention Tank ● Chemical Storage Tank ● Bio-Gas Tank or Scrubber Tank). ● Pontoon & Boat lift

Products & Services	Qualification	Usability
<p>(5) Phone Cable and Cable Conduit (W-HQ CONDUIT)</p> 	<p>W-HQ CONDUIT is produced from High Density Polyethylene (HDPE) resin. The HDPE resin selected by the Company passes the high-quality control according to the International Standards. It can be assured that it is a high-quality HDPE pipe with the high Mechanical properties and great physics. It is suitable for underground pipes usage and can be used as an insulating and protective sheath for covering cables, telephone lines and cables Fiber Optic.</p>	<p>High Density Polyethylene pipe for Phone Cable and Cable Conduit.</p>
<p>(6) HDPE Pipe Welding Service; inclusive of pipeline installation service</p> 	<p>There are many ways to install HDPE pipe, such as welding or connecting by using fittings; however, Butt Fusion Welding is widely used nowadays.</p>	<p>Connecting HDPE Pipe by using Butt Fusion systems is widely used and well known. The welding process is to create heat at both ends of HDPE pipe and melt them with the suitable level of pressure. Quality at welding part totally depends on welding machine, welding factors and experienced welders.</p>

(1.2) Market and Competition**(1.2.1) Marketing****Products and Services Strategies**

WIik Public Company Limited, we are manufacturer and distributor of PE pipe and pipe fitting under Weholite Spiro and WehoTank brand. We produce the largest PE pipe in this region. Our Weholite Spiro and Wehotank has a diameter of 3,500 mm. Our products and services is international world class quality. We had over 30 years' experience in manufacturing and our staffs are competent in engineering and fully technical support to customers.

The Company has a policy to implement international production quality, comply and certified under ISO 9001: 2008, ISO 14001: 2004 for the manufacture of PE pipes and pipe fittings. Our Products produce under standard Production procedure according to customer requirements such as ISO 982-2556, ISO 4427-2, ASTM D3035, DIN 8074, ASTM F714, AS / NZS 4130 and EN 12201-2 and concentrate on quality control products procedure. Starting from the selection and inspection of resin. In order to obtain the high-quality polyethylene raw material in the production process. Quality control in the manufacturing process (In Process Quality Control) until inspection before delivery to customer (Final Inspection) using standardized tests are internationally recognized. Ensure that your products and services are of the highest quality. Throughout the period of use.

In addition, we are flexible to comprehensive range of customer requirements level from less complicated tasks which the competition is high to the job requires expertise. And high technology engineering which the competition is not very high, such as the pipe under the sea, sewer drains into the sea for a power plant and large petrochemical industries.

Price Strategies

The company had to competing with cheap priced products from low quality HDPE pipes in Thailand. Some manufacturers used low quality raw materials to produce cheap price products to fight against us to present their products in public and private projects.

The company insist to our policy of excellence quality. To ensure the confidence and safety in term of use is important. We also environmental care in term of the quality of life for Thai people in Thailand. The company has no plans to produce low-quality goods to compete with existing products in the market, the company will provide pricing flexibility (Flexible prices) to increase orders and production capabilities. Full capacity utilization for we are able to reduce production cost per unit.

In addition, each year the R&D department will develop HDPE pipes and fittings from normal standard type to special type which is suitable for each type of use. It also increases the potential to compete with competitors in the same industry and increase the opportunity to sell to replace other materials such as steel pipe, concrete pipe, and GRP pipe.

Place Strategies

The company will follow the news of the tender for construction. Water Supply System through media such as internet, newspapers and publicity. It specifies the basic properties of the project. In order to know the information of the contractors participating in the above projects, our sales department will contact all the patriciate's contractors to offer our products and services, emphasizing the feasible will get the contract. Mostly we will sell our products and services to government contractors who winning bid project for Metropolitan Waterworks Authority (MWA), the Provincial Waterworks Authority (PWA), and various local authorities.

Promotion Strategies

HDPE pipe is High Density Polyethylene pipe it was proven in global project that it has excellent properties and can be used for a long time and it's difficult to find replacement products. However, the company still has competition in terms of cheap price and low-quality HDPE pipes from Thai supplier. Some manufacturers use low-quality raw materials to produce pipes and fittings to offer their products in public and private projects. The use of low-quality HDPE pipes has affected the confidence of the company's high quality HDPE pipes, such as: (1) Leakage of pipes; Affect inconvenient and unsafe to use water to consume (2) The engineering/maintenance department responsible for and the extended network of water supply had to spend a lot of budgets to repair damaged pipe. It is not good investing to use low quality pipe and short hose life. (3) High quality standard HDPE pipe manufacturer impact by unfair price competition. To avoid from the said problem. The Company has organized activities to communicate with customers in the private sector and government agencies by providing knowledge events. To educate the customer to decide to buy high quality products which it's worth the investment in every project.

In addition, the Company has a marketing and PR strategy concentrate on high quality standards. Efficient work system to make our customer satisfied. We focus to providing good service for after sales service to establish good relationship with our customers. In addition, the Company has focused on expanding its customer base to cover a wider range of businesses. According to expanding business base policy we will expanding to high level environmental engineering management, which include customers in the business sector and good growth potential such as the energy sector and industrial estates sector.

(1.2.2) Target Group

(A) The Following Government Agencies for the projects of raw and portable water pipe, phone cable and electrical cable conduit, sewage pipe installation, wastewater and Septic Tanks;

- Provincial Waterworks Authority
- Provincial Electricity Authority
- Royal Irrigation Department
- Metropolitan Electricity Authority
- Electricity Generating Authority of Thailand
- Land development Department

- Telephone Organization of Thailand
 - Department of Water Resources
 - Communications Authority of Thailand
 - Metropolitan Waterworks Authority
 - Department of Local Administration
 - Ministry of Public Health
- (B) Private Sectors for the projects of raw water & Portable water pipes, sewage, fire water pipe, Water Tank, and Water treatment tank;
- Factory and Industrial Estate
 - Residential
 - Airport & Stadium
 - Retailers
- (C) Specific Group of Business that requires;
- The Horizontal Directional Drilling of HDPE pipe.
 - Pipe Relining.
 - Perforated pipe for underground drainage.
 - Reserve water systems for private groups.
 - The Submarine.
- (D) International Markets such as Philippines, Vietnam, Cambodia, Laos, India, Indonesia, and Myanmar. The target groups are big construction companies who have foreign fund, Both Government and Private Sectors that have the projects of water allocation and water treatment; including the mining.
- (E) Wholesale markets and Dealers for the following projects
- Water pipe inside the plant
 - Sewage pipeline projects in villages, Industrial Estates and factories.
 - Water Tank and Water Treatment Tank.

(1.2.3) Competition within the Industry

Enhancing the quality and standard of Public Utilities; especially the metropolitan waterworks, is important and directly affects the quality of life of people in the country. All concerned parties shall sincerely cooperate for this enhancement.

Thailand has developed the waterworks systems steadily; especially the enhancement of water pipe quality by changing the iron-cast steel pipe to HDPE pipe which is widely used in developed countries. Countries in Europe, for instance, has been using HDPE pipe in their waterworks for more than 50 years. Corrosion problem in iron-steel pipe is solved and cleaned & safe water are transported throughout the plumbing system. HDPE pipe is worth the investment since it is easy to install, saves pipeline installation time and has long service life.

Thailand faced the several obstacles in using HDPE pipe; especially the quality of HDPE Pipe. Some of contractors tend to use low quality of HDPE pipe in order to minimize the cost. The low price is the main reason for them to use HDPE pipe made from recycle material. As a result, many of the problems occur such as;

- Pipe leaks or cracks which creates the inconvenience and unsafe water for all users.
- The agency who is responsible for the production and expansion of the water supply would spend an extra time and cost to repair the damaged pipe. It is not worth it to invest on the short service life pipe.
- HDPE pipe manufacturer who is producing high quality of HDPE pipe according to quality standards is facing unfair price competition.

WIIC Public Co., Ltd. is emphasizing on its quality of HDPE pipe and provides the clients the confidence in using its products. This idea also increases the quality of life of people in Thailand.

There is growth from the growth of public utility in ASEAN countries; such as Vietnam, Myanmar, Laos, Indonesia, Philippines, and India.

In addition, the company has been developing the pipeline system and water storage systems (Wehotank), a tank for storing water, sewage, chemicals and gas. The Company is increasing sales with existing clients and continuously seeking for new clients.

Type of product competition

Usage	Outside diameter	Competitive products
1. Water pipe in household.	Approximately 16-63 mm.	<ul style="list-style-type: none"> ● PPR pipe ● PVC pipe ● PB pipe
2. Small sizes of pipe for water transport or sewage in household or small projects.	Approximately 16-110 mm.	<ul style="list-style-type: none"> ● AC pipe ● PVC pipe ● PB pipe ● W-HQ Pipe

Usage	Outside diameter	Competitive products
3. Medium size of main distribution pipeline or sewage in village or industrial estate.	Approximately 110-315 mm.	<ul style="list-style-type: none"> ● PVC pipe ● Weholite ● Double wall pipe ● W-HQ Pipe ● AC pipe ● Reinforced concrete pipe
4. Main Pipeline for water transport.	Approximately 315-1,600 mm.	<ul style="list-style-type: none"> ● Mild Steel pipe ● PVC pipe ● GRP pipe ● W-HQ Pipe ● AC pipe
5. Big size of pipe for portable and raw water, sewage in industrial estate or community.	Approximately 315-3,500 mm.	<ul style="list-style-type: none"> ● Steel Pipe ● Reinforced concrete pipe ● Glass Reinforce Fiber Pipe (GRP) ● W-HQ Pipe ● Weholite
6. Phone or Electrical Cables conduit.	Approximately 32-200 mm.	<ul style="list-style-type: none"> ● PVC pipe ● FRP pipe ● Double wall pipe ● W-HQ Conduit
7. Big size of water tank for factory, industrial estate or household.	Approximately 10-120 cubic meters.	<ul style="list-style-type: none"> ● Fiberglass tank ● Steel tank ● HDPE WehoTank ● Reinforced concrete tank ● Stainless steel tank

(1.3) Procurement of Products or Services

(1.3.1) Manufacturing

The Company factory is located at 7/214 Moo 6 Amata City (Rayong) District Mabyangporn Daeng district, Rayong 21140. The Company has setup both the short-term and long-term plan by analyzing market conditions and its competition. Also evaluating the volume of outstanding orders. The Company is planning on studying the annual investment plans for next following years as well.

Production capacity and utilization

Production		2023				2022				2021			
		Production capacity	Actual production volume	Utilization rate (%)	Production volume increase (%)	Production capacity	Actual production volume	Utilization rate (%)	Production volume increase (%)	Production capacity	Actual production volume	Utilization rate (%)	Production volume increase (%)
SOLID WALL PIPE	(ton)	27,900.00	12,461.14	44.66	(17.89)	27,900.00	15,176.26	54.40	(5.17)	27,900.00	16,004.47	57.36	(11.08)
WEHOLITE PIPE	(ton)	4,030.00	761.84	18.90	254.43	4,030.00	214.95	5.33	(73.51)	4,030.00	811.41	20.13	9.90
HDPE BEND	(piece)	6,900.00	2,421.00	35.09	(10.86)	6,900.00	2,716.00	39.36	(54.10)	6,900.00	5,917.00	85.75	24.70
HDPE TEE	(piece)	3,600.00	1,210.00	33.61	(28.78)	3,600.00	1,699.00	47.19	(16.43)	3,600.00	2,033.00	56.47	(8.05)
STUBEND	(piece)	18,000.00	8,373.00	46.52	56.56	18,000.00	5,348.00	29.71	(45.22)	18,000.00	9,762.00	54.23	(40.18)
REDUCER	(piece)	2,200.00	571.00	25.95	5.16	2,200.00	543.00	24.68	(47.33)	2,200.00	1,031.00	46.86	34.77
WEHOTANK	(tank)	96.00	65.00	67.71	441.67	96.00	12.00	12.50	(76.92)	96.00	52.00	54.17	15.56
SPECIAL FITTINGS	(piece)	15,000.00	7,271.00	48.47	113.66	15,000.00	3,403.00	22.69	(22.06)	15,000.00	4,366.00	29.11	(56.20)

(1.3.2) Procurement of Raw Material

The main raw material used to produce HDPE pipes is HDPE resin from both domestic and import markets. HDPE resin is by-product from Oil industry which Thailand mostly imports from other countries. There are 3 resin manufacturers around Rayong Province area, IRPC Public Company Limited, SCG Performance Chemical Co., Ltd. (SCG), and PTT Polymer Marketing Co., Ltd. (PTT). In 2023, a 97.16% of total HDPE resin used by the Company to produce HDPE Pipe is coming from domestic source.

In terms of price effectiveness, the shortage of raw material, price changing of world oil price, and the change of foreign exchange rates are major factors that impact the price of HDPE resin.

(1.3.3) Environmental impact

WIik Public Company Limited cares about environment and has set up the high standard of waste management from the production as follows;



- To manage the waste that can be re-used. The waste from the production of pipes and fittings is called Rework which will go through the recycling process and will be produced as recycled resin to be re-used. The Company will use recycled resin at the suitable ratio and that is recycled by the Company only.
- To manage the waste that cannot be re-used. The waste that cannot be re-used in the production process; such as sawdust; will be sold as low-grade resin.
- Waste from packaging and other equipment will be sold to the Industrial Waste Treatment and Disposal company who is approved and controlled by Department of Industrial Works.
- To conduct the suitable and effective wastes handling training to all staff so that they can understand the management of both hazardous and non-hazardous industrial waste.
- To continuously encourage all staff to reduce waste.


(2) Group of Polyvinyl Chloride (PVC) / Polypropylene (PP-R) Pipes and Fittings Business

(2.1) Products and Services

WIJK Public Company Limited operates as a distributor of plastic pipes and fittings made from high-quality Polyvinyl Chloride (PVC), and Polypropylene Random Copolymer (PP-R) LESSO brand, which is one of the largest manufacturers in the world, produced by modern machines and control the production with the whole system of robots. Pipes and fittings can use in a variety of applications, such as water pipes, sewers, electrical conduits, telephone conduits. Currently, PVC products range in size from 18-200 millimeters and products (PP-R) are in sizes from 16-160 millimeters.

Products and Services in group of PVC / PP-R Pipes and Fittings Business

Products	Qualification	Usage
<p>(1) LESSO PVC Pipes and Fittings</p>  	<p>LESSO PVC pipes are made from Polyvinyl Chloride (PVC), which is a long-time popular product because of the lower price compared with other types of products. It is easy to install by using solvent cement, no special tools are required. It has been used widely, by both government agencies and the private sector, use in water supply pipes, sewer pipes, electrical conduits, and telephone conduit. PVC pipe qualifications are resistant to pressure and pressure, resistant to acid and alkali conditions, no rust, no leak, no brittle, safe from toxins, and insulating.</p>	<ul style="list-style-type: none"> ● Water supply pipes ● Sewer pipes ● Water pipes in agriculture work ● Electrical conduit / Telephone conduit

Products	Qualification	Usage
(2) LESSO PP-R Pipes and Fittings 	<p>LESSO PP-R pipe is made from Polypropylene Random Copolymer, which is currently popular for use in clean water systems. PP-R pipe installed by heating that the pipes and fittings will be melted homogeneously. It can use immediately after cooling down and withstand heat up to 95 Celsius degrees. At present, PP-R pipe is widely used in clean water systems such as residential houses, high-rise buildings, factories, both cold and hot water.</p>	<ul style="list-style-type: none"> ● Clean water system work in residential ● Clean water system work in high rise building ● Coldwater pipe system work for high-rise buildings, factories

(2.2) Marketing and Competition

(2.2.1) Marketing

Product Strategy

WIik Public Company Limited saw the opportunity to sell products to increase the choice of customers. China Lesso Group Holding Limited is one of the world's largest manufacturers of pipes and fittings with high standards. There are production and distribution bases in many countries such as Asia, America, and the Middle East. For Thailand, PVC products are produced according to TIS 17-2532 standards and it is in the process of applying for a standard TIS 17-2561 license soon. Besides, it is also ISO9001, ISO14001, OHSAS1800I certified. PPR products are produced according to the following standards: DIN8077, DIN8078, GB/T 18742-2, EN ISO 15874-2, BS EN ISO 15874-2, NSF/ANSI/CAN61, NSF/ANSI N372.

(2.2.2) Marketing and Competition

At present, the market, especially in the PVC group very competitive in terms of price and low product quality. The company has no policy to sell low-quality products for competition. The company brings quality products from Lesso to sell to increase the choice for customers to use good quality products, durable, can use for a long time, and worth with the money paid.

(2.2.3) Target group

Private customers

- Housing estate
- Water supply in agriculture
- Dealer stores across the country

(2.2.4) Procurement of products

The Company imports products from China Lesso Group Holding Limited, China and the Company plans to set up a production base in Thailand at Amata City Industrial Estate, Rayong Province. On 23 February 2024, the Board of Directors approved to postpone the investment plan for constructing the PVC pipe factory with a total investment of 704.16 million Baht. The change was to install a new PVC pipe and PP-R pipe production line in the existing building with a total investment of 40.35 million Baht, which is expected to help increase income competitiveness and market share in Thailand and abroad for the WIIC group.

(3) Group of Water management business**(3.1) Products and Services**




WIIC Water Company Limited (the Subsidiary) operates water management business essentially such as designs, contract manufacturing, concession, and distribution of fully integrated clean water production system and wastewater treatment system with modern technology and standards as follows.






- **Water supply system from surface water.** the Subsidiary specializes in water management, so the surface water system that the Subsidiary uses, will be designed to suit the needs of Customers. Design and construction will take into account the amount of water demand and raw water quality. Tap water produced by ultra-filtration technology (UF), will have quality as standard defined. The Subsidiary has designed the station both permanently installed and movable station types.
- **Water supply system from brackish water.** the Subsidiary introduced the technology of water production from brackish water by UF and RO type which is the largest water supply station from brackish water in Thailand at Wellgrow Industrial Estate.
- **Recycled Water.** the Subsidiary can design, construct and manage recycled water system by using water from households and industry through a highly efficient recycling system until water has the quality and safety according to the customer requirements.
- **Wastewater treatment system.** the Subsidiary uses modern wastewater treatment technology such as physical wastewater treatment, chemical wastewater treatment, and biological wastewater treatment including using of membrane technology in wastewater treatment. The Subsidiary can design system and fully integrated construction suitable for all requirements.




The Subsidiary and indirect subsidiary currently operates the water supply system for 5 Industrial Estate / Government Agencies such as;

- (1) Siam Eastern Industrial Park Mabyangporn Sub-district, Pluakdaeng District, Rayong Province.
- (2) Wellgrow Industrial Estate Homsil Sub-district, Bangpakong District, Chachoengsao Province.
- (3) Patong Municipality, Kathu District, Phuket Province.
- (4) Thai Namsiri Intertex Company Limited, Wellgrow Industrial Estate, Bangsamak Sub-district, Bangpakong District, Chachoengsao Province.
- (5) Chumnumsup industrial area, Khlongnueng Sub-district, Khlongluang District Pathumthani Province.
- (6) Kamala Subdistrict Administrative Organization, Kathu District.

Products and Services in group of Water management business

Customers	Products and Services	System
<p>(1) Siam Eastern Industrial Park Co., Ltd.</p> <p>Siam Eastern Industrial Park, Mabyangporn Sub-district, Pluakdaeng District, Rayong Province.</p>   	<p>Produce and supply of tap water with minimum volume of 12,000 cubic meters per day for 20 years period.</p> <p>BOOT contract (Build, Own, Operate & Transfer)</p> <p><u>Commercial Operation Date</u></p> <p>1 June 2016</p>	<p>SRC: Auto Screen Filter</p> <p>UF: Ultrafiltration</p> <p>Potable Water Plant</p> <p>Capacity: 14,000 m3/Day</p>

Customers	Products and Services	System
<p>(2) Wellgrow Industries Co., Ltd.</p> <p>Wellgrow Industrial Estate Homsil Sub-district, Bangpakong District, Chachoengsao Province.</p>     	<p>Tap water production services with minimum volume of 17,500 cubic meters per day for 20 years period.</p> <p>BOO contract (Build Own & Operate)</p> <p>On 1 October 2018, the minimum volume of water was revised to 17,000 cubic meters per day.</p> <p>On 21 July 2020, the minimum volume of water was revised to 10,500 cubic meters per day and increase the selling price per cubic meters.</p> <p><u>Commercial Operation Date</u></p> <p>5 June 2017</p> <p>This project has been approved for promotion in category 7.1.2, water supply business, industrial water or steam and provided the benefits under the Investment Promotion Act BE 2520 from the Board of Investment of Thailand (BOI) on 19 June 2017.</p>	<p>SRC: Auto Screen Filter</p> <p>UF: Ultrafiltration</p> <p>RO: Reverse Osmosis</p> <p>Brackish Water Treatment Plant</p> <p>Capacity: 1,200 m3/Hr.</p>

Customers	Products and Services	System
<p>(3) Patong Municipality Kathu District, Phuket Province</p> 	<p>The agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province dated 16 July 2012, period of 30 years.</p>	<p>UF: Ultrafiltration RO: Reverse Osmosis Capacity: 12,250 m3/day</p>
<p>(4) Thai Namsiri Intertex Company Limited Wellgrow Industrial Estate, Bangsamak Sub-district, Bangpakong District, Chachoengsao Province.</p> 	<p>Produce and supply of tap water with minimum volume of 475 cubic meters per day for 10 years period. BOOT contract (Build, Own, Operate & Transfer) <u>Commercial Operation Date</u> 1 August 2020</p>	<p>Membrane Bio Reactor (MBR) Capacity: 500 m3/day</p>
<p>(5) Navanakorn Asset Company Limited Chumnumsup industrial area, Khlongnueng Sub-district, Khlongluang District Pathumthani Province.</p> 	<p>Tap water production services with minimum volume of 10,500 cubic meters per day for 23 years period. (BOT : Build, Operate and Transfer) <u>Commercial Operation Date</u> 1 May 2021</p>	<p>UF: Ultrafiltration Capacity: 14,000 m3/day</p>

Customers	Products and Services	System
<p>(6) Kamala Subdistrict Administrative Organization</p> <p>Kathu District, Phuket Province</p> 	<p>Contract to operate waterworks in the Kamala Subdistrict Administrative Organization area, Phuket Province through Southern Consultants & Construction Company Limited (“SC&C”), a Waterworks business licensee for 30 years.</p> <p><u>Commercial Operation Date</u></p> <p>-Not started yet-</p>	<p>UF: Ultrafiltration</p> <p>Capacity: 4,000 m3/day</p>

(3.2) Market and Competition

(3.2.1) Target Group

(A) Several government agencies are also demanding clean safe water for consumption including wastewater treatment system in communities and various government offices such as;

- Provincial Waterworks Authority / Metropolitan Waterworks Authority
- Department of Health, Ministry of Public Health
- Department of National Parks, Wildlife and Plant Conservation
- Industrial Estate Authority of Thailand
- Local governments
- Universities
- Hospital

(B) Private customer group also demand water for consumption to increase productivity and reduce the cost of tap water production by itself or replace the existing water supply system, high maintenance cost, some parts buy water from Provincial Waterworks Authority including environmental protection also needs to design new wastewater treatment systems or replacement of old, such as;

- Private Industrial Estate
- Industrial Factory
- Private sector

(3.2.2) Competition within the Industry

The upgrading of tap water quality standards for consumption of WHO, Metropolitan Waterworks Authority, Provincial Waterworks Authority, and Private Waterworks, have a public relation about sickness that come with water and promote on the use of water both public and private sector. This is a great opportunity for Wiik Water Company Limited in the design and import the product for production system of clean water without germs by ultra-filtration (UF) technology with ultra-filter resolution (0.02 micron) which can eliminate turbidity or floating particles, germs and reduce color, smell. The water produced can be used as tap water for consumption. WW's tap water is clearer than the highest standards of the generally waterworks authority. WW's ultra-filtration (UF) technology is designed for automatic control. Turn on/off the system with one button. Easy maintenance. No need to use knowledge or expertise in the water supply system. Low maintenance cost. Use installation space less than former production systems. Save investment budget and construction time. WW has designed both permanent installation and movable types.

Most of competitors in the same market are still using the former system (Sediment separation and/or sand filter) which cannot eliminate or filter germs and the system requires many chemicals to produce, so there may be contamination of chemicals during production and may cause the minerals from the raw water to change. Many chemicals are difficult to control and requires highly skilled and high cost of production per unit including maintenance. WW's clean water production design has no chemicals use in raw water (According to raw water standards to produce tap water), thereby reducing the chance of encountering pesticide residues or contaminants that may cause various diseases such as cancer, Alzheimer's, etc, including economical, clean and safe according to international standards.

Therefore, WW has been trusted by the owners of large-scale industrial estate to supervise water supply system for industrial estates by adopting the technology of WW to produce tap water replace the existing system, such as.

- Siam Eastern Industrial Park, Rayong Province, production and distribution tap water with a minimum volume of 12,000 cubic meters per day for a period of 20 years.
- Wellgrow Industrial Estate, Chachoengsao Province, tap water supply contract with a minimum volume of 10,500 cubic meters per day for a period of 20 years.
- Patong Municipality, Kathu District, Phuket Province with the agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province (client) dated 16 July 2012, period of 30 years.
- Thai Namsiri Intertex Company Limited, Wellgrow Industrial Estate, Bangsamak Sub-district, Bangpakong District, Chachoengsao Province, to produce and supply of tap water with minimum volume of 475 cubic meters per day for 10 years period.
- Chumnumsup industrial area, Khlongnueng Sub-district, Khlongluang District Pathumthani Province, Tap water production services with minimum volume of 10,500 cubic meters per day for 23 years period.
- Kamala Subdistrict Administrative Organization, Kathu District, Phuket Province. Contract to operate waterworks in the Kamala Subdistrict Administrative Organization area, Phuket Province through Southern Consultants & Construction Company Limited (“SC&C”), a Waterworks business licensee for 30 years.

(3.3) Procurement of Products or Services

In the past year, WW has ordered the clean water production systems in domestic through a distributor.

Production

WW will produce according to the purchase order of each project together with planning and design of water production system and complete the construction for the owner of project by ordering through the domestic distributor. Therefore, WW will not order or produce in advance that will be outstanding inventories. This will reduce burden on the WW.

Procurement of raw materials

Most of raw materials used in production will purchase or production order through the domestic distributor according to the design of each project until completed. Therefore, WW has no outstanding inventories.

Services

The WW is responsible for customer care and products together with after sales service.

Environmental impact

Under the concept “*Clean water quality, without germs, and environmentally friendly*”, so the WW has a focus and attention to the environment, conservation of natural resources, and responsibility to the community, society and stakeholder groups to maintain equilibrium that will lead to sustainable development of the country. The WW has designed the modern technology products to produce clean water and do not use chemicals during production.

The WW has environmental impact management that resulting from activities in the operation. All practical work realizes the maximum responsibility according to the environmental management system ISO 14001. The business operations of WW will not affect the environment or minimal.

(4) Business assets

(4.1) Main fixed assets

As of 31 December 2023, the main fixed assets used by the Company and its subsidiaries to operate business, the details are as follows;

Asset characteristics	Ownership	Value (million Baht)	Obligation
1. Land and land improvements			
<ul style="list-style-type: none"> Land at the factory location, area 83-2-33.3 rai, located at 7/214 Moo 6, Amata City Industrial Estate, Mapyangphon Subdistrict, Pluakdaeng District, Rayong Province. 	WIIC	357.26	<p>The land has an original cost of 135.13 million Baht and a surplus from land revaluation of 222.13 million Baht.</p> <p>The land area of 83-33-3.1 rai is mortgaged with 2 banks to guarantee credit facilities.</p>
<ul style="list-style-type: none"> Land area 1-3-29.2 rai, land number 238, located in Kamala Subdistrict, Kathu District, Phuket Province. 	SC&C	18.39	
<ul style="list-style-type: none"> Land improvement in Amata City Industrial Estate 	WIIC	0.65	
2. Building construction and decoration			
<ul style="list-style-type: none"> Building in Amata City Rayong Factory 	WIIC	90.72	The building is mortgaged with a bank to secure the credit facilities.
<ul style="list-style-type: none"> Building in Wellgrow Industrial Estate 	WW	6.81	
<ul style="list-style-type: none"> Building in WIIC PT Factory 	WPT	23.99	
<ul style="list-style-type: none"> Factory improvement 	WIIC	4.28	
	WW	0.65	
	WPT	0.43	
<ul style="list-style-type: none"> Office improvement 	WW	0.05	
<ul style="list-style-type: none"> Furnishings, installations and office equipment 	WIIC	4.16	
	WW	0.70	
	WPT	0.07	
	SC&C	0.29	
3. Machinery and equipment			
	WIIC	186.80	Some machines are mortgaged with a bank to secure the credit facilities.
	WW	150.28	
	WPT	173.96	

Asset characteristics	Ownership	Value (million Baht)	Obligation
4. Vehicles	WIIC	4.42	
5. Assets under installation	WIIC	3.86	
	WW	1.31	
	SC&C	123.61	
6. Building under construction	WIIC	5.14	

(4.2) Significant intangible assets

As of 31 December 2023, significant intangible assets in business operations, the details are as follows.

Asset characteristics	Ownership	Value (million Baht)	Obligation
1. Computer software	WIIC	6.82	
	WW	0.02	
2. Royalty fee for using HDPE equipment, Provincial Waterworks Authority	WIIC	0.71	
3. Product certificate fee	WIIC	0.30	
4. The right to operate the water supply system	WW	68.29	<ul style="list-style-type: none"> ● The trading volume must not be less than 12,000 cu.m. ● Transfer the right to receive money to a bank to guarantee credit line.
5. Customer list royalties	WW	12.26	
6. Management rights for Water supply plant with ultrafiltration system and reverse osmosis	WW	30.71	
7. Leasehold	WPT	10.64	
8. Right for operating	WW	22.06	
9. Innovation patent	WIIC	1.64	

(4.3) Investment Policy in Subsidiaries and Associated Companies

The Company has a policy to invest in related businesses and support the Company's core business to grow steadily in the future. The company will send representatives to join as directors in that company, to jointly formulate policies in business operations and controlling the financial policy and operations of subsidiaries closely.

As of 31 December 2023, the Company has 3 subsidiaries as follows:

- (1) WIJK Water Company Limited (“WW” or “Subsidiary”), operates water management business such as design, contract manufacturing, concession and distribution of clean water production system, comprehensive wastewater treatment system with modern technology and standardized. The Company holds 82.69% of registered and paid-up capital.
- (2) WIJK PT Company Limited (“WPT” or “Indirect Subsidiary”), operates the business of producing tap water by ultrafiltration system and Reverse Osmosis by WIJK Water Company Limited holding 100% of registered and paid-up capital.
- (3) Southern Consultants and Construction Company Limited (“SC&C” or “Indirect Subsidiary”), trading in drinking water, mineral water, raw water, tap water by WIJK Water Company Limited holding 51% of registered and paid-up capital.

As for the investment policy in subsidiaries and associated companies in the future, the Company is still a policy to maintain the shareholding proportion in the said subsidiary. The Company will receive a return on investment in the form of revenue sharing and dividends from its investment in subsidiaries.

(4.4) Asset appraisal

On 15 August 2023, the Company had a land appraisal by CPM Capital Company Limited, an independent appraiser, and record such assets at revised price. The details of the appraisal of the property are as follows:

Assessment Objectives	To record book value
Asset type	Land with buildings (appraised only the part of the land)
Asset location	Within Amata City Rayong Industrial Estate, Chachoengsao-Sattahip Road (Thor Lor.331), Mapyangphon Sub-district, Pluakdaeng District, Rayong Province.
Coordinates	LAT: 12.979790 LONG: 101.110406
Land title document	Two title deeds no. 2027 and 9963 Total land area 83-0-33.3 rai or 33,233.3 square wa
Owner of the land	Title Deed No. 2027, WIJK Public Company Limited Title Deed No. 9963, WIJK Public Company Limited
Mortgage obligations	Title deed no. 2027, mortgage as collateral with Bank of Ayudhya Public Company Limited Title deed no. 9963, mortgage as collateral with Bangkok Bank Public Company Limited
Assessment criteria	To determine market value

Assessment method	Market Approach
Appraised asset value	357,258,000 Baht (Three hundred fifty-seven million, two hundred fifty-eight thousand Baht only)
Assessment date	15 August 2023

(5) Backlog

Backlog of the Company and its subsidiaries as at 31 December 2023.

(Million Baht)	31 Dec 2023	31 Dec 2022	31 Dec 2021
Pipe manufacturing and distribution business group			
▪ Sales	267.80	400.68	495.39
▪ Installation service	66.27	36.52	191.39
Water Management Business Group			
▪ Sale and service of tap water production (Minimum revenue within 1 year)	202.80	166.83	200.79
▪ Installation of a water supply system and construction of a Turnkey water treatment system	36.12	137.19	0.80
Total	572.99	741.22	888.37

1.3 Shareholding Structure of the Group

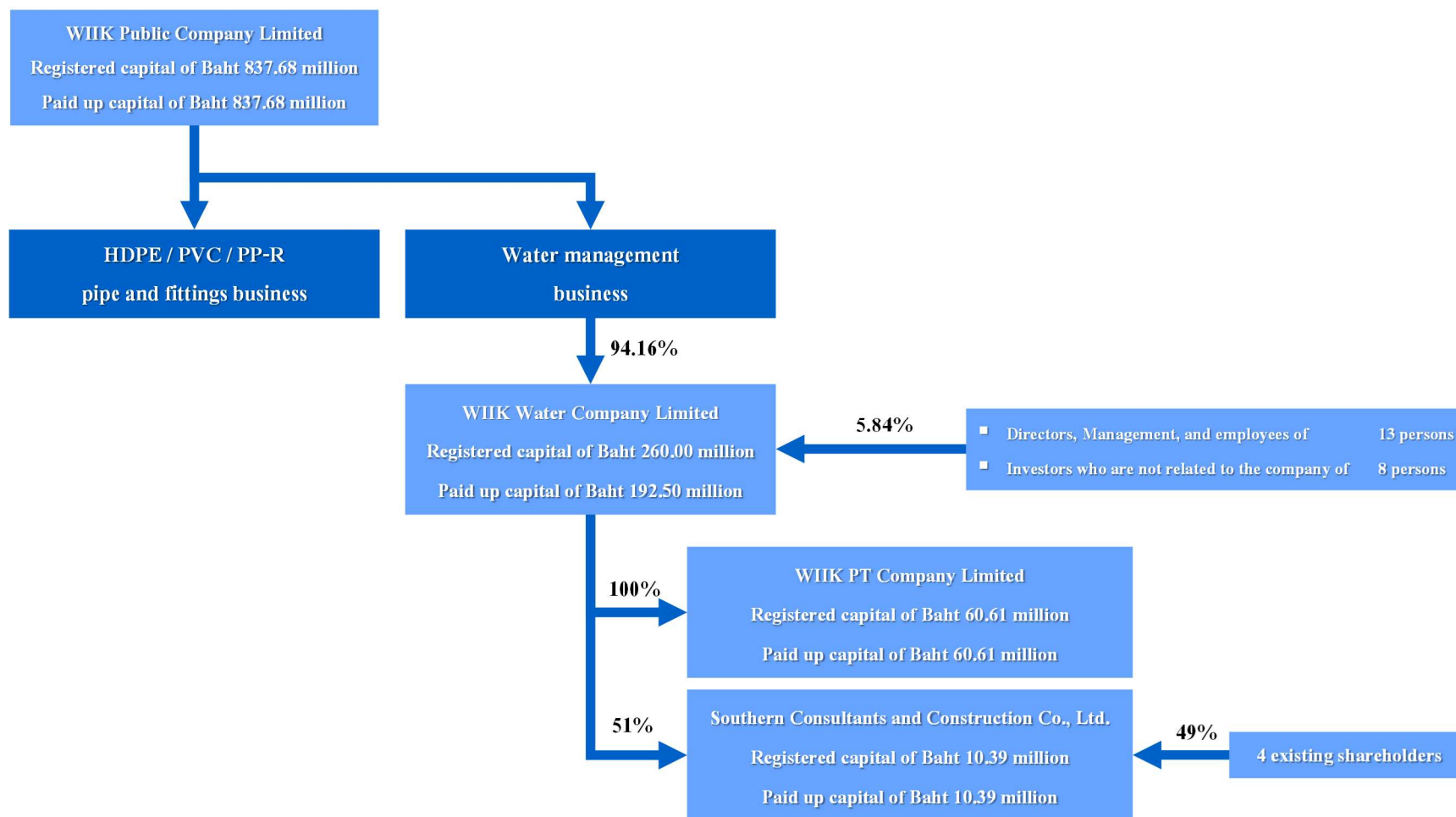
1.3.1 Shareholding Structure of the Group

As of 31 December 2023, the Company operates in 2 business segments:

- (1) Group of HDPE / PVC / PP-R pipe and fittings business
- (2) Group of Water management business which operated by WIik Water Co., Ltd. (WW)

The Group's operations are divided into the following groups:

Shareholding Structure of the WIJK Group as of 31 December 2023



Note: The Company has no persons with conflicts of interest holding over 10% of the shares in subsidiaries.

Details of subsidiaries

(1) WIIC Water Company Limited

❖ Shareholding

WIIC Public Company Limited is a major shareholder in 94.16% shareholding.

❖ Nature of Business

Operates water management business both fully integrated of tap water and wastewater treatment.

❖ Financial Highlights

Million Baht	2023	2022	2021
Total assets	1,064.18	947.66	907.87
Total liabilities	710.56	622.63	606.21
Shareholders' Equity	353.62	325.03	301.66
Debt to equity ratio	2.01	1.92	2.01
Total revenue	295.17	255.33	197.58
Net profit	28.60	20.13	4.95
Earnings per share (Baht)	14.85	10.46	2.61

(2) WIIC PT Company Limited

❖ Shareholding

WIIC Water Company Limited (WW) is a major shareholder in 100% shareholding starting from 4 January 2019.

❖ Nature of Business

Operates tap water production business with ultra-filtration and reverse osmosis systems.

❖ Financial Highlights

Million Baht	2023	2022	2021
Total assets	264.48	279.47	286.38
Total liabilities	243.45	255.78	254.51
Shareholders' Equity	21.03	23.69	31.87
Debt to equity ratio	11.58	10.80	7.99
Total revenue	36.28	18.96	8.54
Net profit	(2.66)	(8.18)	(16.41)
Earnings per share (Baht)	(4.39)	(13.50)	(27.07)

(3) Southern Consultants and Construction Company Limited

❖ Shareholding

WIik Water Company Limited (WW) is a major shareholder in 51% shareholding starting from 10 May 2022.

❖ Nature of Business

Trading in drinking water, mineral water, raw water, tap water.

❖ Financial Highlights

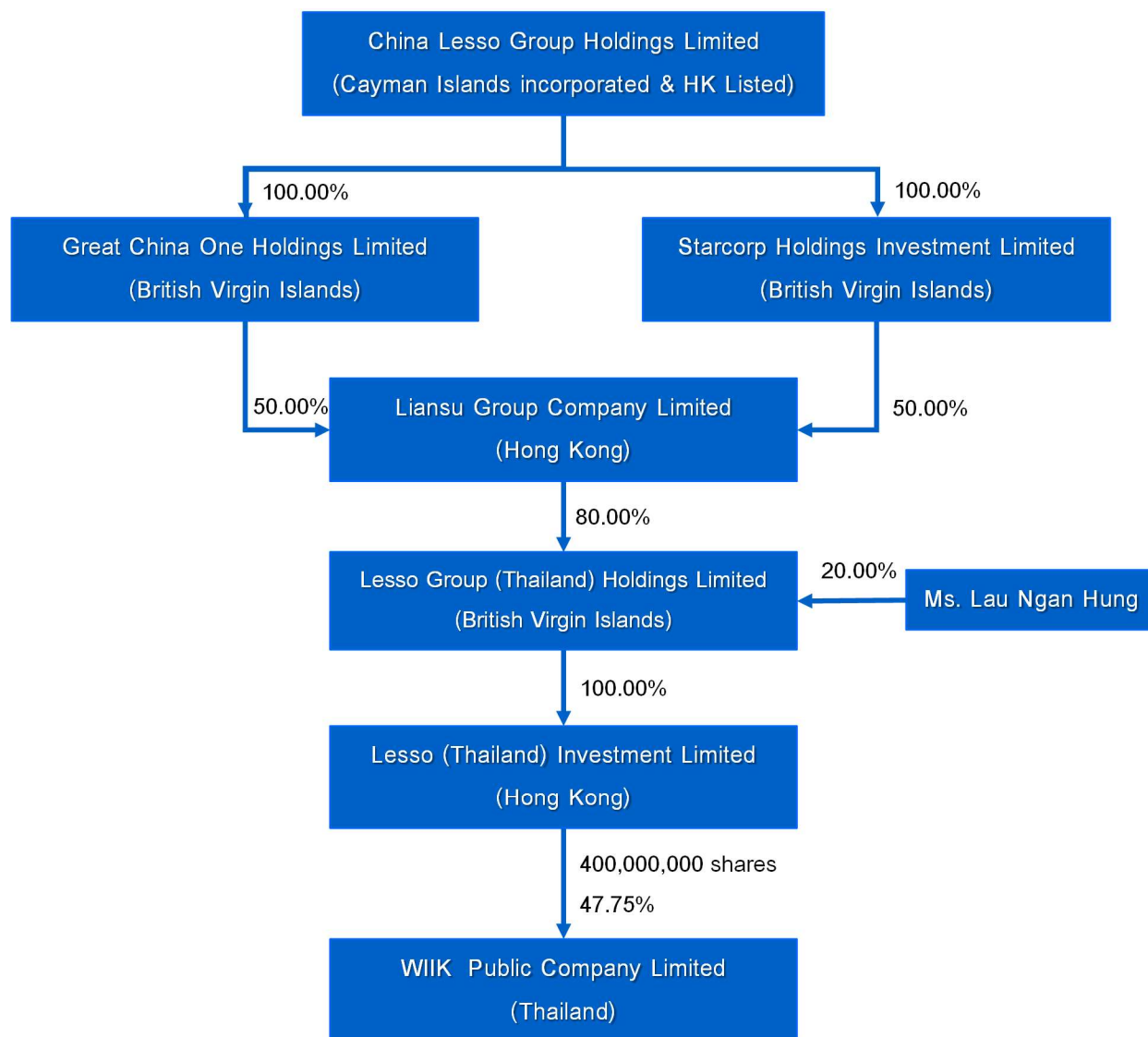
Million Baht	2023	2022	2021
Total assets	177.18	31.69	4.34
Total liabilities	174.78	26.26	1.83
Shareholders' Equity	2.40	5.43	2.51
Debt to equity ratio	72.90	4.83	0.73
Total revenue	0.00	0.10	0.02
Net profit	(3.04)	(1.18)	(2.86)
Earnings per share (Baht)	(29.23)	(11.32)	(53.09)

1.3.3 Relationship with the business group of the major shareholder

As of December 31, 2023, Lesso (Thailand) Investment Limited (“LESSO”) has a relationship with the Company as a major shareholder with a shareholding proportion of 47.75% by sending a representative to take the position of directors and executives in the company. In addition to the fact that LESSO has sent representatives to serve as directors and executives of the company, LESSO does not have any relationship with directors, executives, controlling persons, or other major shareholders of the Company and there is no significant agreement between them.

LESSO and WIik operate in the same line of business which may have related transactions with related companies for example; trading list of products such as pipes and pipe fittings, machine tools, equipment used for production and installation, raw material, operating costs, intercompany borrowing, loan guarantee, and consulting as necessary and appropriate. LESSO may provide technical support services to the Company to support business development, this will be a reasonably related transaction that complies with general business practices by the price is the same as trading with third parties. Related party transaction approval process according to normal business and policies and procedures as same as transactions with third parties or other unrelated parties. It must be considered to maximize the benefits of the company.

Shareholding structure of China Lesso Group Holdings Limited



1.3.4 Shareholders

As at 12 March 2024 the Company has the list of top 10 major shareholders as follows.

No.	Name of Shareholders	Nationality	Number of shares	
			Shares	%
1.	MORGAN STANLEY & CO. INTERNATIONAL PLC*	BRITISH	400,000,000	47.75
2.	Mrs. Sumalee Ongcharit	Thai	81,910,950	9.78
3.	Mr. Palit Chuankajornpong	Thai	37,480,633	4.47
4.	Thai NVDR Co., Ltd.	Thai	23,883,578	2.85
5.	Miss Sasithorn Chotikakowit	Thai	12,249,700	1.46
6.	Mr. Wirote Jiratthitijarn	Thai	9,300,000	1.11
7.	Mrs. Orawan Lekrungruangkit	Thai	7,312,300	0.87
8.	Mr. Nipon Panyalertkitti	Thai	5,356,200	0.64
9.	Mr. Vichian Srimuninnimit	Thai	4,450,000	0.53
10.	Mr. Supirat Samransukrat	Thai	3,900,000	0.47
	Total		585,843,361	69.94

Note * MORGAN STANLEY & CO. INTERNATIONAL PLC is LESSO's stockbroker by securities deposited at THE HONGKONG AND SHANGHAI BANKING CORP., LTD.BKK (Custodian).

Shareholding restriction of foreigner

The Articles of Association, Article 17: Transfer of shares identified that the Company's shares are transferable without restriction and the shares held by foreigners in any one time must be aggregated of not exceeding forty-nine percent (49) of the total number of issued shares. Any transfer of shares that would cause the total shareholding ratio of foreigners of the Company exceed the above ratio; the Company has the right to refuse the transfer of shares. As at 12 March 2024, the Company has distribution of shares as follows.

Distribution of shares by nationality

Shareholder	Number of Shareholder	Total number of shares	%
Thai shareholders	4,675	436,774,731	52.14
Foreign shareholders	11	400,908,331	47.86
Total	4,686	837,683,062	100.00

Distribution of shares by proportion of holding

Shareholder	Number of Shareholder	Total number of shares	%
Shareholders holding more than 0.5%	9	581,943,361	69.47
Shareholders holding not more than 0.5% but not less than one trading unit	4,305	255,729,987	30.53
Shareholders holding less than one trading unit.	372	9,714	0.00
Total	4,686	837,683,062	100.00

Note 1 Trading Unit = 100 shares

1.4 Registered capital and paid-up capital

Registered capital and paid-up capital as at 31 December 2023 as follow;

- Registered capital

837,683,062 Baht divided into

Ordinary shares of 837,683,062 shares

Par value of Baht 1.00 per share
- Paid-up capital

837,683,062 Baht divided into

Ordinary shares of 837,683,062 shares

Par value of Baht 1.00 per share

1.5 Other Securities

1.5.1 Warrant to Purchase Ordinary Share of the Company No. 1 (WIIC-W1)

On June 3, 2015, the Extraordinary General Meeting of Shareholders No. 1/2015 approved the issuance of Warrant to Purchase Ordinary Share of the Company No. 1 (WIIC-W1) of not exceeding 99,979,334 units without charge to the existing shareholders according to shareholding at the ratio of 3 existing ordinary shares for 1 unit of warrant. Such warrants are specifying warrant holders and transferable. Maturity of not exceeding 3 years from the date of issuance. The first exercise date is December 30, 2015 and the last exercise date is June 15, 2018. The exercise ratio is 1 unit of warrant to 1 ordinary share at the price of THB 5.00 per share.

On 15 June 2018, the last exercise date, 533 WIIC-W1 warrants were exercised to 533 ordinary shares by 2 warrant holders at a price of Baht 5 per share. On 29 June 2018, the Company registered the increase in its paid-up share capital with the Ministry of Commerce. The 99,962,603 unexercised WIIC-W1 warrants still outstanding lost their status as securities listed on the Stock Exchange of Thailand, effective from 16 June 2018.

1.5.2 Warrant to Purchase Ordinary Share of the Company No. 2 (WIIC-W2)

On 13 December 2018, the Extraordinary General Meeting of Shareholders No. 1/2018 approved the issuance of Warrant to Purchase Ordinary Share of the Company No. 2 (WIIC-W2) of not exceeding 124,979,511 units to the existing shareholders without charge at the ratio of 3 existing ordinary shares for 1 unit of warrant. Such warrants are specifying warrant holders and transferable. Maturity of not exceeding 3 years from the date of issuance. The first exercise date is December 30, 2019 and the last exercise date is January 2, 2022. The exercise ratio is 1 unit of warrant to 1 ordinary share at the price of THB 5.00 per share.

On 30 December 2021, the last exercise date, 10,866 WIIC-W2 warrants were exercised to 14,331 ordinary shares by 3 warrant holders at a price of Baht 3.796 per share. On 12 January 2022, the Company registered the increase in its paid-up share capital with the Ministry of Commerce. Following such last exercise date of the WIIC-W2 warrants making the 124,960,790 unexercised WIIC-W2 warrants still outstanding lost their status as securities listed on the Stock Exchange of Thailand, effective from 31 December 2021.

1.5.3 Warrant to Purchase Ordinary Share of the Company No. 3 (WIIC-W3)

On 23 February 2024, the Company's Board of Directors Meeting No. 2/2024 approved the proposal to the AGM to approve the issuance and allocation of warrants to purchase ordinary shares of the Company No.3 (WIIC-W3) of not exceeding 279,227,687 units for free to the existing shareholders at the ratio of 3 existing ordinary shares for 1 unit of warrant whereby any fraction of the warrants from such calculation shall be discarded. Such warrants are specifying warrant holders and transferable. Maturity of not exceeding 2 years from the date of issuance. 1 unit of warrant can purchase 1 ordinary share at the exercise price of Baht 4.00 per share.

1.6 Dividend Policy

The Company has a policy for the dividend payment of 60% of the annual net profit. The dividends will be paid in the following year. However, the Company may consider paying more; less or no dividend in any year but this consideration must be in consensus from Board of Directors meeting and Annual General Meeting. The Articles of Association specified as follows.

Article 19 Dividends and Reserve

Dividends shall not be paid other than out of profits. If the Company still has an accumulated loss, no dividends shall be distributed. Dividends shall be distributed according to the number of shares, with each share receiving an equal amount. Payment of dividends shall be approved by the shareholder meeting.

The Board of Directors may pay interim dividends to the shareholders from time to time if the Board believes that the profits of the Company justify such payment. After the dividends have been paid, such dividend payment shall be reported to the shareholders at the next shareholder meeting.

Payment of dividends shall be made within one month of the date of the resolution of the shareholder meeting or of the meeting of the Board of Directors, as the case may be. The shareholders shall be notified in writing of such payment of dividends, and the notice shall also be published in a newspaper.

The Company shall allocate not less than five percent (5%) of its annual net profit less the accumulated losses brought forward (if any) to a reserve fund until this fund attains an amount not less than ten percent (10%) of the registered capital.

The information of dividend payment in the 5 previous years as follows.

Unit: Baht	2022	2021	2020	2019	2018*
Earnings (Loss) per share	0.09	0.13	0.22	0.04	(0.03)
● Dividend in cash per share	0.06	0.09	0.19	0.03	0.030
● Stock dividends per share	-	-	-	-	0.167
Dividend per share	0.06	0.09	0.19	0.03	0.197
Dividend to earnings ratio (%)	66.78	87.39	92.35	82.82	N/A

Note * Year 2018, dividend payment from retained earnings.

Dividend Policy of subsidiaries**1) WIIC Water Company Limited**

As articles of association of WIIC Water Company Limited (subsidiary) section 6 Dividends and Reserve, article 18 specified that in dividend payments every time, the Company must allocate money as reserve at least one-twentieth of the net profit which made from business of the Company. Until the reserve amounts to one tenth of the total capital of the Company or more.

2) WIIC PT Company Limited

As articles of association of WIIC PT Company Limited (subsidiary) section 6 Dividends and Reserve, article 18 specified that in dividend payments every time, the Company must allocate money as reserve at least one-twentieth of the net profit which made from business of the Company. Until the reserve amounts to one tenth of the total capital of the Company or more.

3) Southern Consultants and Construction Company Limited

As articles of association of Southern Consultants and Construction Company Limited (subsidiary) section 6 Dividends and Reserve, article 18 specified that in dividend payments every time, the Company must allocate money as reserve at least one-twentieth of the net profit which made from business of the Company. Until the reserve amounts to one tenth of the total capital of the Company or more.

2. Risk Management

2.1 Risk management policy

The Enterprise Risk Management policy has been approved by the Board of Directors Meeting No. 3/2019 on 10 May 2019 and will be effective from 10 May 2019 onwards, with the following details:

(1) The objective of risk management policy

This risk management policy is intended for the directors, executives, and employees of the Company. Everyone is aware of the importance of risk management by encouraging all employees to have knowledge and understanding of risk management practices and to have risk management procedures implemented throughout the organization. To manage the risk to be at an acceptable level, reduce the chance and the intensity of the risk.

(2) Scope of responsibility

This policy will be effective for Directors, Executives, and all employees.

(3) Risk management practices

- (3.1) The Board of Directors determined that the audit committee has to review the Company to have an appropriate and effective risk management system. And the executive committee has to analyze, assess, prevent and manage risks in various areas, both from outside and within the organization, which may have a significant impact on the Company's business operations. If there is any event that causes or may cause risk factors in conducting business. The Executives in relevant departments will analyze the risk factors and propose preventive measures to those concerned respectively. If that risk factor is an important issue must report to the Board of Directors for acknowledgment or consideration.
- (3.2) The Executive Committee will plan the system implementation and risk management processes throughout the organization, to be consistent with the strategy and the business goals of the Company. And implement according to the international standard risk management framework. In this regard, the implementation of the risk management process must be done step by step and continuously, with communication and understanding in every step for all employees. Until risk management becomes part of the work culture in the organization.
- (3.3) The audit committee has the authority and responsibility for overseeing the Company's risk management that complies with the charter and advises the Executive Committee to manage the risk with efficiency and effectiveness.
- (3.4) The Executive Committee must perform duties and responsibilities as well as take any action as assigned by the audit committee along with reporting the performance to the Board of Directors for high and very high risks which may affect business operations and the strategy of the Company significantly including the preparation of a risk management plan and the risk management results are reported within the specified period.
- (3.5) All executives and employees have to comply with the risk management system and process specified by the Company, which is to identify and assess the risk of the department in which they are responsible, analyze the risks, the impact and the opportunity to set appropriate measures to manage the risk. Risk at an acceptable level.
- (3.6) The Company will transfer the risk management policy, organize training seminars, providing knowledge on risk management to all employees. To provide knowledge, understanding, and awareness of the benefits of risk management and can be implemented and used in the workplace with concrete.

(4) Policy review

The Executive Committee must review this policy annually and propose to the Board of Directors to consider and approve if there is a change.

2.2 Risk Factors

2.2.1 Risks to business operation

(1) Business risk

HDPE pipe has proved to be a decent and sustainable pipe for worldwide projects. Its excellent quality of high-density polyethylene material is difficult to find among its substitute products. However, there's a business risk with the price war strategy of the low-quality HDPE manufacturer in the domestic market who want to recklessly dump the price down and lower the quality of the HDPE products with low quality HDPE raw material and sometime use even non pipe grade raw material to make the pipe and fittings products for private and government segment which using of low-quality HDPE pipe product affected the confidence of using high quality HDPE pipe of the Company as follows.

- Leaks or broken problem affect the inconvenience and unsafe in use of consumers.
- The agency that responsible for production and expand the water supply network have to waste budget to repair the damaged pipes and unrewarding for investment from the lifetime that is not durable long-standing
- Many HDPE quality standards pipe manufacturer affected from the price competition unfairly.

For counter that issue, we trying to do research and communicate with close customer both private and government to find out how to avoid the low-quality product and be able to obtained the quality product which help develop their projects and improve their organization and country.

In addition, the business risk also involves the development of new pipe products. Each year HDPE pipe manufactures and resin manufactures have developed special kinds of HDPE pipe for certain applications, e.g., structure wall HDPE pipe, multilayer HDPE pipe, smooth inside surface HDPE pipe, and high temperature resistance HDPE pipe. Therefore, each HDPE pipe manufacturer needs add new products in its product line in order to earn profits. The competition of normal solid wall HDPE pipe is too fierce and intense to get a good margin. However, the Company has the R & D department to develop and research new products, including develop the equipment to work properly at all times.

(2) Foreign exchange risk

The Company faces this risk in the course of its doing business unavoidably. The risk arises from the fluctuation of the foreign exchange rate which has been influenced by various economic factors. This is due to its activities that deal with foreign countries such as export and import including financial transactions. Our policy is to reduce the foreign exchange risk by way of forward contract once the amount and due dates become known. Another method that has been adopted is currency matching between revenue and expense through the use of foreign currency account while allowing some maturity mismatch to occur sometimes.

(3) Interest rate risk

Since the Company has been using some of the bank borrowing to finance its business, thus, the interest rate risk is a factor that will affect the performance of the Company. Long term borrowing carries higher interest rate than that of short term but in certain circumstances using the mix of both short term and long-term ones is deemed to be more suitable. Besides, most of the short-term facilities are offered on non-committed basis which caused instability. However, the Company has controlled the loan amount to the appropriate level as well as finding new sources of funding to reduce the cost of this part.

(4) Raw material risk

HDPE resin is the main ingredient in HDPE pipe production. Thus, the movement of resin prices has a substantial effect on the cost. HDPE resin prices have been fluctuated in accordance with crude oil prices for long time. It is hard to predict and make decision for any manufacturer when to buy HDPE resin for stock. Therefore, the Company manages the order of HDPE resin to comply with the pipe

(5) Credit risk

The company's customers normally are contractors of government projects or owners or project developers such as real estate industry. Most Customers require the credit term for payment. Hence the company formed an internal audit committee to analyze customer's financial statements in order to grant the appropriate credit term for each customer. The credit risk is not only caused default of payment or bad debts but also delays payment which will increase the interest cost of the Company. The Company has made the trade credit insurance to reduce the credit risk.

(6) Risk of water supply system management projectRisk in supply of raw water

A subsidiary has invested in the water supply system management project for industrial estate by fixing minimum quantity of water supply under the contract. Therefore, the Company has risk in supply of raw water to be enough for production. However, the customer agreed to take responsibility for supply of raw water to be enough for production under the contract, so that help to reduce the risk from raw water shortage.

Risk of water quality

In some areas that a subsidiary invested, may face the raw water quality problems because the raw water is brackish. Therefore, the Company has risk in tap water production in order to meet the quality standard agreed. So, there may be some time that a subsidiary use chemical in the production process. This may be caused by manganese; color outweigh standard and may lead to higher costs of chemicals at certain times. However, the company has set conditions regarding the quality of raw water that the customer supply, in the contracts to limit such risks.

Risk of the Customer's non-compliance of agreement

In the future, the parties may face the problem of purchasing water at the agreed minimum quantity, because long-term agreement for water supply services (20-year agreement). From the problem of industrial water user using less water, the relocation of water users to low cost of production, etc. These are considered uncontrollable externalities, so in the investment in each project, the Company has considered the final water user, growth of future water users from industrial space, is there a tendency for new users to set up production bases, including the Company's investment considering the length of the payback period is short (not exceed 9 years from the 20-year contract) and the water production system can be demolished and used for other areas.

2.2.2 Investment risk of securities holders

(1) Risk from the Company having a major shareholder >25%

The Company has a major shareholder group, Lesso (Thailand) Investment Limited (“LESSO”), holding 47.75% of the total number of paid-up shares. Therefore, the group of shareholders may exercise their right to object or disapprove of the resolution in the shareholders' meeting in matters that are required by the Company's Articles of Association or related laws; that votes must not be less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote.

(2) Risk from a major shareholder having a conflict of interest because there are businesses in the same line

Lesso (Thailand) Investment Limited (“LESSO”) is a major shareholder holding 47.75% of the paid-up capital who sending a representative to take the position of directors and executives of the company. LESSO and WIik operate in the same line of business, including similar to the business of the company. In the future, there may be related transactions with related companies, such as trading transactions of pipes and pipe fittings, machine tools, equipment used in production and installation, raw materials, operating expenses, intercompany borrowing, loan guarantee, and consulting as necessary and appropriate. However, LESSO is a stakeholder and influences both companies. Therefore, there may be conflicts of interest in the management for the best interest. However, the Company and LESSO have products and target customer groups different, so it does not affect the Company's operations.

(3) Risk from exercising the WIik-W3 warrants

On 23 February 2024, the Company's Board of Directors Meeting No. 2/2024 approved the proposal to the AGM to approve the issuance and allocation of warrants to purchase ordinary shares of the Company No.3 (WIik-W3) of not exceeding 279,227,687 units for free to the existing shareholders. The names of shareholders who are entitled to be allocated warrants will be determined on May 3, 2024 (Record date), at the ratio of 3 existing ordinary shares for 1 unit of warrant whereby any fraction of the warrants from such calculation shall be discarded. 1 unit of warrant can purchase 1 ordinary share at the exercise price of Baht 4.00 per share.

After the issuance and allocation of warrants to existing shareholders, if the warrant holders have exercised their rights according to the warrants WIik-W3 in full amount. The impact of shareholding proportion and voting rights (Control Dilution) is 25.00%.

3. Driving business for sustainability

3.1 Sustainability Management Policies and Goals

WIik Public Company Limited (“the Company”) operates core business is the manufacture and distribution of high-quality plastic pipes and fittings for application of various types by quality of our products and services are recognized internationally. The Company has significant part in upgrading quality of water supply infrastructure which is important and affect to the quality-of-life development of people in the country directly.

The Board of Directors set up the sustainability guidelines based on the United Nations Sustainable Development Goals (SDGs) combine with the concept of sustainable corporate development (ESG: Environment, Social, and Governance) covering the environment, society, and economy by conveying to the operational levels of the organization and integrate operational plans to be connected, to create balance throughout the value chain, which will bring benefits maximum for all groups of stakeholders. The Company's sustainability development guidelines are set as follows:

1) Operation with fairness

To achieve fairness in business operation, the Company has determined code of ethics for its employees and announced a guideline for operations of the Company on June 22, 2009 and updated Code of Conduct on February 29, 2016.

The Company expects all staff to perform their duties without obligation or commitment of any relevance that related to exploitation by outsiders. The business operation or any legal action of the Company must be correctly under legal and any related regulations always, both transactions occurring domestic and overseas.

The Company operates its business based on openness, honesty, reliability, rationality and justice. Such fundamental ethical principles will be taken to treat our customer, partner, government official and personnel in the group companies as well as any business operation that related to products and environment.

2) Anti-Corruption

The Company operates with transparency under the rules of fair competition. Therefore, the Company does not accept contacting or doing business that non-transparent or connected to corruption which is an action that inconsistent with fair competition and destroy our honor and reputation of organization and country.

The Company's Directors, Executives, and employees are prohibited from engaging in any acts related to any form of corruption for the direct or indirect benefit of oneself, family, friends, or acquaintance, whether to receive from or give a bribe in the form of money or any others to government or private agency that the Company conducts business with or contacts, and shall strictly comply with the law and the Company's anti-corruption policy.

The Company has also ensured to provide a structure of responsibility, risk management system, internal control, and internal audit to prevent and suppress corruption in the Company including the Board of Directors approved the Anti-Corruption Policy of the Company which was effective on August 11, 2015.

Moreover, the Company expressed its intention to join with the Private Sector Collective Action Coalition against Corruption (CAC) by WIik was certified as a CAC member on November 5, 2018 (expires on November 4, 2021). However, the Company has already applied for the renewal of CAC certification in Q4/2021, and CAC will announce the results of the renewal within March 31, 2022.

3) Respect for human rights

The Company focus on human rights basic to promote respect for rights and freedoms of non-discrimination and promote equality by regardless of the differences of race, skin color, gender, language, religion, physical status or health and we expect all staff to treat each other with honesty, integrity, fairness and respect which includes respect for different culture and traditions. The Company does not accept disparaging, bias, favoritism, discrimination and does not accept any behavior of its employees or partners who are behaving in a way threatening or damaging to the Company. We defined the ethical principles guidelines for employees which sets guidelines on such matters clearly. And announced a guideline for operations of the Company on June 22, 2009 and updated Code of Conduct on February 29, 2016.

4) Practice on workers fairly

The Company treats employees equally and fairly and provides welfare, safety and hygiene in the workplace including compliance with organizational learning policy and personnel development to promote working of employees professionally. Development of working system and creates innovation in organizations as well as encourages employees to participate in making benefits to society both directly and indirectly.

The Company has policy on recruiting, developing and retaining personnel because we realized that personnel are important in achieve the Company's goal. So, the Company has developed the personnel continuously by providing training/seminars internally and externally by qualified trainers, especially in the building conscience and training on teamwork, good service, love of organization, and development of the job system.

The Company has given priority to creation of morale and spirit and pride in working to the employees by setting the remuneration and progress in the organization based on knowledge, capability and equity, including providing suitable fringe benefit, as well as developing the livelihood of the personnel better.

5) Responsibility to Consumer

The Company has international manufacturing quality standards which was being certified ISO 9001: 2015 and ISO 14001: 2015 for the production of PE pipes and pipe fittings. The Company produce according to manufacturing standards that customer requires such as TIS 982-2556, ISO 4427-2, ASTM D3035, DIN 8074, ASTM F714, AS/NZS 4130 and EN12201-2.

The Company focuses on products quality control from the selection and monitoring of resins to get the genuine raw material of high-quality polyethylene compound for use in the manufacturing. Quality control in the manufacturing process (In Process Quality Control) until inspection before delivery to the customer (Final Inspection) by using standardized tests that are internationally recognized. Thus, it is ensuring that products and services of the Company have highest quality throughout duration of use.

6) Caring for environment

The Company is a leading manufacturer of HDPE pipe in Thailand for over 30 years. We conduct business under the quality policy and environmental conservation. Thus, the Company was being recognized in terms of products and quality control internationally by focus on environment saving and development policy under the theme “Improving Your Living Environment”. Production process and products of the Company not pollute and environmentally friendly. The Company proud that has international standard of environmental conservation ISO 14001.

The company continues to focus on environmental management and attempts to least cause of environmental impact whether our employees, location and nearby communities. The environmental management concerns manufacturing process, chemical using in production and machine maintenance including with disposal hazard and non-hazard waste under legal standard. The environmental management activities as follows;

- External Audit ISO14001 from Third parties and surveillance auditor and Internal Audit in the company
- Environment campaign and continuous training environment acknowledge along with visiting outside
- Making contact with supplier to disposal the waste who under control of Department of Industrial Works (DIW) and all concerned
- Appointing an environmental management committee in order to visual inspection to evaluate potential environmental concern and monthly situation report.
- Communicate environmental issue with nearby communities and all accept if they have an environmental complaint.
- Monitoring and improving cooling water system in production process in order to reduce water consumption and recirculation system.
- Electrical conservation plan development to improve electricity efficiency in order to reduce electric power consumption.
- Increase green area by planting trees around the factory.
- Monitoring and measurement procedure of workplace environment regulation.

7) Community or social development

Since the company's business is in the manufacturing sector which our factory was located in Rayong Province. The company is well aware of community effect, so we have decided to build our plant in the best industrial estate that high management standard, reliable and friendly community located. The company has defined the definition of production process, security system, hygienic condition and friendly environmental. Besides, we are providing to support public communities and social responsibility such as donation our product to public construction and participate various social activities. In additional the company's recruitment policy will give priority the candidates who are domiciled in the vicinity in order to increase local employment, economy growth and improve the well-being of local communities.

8) Dissemination of innovation from operation with responsibility to social environmental and stakeholders

The Company has significant part in upgrading quality of water supply infrastructure which is important and affect to the quality-of-life development of people in the country directly. Especially the upgrading of quality standard of water pipeline that changed from steel pipe to high density polyethylene pipe (HDPE) today, which is the same type used in developed countries such as Europe in all water supply system for over 50 years. So, it solves the problem of rust from steel pipe and makes tap water safe for consumers. This type of pipe is easier for installation, so it reduces the time to place pipeline and has longer lifetime worth the investment.

But in the past, the using of HDPE pipe in Thailand still faces several obstacles especially the quality standard that use of low-quality raw materials to produce. Some contractor who wants to reduce costs, use this weakness select the pipe with a mixture of recycled plastic which has a lower price cause many of problems such as.

- Leaks or broken problem affect the inconvenience and unsafe in use of consumers.
- The agency that responsible for production and expand the water supply network have to waste budget to repair the damaged pipes and unrewarding for investment from the lifetime that is not durable long-standing
- Many HDPE quality standards pipe manufacturer affected from the price competition unfairly.

The Company understood this problem very well and keeps the standard and quality policy to the highest at all time to provide confidence and safety for the user and also improves the quality of life of people in Thailand.




Guidelines for managing key sustainability issues

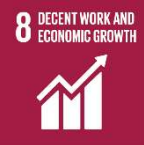

The Company takes key sustainability issues gathered from sources through preliminary screening, surveying the opinions and expectations of stakeholders, and reviewing other important issues from the same industry or related industries, to set short-term and long-term goals in the environmental and social aspects following the United Nations Sustainable Development Goals (SDGs) compare with performance in the past year. The Occupational Safety, Health, and Working Environment Committee monitors the results of operations.

SUSTAINABLE DEVELOPMENT GOALS



Setting sustainability goals

Sustainability	United Nations Sustainable Development Goals (SDGs)	WIIC Sustainable Development Goals	
		Short term	Long term
Environmental   	<p><u>Goal 6</u> Ensure availability and sustainable management of water and sanitation for all</p> <p>6.3 Improve water quality by reducing pollution Eliminate littering and reduce the release of hazardous chemicals and hazardous materials. Reduce the proportion of untreated wastewater by half, and increase safe, sustainable recycling and reuse worldwide by 2030.</p> <p>6.4 increases water use efficiency in all sectors and ensures sustainable water use and supply. to solve the problem water shortage and reduce the number of people experiencing water shortage problems by 2030.</p>	<ul style="list-style-type: none"> ■ Reduce hazardous waste \leq 4.5 Tons/ Year ■ Reduce water use per production volume \leq 2.0 Unit/Ton ■ Electricity consumption per production unit \leq 580 kWh/Ton. ■ Reduce the electricity purchased to use less than last year. ■ Environmental management system auditors (ISO 14001) did not request the Company to correct any significant deficiencies. 	<ul style="list-style-type: none"> ■ Maintain sales growth of HDPE pipes and pipe fittings at least 10% per year to raise the quality standards of water utility systems. ■ Invest in at least 2 water management projects per year to increase access to water utilities. ■ Reduce electricity purchased \leq 5,000,000 kWh/Year within 2030. ■ Maintain certification status according to environmental management system standards (ISO 14001) both now and in the future.
	<p><u>Goal 7</u> Ensure access to affordable, reliable, sustainable and modern energy for all</p> <p>7.2 Increase the proportion of renewable energy in the global energy mix by 2030.</p> <p>7.3 increases the rate of improvement. energy efficiency of the world to double by 2030.</p>		
	<p><u>Goal 12</u> Ensure sustainable consumption and production patterns</p> <p>12.4 Achieve environmentally sound management of all chemicals and waste throughout their life cycle. according to the agreed international cooperation framework and significantly reduce the release of those things into the air, water, and soil. In order to reduce negative impacts on human health and the environment as much as possible by 2020.</p> <p>12.5 Reduce waste generation through prevention, reduction, reuse and recycling by 2030.</p>		

Sustainability	United Nations Sustainable Development Goals (SDGs)	WIik Sustainable Development Goals	
		Short term	Long term
Social  	<p><u>Goal 8</u> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>8.5 Achieve full and productive employment and decent work. For all women and men including youth and people with disabilities and ensure equal wages for work of equal value by 2030.</p> <p>8.8 Protect labor rights and promote a safe and secure working environment for all workers. Including foreign workers especially foreign women and those who work at risk</p> <p><u>Goal 10</u> Reduce inequality within and among countries</p> <p>10.2 Strengthen capacity and promote social, economic and political inclusion for all. Regardless of age, gender, disability, race, ethnicity, origin, religion, economic status, or others, by 2030</p> <p>10.3 Ensure equal opportunities and reduce inequality of outcomes. This includes by eliminating discriminatory laws, policies and practices and promoting the enactment of appropriate laws, policies and practices in such matters.</p>	<ul style="list-style-type: none"> ■ Proportion of disabled person employment is as specified by law. ■ No accidents for 400 days and 800 days. ■ No accidents causing work lost. ■ No first aid incident. ■ Participation in safety activities 100% ■ 100% compliance with laws and regulations related to safety, health and environment. ■ Auditors according to the Occupational Health and Safety Management Standards System (ISO 45001) did not request the company to correct significant deficiencies (CAR). 	<ul style="list-style-type: none"> ■ Proportion of disabled person employment is as specified by law. ■ No accidents for 1,200 days. ■ No accidents causing work lost. ■ No first aid incident. ■ Participation in safety activities 100% ■ 100% compliance with laws and regulations related to safety, health and environment. ■ Maintain certified status according to management, occupational health and safety standards (ISO 45001).

3.2 Impact management to stakeholders in the business value chain

Value chain development is an important strategy for business success. The Company attaches importance to every process of the value chain to strengthen trust in quality products and sustainable growth together.

3.2.1 Business value chain

Primary activities

Business value chain				
Inbound logistics	Operations	Outbound logistics	Marketing and Sales	Customer services
<ul style="list-style-type: none"> ● Use genuine polyethylene compound that has received international standards. ● Use 97.16% of domestic raw materials. ● “World Class Operation (WCO)” activities help reduce production costs. ● Bringing reworked materials from its pipe production to use for the maximum benefit according to the circular economy. 	<ul style="list-style-type: none"> ● In Process Quality Control until the product inspection before delivery to the customer (Final Inspection). ● International production quality policy. ● International Environmental Conservation Standard ISO14001. ● Industrial Product Standard TIS.17025 (ISO/IEC 17025). ● Hazardous and non-hazardous waste disposal following the standards set by the law. 	<ul style="list-style-type: none"> ● The company mainly sells products and services to the contractors of government agencies such as; the Metropolitan Waterworks Authority (MEA), Provincial Waterworks Authority (PWA), and local government organizations. ● The company offers services to cover a wide range of customer needs. 	<ul style="list-style-type: none"> ● The Company has no policy to produce low-quality products to compete with the products available in the Thai market. ● Confirm the policy of excellence in quality as a priority ● The company sets flexible prices to increase orders. ● Organize activities to communicate with customers in both the private sector and government agencies by providing knowledge about low-quality HDPE pipe products in the Thai market to make the customers can decide to buy quality products and worth the investment value in every project. 	<ul style="list-style-type: none"> ● Focus on service including good after-sales consulting to build a good relationship with customers. ● PE pipes, which are made from high-quality materials, can use longer than 50 years. ● Customer Satisfaction Assessment.

(1) Production input management (Inbound logistics)

- WIIK Public Company Limited is a manufacturer of high-quality PE pipes by choosing genuine polyethylene compounds that have received international standards such as; ISO 9080, ISO 12162, DIN 16887, TIS 2559, so ensuring that the pipes WIIK produced can bear pressure as needed. It is strong, durable, and has a service life over 50 years.
- The main raw material used to produce HDPE pipes is HDPE resin from both domestic and import markets. HDPE resin is by-product from Oil industry which Thailand mostly imports from other countries. There are 3 resin manufacturers around Rayong Province area, IRPC Public Company Limited, SCG Performance Chemical Co., Ltd. (SCG), and PTT Polymer Marketing Co., Ltd. (PTT). In 2023, a 97.16% of total HDPE resin used by the Company to produce HDPE Pipe is coming from domestic source.
- The company focuses on research and development. In 2023, the company had research and development expenditures of 2.46 million Baht, which is close to the year 2021 spent 0.69 million Baht. The company's investment resulted in various improvements and developments, both in the production process and product development which has driven and promoted many projects such as; the development of processes in various fields continuously under the name "World Class Operation (WCO)". This project can improve production efficiency and reduce production costs by over 14.36 million Baht.
- Research and development in improving the quality of recycled compound materials to have properties comparable to Virgin HDPE compound co-developed by the National Metal and Materials Technology Center, National Science and Technology Development Agency (MTEC), approval number 02010031. W-EQ PE pipe is made from a High-Quality Rework Compound, HQ-RC which uses rework from its pipe production and brings it back to use for the maximum benefit according to the circular economy principles.

(2) Operations

- The Company focuses on products quality control from the selection and monitoring of resins to get the genuine raw material of high-quality polyethylene compound for use in the manufacturing. Quality control in the manufacturing process (In Process Quality Control) until inspection before delivery to the customer (Final Inspection) by using standardized tests that are internationally recognized. Thus, it is ensuring that products and services of the Company have highest quality throughout duration of use.
- The Company has international manufacturing quality standards which was being certified ISO 9001: 2015 and ISO 14001: 2015 for the production of PE pipes and pipe fittings. The Company produce according to manufacturing standards that customer requires such as TIS 982-2556, ISO 4427-2, ASTM D3035, DIN 8074, ASTM F714, AS/NZS 4130 and EN 12201-2.

- The Company is a leading manufacturer of HDPE pipe in Thailand for over 30 years. We conduct business under the quality policy and environmental conservation. Thus, the Company was being recognized in terms of products and quality control internationally by focus on environment saving and development policy under the theme “Improving Your Living Environment”. Production process and products of the Company not pollute and environmentally friendly. The Company proud that has international standard of environmental conservation ISO 14001.
- The company has been certified according to Thai Industrial Standards TIS.17025 (ISO/IEC 17025) which is a general requirement for a laboratory's ability to perform tests and/or calibrations, consisting of quality management requirements and academic requirements, making the Company can service in the field of examination, analysis, research, testing quality or qualification of products and all kinds of goods including raw materials as well as issuing testing and analysis reports, quality certificate, research reports or other related reports.
- The company continues to focus on environmental management and attempts to least cause of environmental impact whether our employees, location and nearby communities. The environmental management concerns manufacturing process, chemical using in production and machine maintenance including with disposal hazard and non-hazard waste under legal standard.

(3) Distribution of products and services (Outbound logistics)

- The company will follow the news of the tender for construction. Water Supply System through media such as internet, newspapers and publicity. It specifies the basic properties of the project. In order to know the information of the contractors participating in the above projects, our sales department will contact all the patriciate’s contractors to offer our products and services, emphasizing the feasible will get the contract. Mostly we will sell our products and services to government contractors who winning bid project for Metropolitan Waterworks Authority (MWA), the Provincial Waterworks Authority (PWA), and various local authorities.
- The Company is flexible to the comprehensive range of customer requirements levels from less complicated tasks which the competition is high to the job requiring expertise. And high technology engineering which the competition is not very high, such as the pipe under the sea, sewer drains into the sea for a power plant and large petrochemical industries.

(4) Marketing and Sales

- The company had to competing with cheap priced products from low quality HDPE pipes in Thailand. Some manufacturers used low quality raw materials to produce cheap price products to fight against us to present their products in public and private projects.
- The company insist to our policy of excellence quality. To ensure the confidence and safety in term of use is important. We also environmental care in term of the quality of life for Thai people in Thailand. The company has no plans to produce low-quality goods to compete with existing products in the market, the company will provide pricing flexibility (Flexible prices) to increase orders and production capabilities. Full capacity utilization for we are able to reduce production cost per unit.
- Each year, HDPE pipe products are developed from normal pipes to special pipes that are suitable for each type of use, such as; double-walled pipe for non-pressurized applications, pipes with extremely smooth internal surfaces for cable routing, and pipes that are resistant to high temperatures, etc. Therefore, each HDPE pipe manufacturer has to research and develop their products to meet the market demand and can make a profit from that new product, instead of focusing on the production and distribution of conventional HDPE pipes which day by day the competition will become more intense and difficult to make a profit. The company has an R&D department to research and develop new products, including the development of types of equipment to be used appropriately at all times.
- HDPE pipe is High Density Polyethylene pipe it was proven in global project that it has excellent properties and can be used for a long time and it's difficult to find replacement products. However, the company still has competition in terms of cheap price and low-quality HDPE pipes from Thai supplier. Some manufacturers use low-quality raw materials to produce pipes and fittings to offer their products in public and private projects. The use of low-quality HDPE pipes has affected the confidence of the company's high quality HDPE pipes, such as:
(1) Leakage of pipes; Affect inconvenient and unsafe to use water to consume (2) The engineering/maintenance department responsible for and the extended network of water supply had to spend a lot of budgets to repair damaged pipe. It is not good investing to use low quality pipe and short hose life. (3) High quality standard HDPE pipe manufacturer impact by unfair price competition. To avoid from the said problem. The Company has organized activities to communicate with customers in the private sector and government agencies by providing knowledge events. To educate the customer to decide to buy high quality products which it's worth the investment in every project.

(5) Customer services

- The Company has a marketing and PR strategy concentrate on high quality standards. Efficient work system to make our customer satisfied. We focus to providing good service for after sales service to establish good relationship with our customers. In addition, the Company has focused on expanding its customer base to cover a wider range of businesses. According to expanding business base policy we will expanding to high level environmental engineering management, which include customers in the business sector and good growth potential such as the energy sector and industrial estates sector.
- PE pipes, which are made from high-quality materials, can use longer than 50 years. This allows PE pipe users to not worry about system maintenance costs and also reduces the cost of having to lay new pipes when the pipes are damaged and end of service life.
- The company started evaluating customer satisfaction in 2017 for the first time with an average score of 4.38 points. In subsequent years, the quality of service to customers is continuously improved. In 2023, the company assessed the satisfaction of customers by sampling from customers who have opened sales orders with bids worth more than 200,000 Baht, including new customers, a total of 19 customers. The average overall customer satisfaction is 4.9 points.

Support activities

WIik Public Company Limited has been certified according to ISO 9001: 2015 quality standard which is a quality management system that meets international standards cover work systems such as; procurement, Technology development, Human resource management, and infrastructure; accounting and finance, including corporate management. The quality standard ISO 9001 has an important concept in the establishment of a management system for quality assurance. The system ensures that processes are regulated and verifiable through specified procedures and methods of work, to ensure that personnel in the organization know the duties, responsibilities, and procedures, requires training to provide knowledge and skills to work. There is a record of information, including checking whether the operation is following the specified in the system or not. And there are some bug fixes and a way to prevent the former mistake.

3.2.2 Business Value Chain Stakeholder Analysis

WIIC Public Company Limited has set guidelines for stakeholder participation by focusing on promoting the constructive participation of all stakeholders through various activities and communication channels continuously, to listen to the needs, comments, and suggestions. This will be useful in determining direction strategies, action plans, and guidelines for sustainable business development, as well as to prevent risks or impacts from business operations as well.

Business Value Chain Stakeholder Analysis Table

Stakeholder group	Stakeholder expectations	Respond to stakeholder expectations
Stakeholders within the organization		
Shareholders	<ul style="list-style-type: none"> WIIC Group performance The Company goals and vision Business transparency Environmentally and socially responsible operations Providing transparent information about WIIC's business 	<ul style="list-style-type: none"> The Company places importance on disclosing accurate, complete, transparent, and timely information in both Thai and English languages through the channels of the Stock Exchange of Thailand and the company website. The company arranges the general meeting of shareholders by date, time, and venue are not an obstacle to attending the meeting. Supervising the use of inside information. Actions on conflicts of interest. Opportunity for shareholders to propose agenda for the shareholders' meeting. Provide opportunities for analysts from all institutions to meet to examine doubts or request additional details.
Employees	<ul style="list-style-type: none"> Remuneration, benefits, and welfare Career stability Career advancement opportunities Occupational Safety and Health Promoting learning and developing potential Respect for human rights 	<ul style="list-style-type: none"> Provide fair compensation system to employees. Maintaining a working environment to ensure safety of life and property of employees always. Provide personnel management system in appointing and moving including rewarding and punishment to Employees which have to perform with good faith and based on knowledge, ability and the suitability of Employees. Do not discriminate against differences of racial religion, gender, marital status or physical inability. Focus on the development of knowledge and capability of employees by providing employees opportunities thoroughly and consistently. Listen to comments and suggestions which is based on professional knowledge of Employees. Compliance with laws and regulations related to Employees strictly Provide opportunities and channels for employees to report illegal activities to the Board of Directors.

Stakeholder group	Stakeholder expectations	Respond to stakeholder expectations
Stakeholders outside the organization		
Customers	<ul style="list-style-type: none"> Quality of products and services Clarity of business policies Business Transparency Responsibility for customer use Building partnerships and networks to create value for society Flexible trading operations that meet the needs of market conditions 	<ul style="list-style-type: none"> International production quality policy which is certified according to ISO 9001:2015 and ISO 14001:2015 standards. Disclose information about goods and services in complete, correct and non-misleading by taking into account the benefits for customers. Strictly comply with the conditions of the customers. Provides product and service warranty under conditions at the right time. Finding a way to reduce production costs by maintaining quality standards for products and services in order to maximize the benefit to customers continuously. Product or service proposal must not make misleading customers about the quality, price, quantity or condition of any products or services. Set up a system to allow customers to complain and perform optimally to provide customers with fast response. Customer Satisfaction Assessment
Suppliers and / or Creditors	<ul style="list-style-type: none"> Scheduled debt payment Flexibility and continuity in business operations Executive vision and business practices Guidelines for Partners The procurement process is convenient, fast, accurate, transparent, fair, and non-discriminatory. Maintaining standards of quality, delivery, service and sustainability of business partners Collaboration between companies and partners in managing risks throughout the supply chain 	<ul style="list-style-type: none"> Follow the agreement and other commercial conditions to the suppliers strictly. No request or no receive or no pay for any dishonest benefits in trading with suppliers and / or creditors. If any of the conditions cannot be met, they must hurry inform the suppliers and / or creditors in advance to jointly find the solution. Report accurate financial information and timely to the creditors regularly. Knowledge exchange and jointly develop products and services and create a good relationship. Purchasing Code of Conduct

Stakeholder group	Stakeholder expectations	Respond to stakeholder expectations
Competitors	<ul style="list-style-type: none"> Fair competition 	<ul style="list-style-type: none"> Perform under the rules of good and fair competition. Do not seek confidential information from the competitors in a dishonest manner or inappropriate such as payment to the employees of competitors. Do not try to discredit the reputation of competitors with accusation in a bad way without truth.
Society	<ul style="list-style-type: none"> Creating jobs and promoting careers for the community Community economic development Promoting quality of life - good hygiene for the community Promotion of education to the community Promotion of environment and taking care of the environment in the community Hazardous and non-hazardous waste disposal 	<ul style="list-style-type: none"> Do not do anything that will damage the natural resources and environment. Provide support for beneficial activities and with a social contribution regularly. Create a consciousness of corporate social responsibility to occur among all levels employees in the organization continuously and seriously. Control the compliance strictly according to the intention of laws and regulations issued by regulatory authorities. No help or support or allow to cause avoidance of laws or regulations compliance. To cooperate with regulatory authorities and report on violations or non-compliance the rules or regulations of such authorities. No action or to be involved in bribery or corruption or use their powers to seek personal benefits. Anti-Corruption Policy
Government official	<ul style="list-style-type: none"> Transparent tax administration and management Compliance with Environmental Laws Labor welfare and safety Respect for human rights 	<ul style="list-style-type: none"> strictly follow government official regulations. cooperate with government authorities. not cooperate with any person who violates government official regulations.

3.3 Sustainability Management in Environmental Dimension

3.3.1 Environmental Policies and Practices

The Company is a leading manufacturer of HDPE pipe in Thailand for over 30 years. We conduct business under the quality policy and environmental conservation. Thus, the Company was being recognized in terms of products and quality control internationally by focus on environment saving and development policy under the theme “Improving Your Living Environment”. Production process and products of the Company not pollute and environmentally friendly. The Company proud that has international standard of environmental conservation ISO 14001.

The company continues to focus on environmental management and attempts to least cause of environmental impact whether our employees, location and nearby communities. The environmental management concerns manufacturing process, chemical using in production and machine maintenance including with disposal hazard and non-hazard waste under legal standard.

3.3.2 Environmental Performance

1. Energy management

The Company manages energy efficiency in lighting and air conditioning systems by installing and maintaining equipment to control the operation of related electrical systems, including organizing activities to conserve electricity with participation. The objective is to control the electricity consumption in the Company for maximum efficiency.

Objective	Target (kWh/Ton)	Operations	Performance 2023 (kWh/Ton)
Reduce electricity consumption compared to production efficiency (kWh/Ton)	≤ 580	<ul style="list-style-type: none"> Reduce pipe work in a short period of time. Start the machine during the period of least usage (night). Improve the machine by installing a Chiller. Turn off all electrical appliances after work. Install a meter to measure energy. 	533.28

Solar power generation system (Solar Rooftop)

The Company completed the installation of a solar power generation system (Solar Rooftop) with a capacity of 999.915 kW in July 2022 for use in the factory only. The objective is to reduce the cost of electricity expenses. In 2023, The company can produce a total of 1,366,991.41 kilowatt-hours of electrical energy from clean energy sources.

Objective	Target (kWh/Year)	Operations	Performance 2023 (kWh/Year)
Clean energy sources to reduce electricity purchased	$\leq 5,000,000$	<ul style="list-style-type: none"> Installation of a solar power generation system (Solar Rooftop) with a capacity of 999.915 kW for use in the factory only Change new efficient machines to reduce electricity use 	8,203,140.59 (Out of Target)

2. Water management

The Company has maintained and inspected the condition of the water distribution system within the production process to meet standards continuously, including improving the cooling water system for production to reduce water consumption and loss of water from leakage of the return water system. Besides, measures and guidelines for energy saving are provided along with campaigning for energy conservation within the factory.

Objective	Target (Unit/Ton)	Operations	Performance 2023 (Unit/Ton)
Reduce water used per ton of production.	≤ 2.0	<ul style="list-style-type: none"> Use faucet with flow rate control device Make a record of water usage estimates from the water meter every day to observe abnormalities Reusing water Improve the Cooling water system to 100% improvement to reduce water loss Recycle water from product testing 	2.93 (Out of Target)

3. Garbage, Waste and Pollution Management

The company has a systematic management of waste in business processes according to the 3R (Reduce, Reuse, Recycle) principle. There is an efficient waste sorting system along with creating awareness and involvement with stakeholders to reduce waste disposal by landfill. By making a contract to buy and sell plastic scraps and other waste materials with scrap disposal recipients who have been inspected, controlled and certified for operating standards from the Ministry of Natural Resources and Environment and certified according to ISO 9001 and ISO14001 standards.

Objective	Target (Tons/ Year)	Operations	Performance 2023 (Tons/ Year)
Reduce hazardous waste	≤ 4.5	<ul style="list-style-type: none"> Scrap purchase agreement Garbage disposal contract Contract between the user and the service provider for treatment/disposal of sewage or materials or non-used materials (Form Kor Or.1) Campaigns and training to educate employees on garbage, waste, and pollution management 	3.35

4. Environmental Management System Standard (ISO 14001)

The company is certified according to ISO14001:2015, which is the international standard for corporate environmental management systems to increase environmental performance within the organization and for environmental sustainability.

Objective	Target (Time/Year)	Operations	Performance 2023 (Time/Year)
The auditor did not request that the company correct any significant deficiencies (CAR)	0	<ul style="list-style-type: none"> Basic knowledge training on ISO quality management systems Campaign and training to provide environmental knowledge to employees Annual environmental quality monitoring and measurement plan 	0

5. Management to reduce greenhouse gas problems

In the past year, the company did not provide greenhouse gas emissions information. However, the company and its subsidiaries have no significant violations of environmental laws or regulations or in the case of being accused of hurting environmental issues that may affect the business, image, reputation, and assets of the Company.

Objective	Target (Time/Year)	Operations	Performance 2023 (Time/Year)
No issues of significant violations of environmental laws or regulations.	0	<ul style="list-style-type: none"> Environmental management system standards (ISO 14001) Solar power generation system (Solar Rooftop) Annual environmental quality monitoring and measurement plan Campaign and training to provide environmental knowledge to employees 	0

3.4 Sustainability Management in Social Dimension

3.4.1 Social Policies and Practices

Since the company's business is in the manufacturing sector which our factory was located in Rayong Province. The company is well aware of community effect, so we have decided to build our plant in the best industrial estate that high management standard, reliable and friendly community located. The company has defined the definition of production process, security system, hygienic condition and friendly environmental. Besides, we are providing to support public communities and social responsibility such as donation our product to public construction and participate various social activities. In additional the company's recruitment policy will give priority the candidates who are domiciled in the vicinity in order to increase local employment, economy growth and improve the well-being of local communities.

1. Human Rights Policy

The Company has established a human rights policy as the ethical principles guidelines for employees which sets guidelines on such matters clearly. And announced a guideline for operations of the Company on June 22, 2009 and updated Code of Conduct on February 29, 2016. By upholding and complying with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights ("UNGPs"). focus on labor practices and respect for human rights with fairness, equality, and non-discrimination. both in terms of employment, compensation, promotion, Employee Training and Development without distinction of gender, age, educational institution, race, and religion, including supporting employment for disadvantaged groups such as people with disabilities, the elderly, and those who have been released from prison to create opportunities, create jobs and stable income, and part of the achievement of the Sustainable Development Goals (SDGs) of the country and the world. The Company adheres to the principles of human rights from employment to the care of employees and personnel to make all employees and personnel feel connected to the same family as the organization.

2. Occupational Health and Safety Management Standards System (ISO 45001)

The company is certified according to ISO 45001:2018 which is the international standard for management systems for occupational Health and Safety that focuses on improving the safety and environment within the organization. Taking into account risks, opportunities, legal requirements, and other aspects to improve occupational health and safety performance for employees operating help reduce losses of accidental injuries and prevent the deteriorating health of employees from work, to create a better working environment for employees. At the same time, it is also a better and more sustainable motivation for employees.

3. Occupational Safety, Health and Environment Committee

The Ministerial Regulation on Occupational Safety, Health, and Environment Management, B.E. 2549, required that employers of workplaces with fifty employees or more must provide the Occupational Safety, Health and Environment Committee of the establishment. Therefore, WIik Public Company Limited has appointed the Safety, Occupational Health, and Environment Committee to perform the following duties:

1. To consider policies and plans for safety at work, including outside safety to prevent and reduce accidents, to be in danger, illness, or the occurrence of distress because of unsafe work presented to the employer.
2. To report and recommend measures or guidelines for improvements to be corrected according to the law about safety at work and safety standards at work to the employer for the safety of employees, contractors, and outsiders who come to work or come to use the service in an establishment.
3. To promote and support activities on safety in the workplace.
4. To consider the regulations and manuals under clause 3, including the safety standards in the workplace, proposed to the employer.
5. To survey of Occupational Safety Operations and check the statistics of the accidents that occur in that business establishment at least once a month.
6. To consider an Occupational Safety Training Program or Plan, including the project or Worker Safety Roles and Responsibilities Training Plan, supervisors, executives, employers, and personnel at all levels to present their opinions to the employer.
7. To establish a system for reporting unsafe working conditions as a duty that all employees at all levels must comply with.
8. Follow up on the progress of the employer's proposal.
9. Annual Performance Report as well as identifying problems, obstacles, and suggestions for performing duties of the committee when performing their duties for one year to present to the employer.
10. Assessing the safety performance in the workplace.
11. To perform other work safety tasks as assigned by the employer.

4. Human Resources Management and Development Policy

- 4.1 The recruitment for new employees shall be undertaken based on job description, since the Company's nature of business requires specialist candidates. Realizing in a happy workplace principle, the recruitment has been proceeded under "put the right man to the right job" concept. Upon the employment starting date of the new comers, their job descriptions shall be clarified in details for transparency of working.
- 4.2 Employees' remuneration and welfare are also emphasized for all employees in all levels. Apart from serving basic welfares as enforced by laws, the Company has established other benefits as follows:
- The health insurance cards are arranged on the purpose of more convenience upon employees' requirement of medical care at any time and hospital with no payment required for both inpatient and outpatient cases.
 - Group life and accidental insurance are arranged to ensure employees' confidence on risk since most of works are carried out at sites and any accident maybe arisen.
 - The provident funds for their employees have been established in order to allow employees to reserve their funds after retirement for which the Company has paid a counterpart amount for them based on a number of their working years as required by a relevant law.
- 4.3 The Board of Directors has defined a policy for Executive Committee to consider and set up a criteria and budget for annual salary increment and bonus reward for which the captioned committee's decision making shall be based on external factors (such as inflation rate forecast, economic situation, etc.) and internal factors (such as annual operating result, history of salary increment and past bonus payment) for remuneration criteria of each year to be appropriate and in line with the Company's short-term and long-term operating results.
- 4.4 Employees' Development Plan has been continuously arranged to develop their knowledge and skills including specialized fields and general knowledge as follows:
- **New Employees**
The orientation program has been arranged as a fundamental knowledge for working consisting of the Company's history, nature of business, business process, vision and mission, basic ISO 9001:2015 quality management system standard, ISO 14001:2015 environmental management system, information and technology as well as operating system including safety measure.
 - **Permanent Employees in All Levels**
It is the Company's policy to encourage employees to attend training courses in order to develop their expertise in both general management and technical topics.
- 4.5 Employee Relation Activities have been organized to provide a meeting opportunity for management and employees to contribute good relation for each other and to enhance unity among all of them in all levels as follows:
- Color Sport Day and Staff New Year Party: to avail an opportunity for both employees working at the head office and sites to participate in sport competition for good relationship between them among warm atmosphere.
 - Happy Work Place to celebrate the birthday of all employees born in the same month.
 - Activities to make merit on a religious day.

- 4.6 The internal communication, Human Resources Department is a center, has been constantly arranged among the Company and employees at both head office and site offices through various channels in order to enable them to access, acknowledge and update their knowledge on all regulations and rules including news and information. The main channel is arranged through the intranet, ERP containing ISO 9001:2015, activities photo and all information related to employees such as date of birth, monthly new comer, etc. In addition, other channels are accessible; email and board announcement.
- 4.7 The Company has also emphasized on human rights respect, no involvement to violation of human rights and no gender discrimination including an employment for eye-sight problem employee and no specific gender requirement of employment.
- 4.8 An opportunity for complaints has been always provided for employees to inform any offended acts to Company Secretary or Suggestion Box to further propose for consideration of the Audit Committee and the reporter's name shall be strictly kept as confidential.

3.4.2 Social Performance

1. Employment

The Company focuses on labor practices and respect for human rights with fairness, equality, and non-discrimination, both in terms of employment, compensation, promotion, Employee Training, and Development without distinction of gender, age, educational institution, race, and religion, including supporting employment for disadvantaged groups such as people with disabilities, the elderly, and those who have been released from prison to create opportunities, create jobs and stable income.

Employment (Unit: Person)	2021	2022	2023
Number of employees classified by gender			
Total number of employees	269	289	271
Number of male employees	199	213	193
Number of female employees	70	76	78
Number of male employees classified by age			
Number of male employees younger than 30 years	76	92	78
Number of male employees aged 30-50 years	95	90	89
Number of male employees aged over 50 years	28	31	26
Number of female employees classified by age			
Number of female employees younger than 30 years	20	23	21
Number of female employees aged 30-50 years	42	44	49
Number of female employees aged over 50 years	8	9	8
Number of male employees Classified by position			
Number of male employees at Operational level	183	192	172
Number of male employees at Management level	14	17	18
Number of male employees at Senior executives	2	4	3

Employment (Unit: Person)	2021	2022	2023
Number of female employees Classified by position			
Number of female employees at Operational level	61	67	68
Number of female employees at Management level	6	6	7
Number of female employees at Senior executives	3	3	3
Employment of people with disabilities			
Total number of disabled people employed	2	2	2
Number of disabled employees	2	2	2
Number of disabled temporary employees	-	-	-

2. Employee development

The company organizes employee training courses to increase employees' skills and work potential as follows:

Employee development	2021	2022	2023
Average number of training hours for employees (unit: hours / person / year)	N/A	8.84	15.00
Expenses for employee training and development (Unit: Baht)	94,473	337,765	464,040

3. Occupational Health and Safety Management Standards System (ISO 45001)

The company is certified according to ISO 45001:2018 which is the international standard for management systems for occupational Health and Safety that focuses on improving the safety and environment within the organization.

Objective	Target (Time/Year)	Operations	Performance 2023 (Time/Year)
The auditor did not request that the company correct any significant deficiencies (CAR)	0	<ul style="list-style-type: none"> Basic knowledge training on ISO quality management systems Campaign and training to provide safety, occupational health and working environment knowledge to employees Annual safety, occupational health and working environment plan 	0

4. Occupational Health and Safety Environmental Laws and Regulations

The company has established regulations for compliance with laws and regulations on environmental, occupational health, and safety which specify the responsibility, working method, data recording to collect laws and regulations related to the environment, occupational health, and safety, arising from the activities, processes, products, and operations of the Company, including for use in tracking, correction, changes or additions to relevant laws and regulations for the company stay up-to-date with the latest laws and regulations.

Objective	Target	Operations	Performance 2023
Compliance with laws and regulations related to safety, health and the environment	100%	Annual safety, occupational health and working environment plan	100%

5. Safety, Occupational Health and Working Environment

The Company continuously develops and improves the efficiency of safety operations to reduce the risk of illness, injury, or death and take care of the quality of life of staff or employees appropriately. There was a Lost Time Injury the last time on 20 January 2024, and it used to have the highest number of days without accidents 1,111 days.

From June 1, 2022 to December 31, 2023, the Company worked for 579 days, and set a goal to prevent accidents for 800 days, and 1,200 days respectively.

Objective	Target (Time/Year)	Operations	Performance 2023 (Time/Year)
1. Lost Time Injury	0	Annual safety, occupational health and working environment plan	0
2. First Aid Incident	0		0
3. Participating in safety activities	100%		100%

6. Customer Satisfaction Assessment 2023

In 2023, the Company assessed customer satisfaction by sampling customers who have the sales order and customers who bid more than 200,000 Baht including new customers total of 19 customers. The average score of customer satisfaction was 4.9 points as follows.

Customer Requirement			Satisfaction Mean		
			2023	2022	2021
Personnel	1	Salespersons have the knowledge, understanding, answer questions about pipe products and equipment.	4.7	5.0	4.7
	2	Salespersons respond quickly to requests.	4.7	4.9	4.8
	3	Salespersons can describe the process of selling a water pipeline project.	4.5	4.8	4.6
	4	Salespersons can respond to customer complaints and solve problems quickly and efficiently.	4.6	5.0	4.7
Products	5	Quality of products meet the requirements.	4.6	5.0	4.6
	6	A variety of products covered the demand.	4.4	4.8	4.5
Delivery	7	Delivery can be delivered on time.	4.6	4.9	4.5
	8	Delivery department coordinate delivery of products efficiently.	4.6	4.8	4.5
	9	Delivery is complete and accurate; no damage was found during transportation	4.6	4.8	4.5
Services	10	Delivery of documents related to sales.	4.5	4.9	4.6
	11	Documentation can support sales of pipe products and equipment.	4.6	4.9	4.7
	12	After-sales service helps to get information and news of the Company continuously.	4.6	4.8	4.8
Average customer satisfaction			4.9	4.9	4.5

Note 1. Satisfaction score has a maximum score of 5 points each.

2. The Company began the customer satisfaction assessments in 2017 with an average score of 4.38 points. In subsequent years, customer service quality was improved and in 2023 the score was 4.9 points as detailed above.

7. Community & Society

The Company operates its business with responsibility to communities and society by focusing on reducing environmental impact and avoiding operations that may hurt the quality of life of the communities surrounding the establishment. In 2023, there were no complaints from the community on social or environmental issues. Besides, the Company also takes part in improving the quality of life and promoting participation with the community. In 2023, the Company has activities with the community as follows:

(1) ACMG traveling activities at Rayong

On July 14, 2023, the Company joined with the AMATA City Rayong Management Group (ACMG), Tourism Authority of Thailand, Rayong Office organized “ACMG traveling activities at Rayong” to exchange information on general administration, personnel management work and labor relations for progress in the business of members. The Company has participated in CSR activities by releasing crabs and seeing the Thungprongthong field in Paknamprasae Subdistrict, Klaeng District, Rayong Province.



(2) Cooperation project to conserve nature and monitor environmental quality

On August 4, 2023, the Company joined with the office of Amata City Rayong Industrial Estate, Amata City Rayong Co., Ltd., and Dok Krai Reservoir Fisheries Management Group organized activities to release aquatic animals under “Cooperation project to conserve nature and monitor environmental quality” at the edge of Dok Krai Reservoir Moo 6, Phana Nikhom Subdistrict, Nikhom Phatthana District, Rayong Province to create cooperation in the conservation of natural resources and propagation of aquatic animals, including increasing biodiversity in the Krai reservoir area and natural water source surrounding.



(3) Project to increase green space by planting forests in honor of Her Majesty Queen Sirikit, the Queen Mother

On August 23, 2023, the Company joined with the office of Amata City Rayong Industrial Estate and Amata City Rayong Co., Ltd., organized a project to increase green space by planting forests in honor of Her Majesty Queen Sirikit, the Queen Mother on the occasion of Her Majesty the Queen's birthday, 12 August to conserve the environment and do good deeds as a royal charity every year at the side of Reservoir 2 of 1,000 trees.



4. Management Discussion and Analysis: MD&A

4.1 Key Financial Information

4.1.1 Summary Financial Statements

WIIK Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2021 - 2023

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2023	2022	2021	2023	2022	2021
Assets						
Current assets						
Cash and cash equivalents	163,301,954	247,783,914	366,259,273	130,766,371	225,321,949	349,984,123
Restricted bank deposits	-	-	35,533,385	-	-	35,533,385
Trade and other receivables	547,592,798	603,684,717	427,188,552	397,888,307	445,383,431	295,133,671
Inventories	383,136,955	434,396,648	420,706,411	314,542,863	384,391,524	380,807,804
Short-term loans to related party	-	-	-	380,000,000	300,000,000	305,000,000
Advance payment to subcontractors	4,928,872	24,020,597	5,189	2,293,192	3,458	5,189
Other current assets	45,264,492	33,463,852	43,134,307	17,729,231	12,554,603	14,030,475
Total current assets	1,144,225,071	1,343,349,728	1,292,827,117	1,243,219,964	1,367,654,965	1,380,494,647
Non-current assets						
Restricted bank deposits	17,212,937	17,212,937	17,212,937	16,250,000	16,250,000	16,250,000
Other non-current financial assets	40,769,532	39,166,736	29,810,393	40,769,532	39,166,736	29,810,393
Investments in subsidiaries	-	-	-	210,822,200	210,822,200	210,822,200
Property, plant and equipment	1,157,784,639	994,961,539	1,007,343,249	657,953,328	598,153,240	590,393,272
Right-of-use assets	36,719,269	48,114,086	59,877,682	8,816,352	16,800,631	22,064,622
Assets for production of filtrated water that must be transferred at end of agreement of subsidiary	63,241,338	67,768,305	73,237,948	-	-	-
Intangible assets	153,449,557	156,655,298	141,155,789	9,481,278	5,026,591	3,853,174
Deferred tax assets	30,427,905	28,420,875	26,506,403	18,378,719	17,242,666	15,520,323
Advance payment for plant and equipment	34,877,206	7,978,315	2,488,289	20,862,574	7,978,315	1,993,289
Other non-current assets	12,029,065	10,987,329	10,865,148	1,393,316	1,598,233	1,354,426
Total non-current assets	1,546,511,448	1,371,265,420	1,368,497,838	984,727,299	913,038,612	892,061,699
Total assets	2,690,736,519	2,714,615,148	2,661,324,955	2,227,947,263	2,280,693,577	2,272,556,346

WIIC Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021 - 2023

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2023	2022	2021	2023	2022	2021
Liabilities and shareholders' equity						
Current liabilities						
Trade and other payables	95,228,555	102,662,083	62,142,152	54,195,497	47,384,700	53,099,134
Current portion of long-term loans	44,271,818	44,121,434	43,715,980	-	-	-
Income tax payable	687,125	4,431,468	3,532,542	687,125	4,431,468	3,532,542
Current portion of lease liabilities	12,930,923	14,439,245	14,142,395	7,006,789	8,699,616	7,972,047
Advance received from customers	37,765,011	52,699,283	62,251,986	37,694,445	52,628,717	61,715,182
Accrued expenses	22,513,863	41,037,977	25,562,711	13,856,291	31,256,760	20,951,817
Other current liabilities	54,084,835	62,707,582	45,219,782	33,915,874	48,297,108	36,169,911
Total current liabilities	267,482,130	322,099,072	256,567,548	147,356,021	192,698,369	183,440,633
Non-current liabilities						
Long-term loans, net of current portion	173,532,749	159,909,206	190,311,359	-	-	-
Lease liabilities, net of current portion	26,797,946	36,991,460	48,799,610	2,741,434	9,477,023	15,545,543
Provision for long-term employee benefits	33,305,882	31,713,099	27,294,708	26,946,482	26,612,811	23,403,122
Deferred tax liabilities	49,597,283	43,024,765	41,153,496	48,330,324	43,024,765	41,153,496
Provision for decommissioning	729,131	674,954	624,791	-	-	-
Other non-current liabilities	100,000	100,000	100,000	100,000	100,000	100,000
Total non-current liabilities	284,062,991	272,413,484	308,283,964	78,118,240	79,214,599	80,202,161
Total liabilities	551,545,121	594,512,556	564,851,512	225,474,261	271,912,968	263,642,794

WIIK Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021 - 2023

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2023	2022	2021	2023	2022	2021
Shareholders' equity						
Share capital						
Registered						
837,683,062 ordinary shares of Baht 1 each						
(2021: 1,072,263,290 ordinary shares of Baht 1 each)	837,683,062	837,683,062	1,072,263,290	837,683,062	837,683,062	1,072,263,290
Issued and fully paid up						
837,683,062 ordinary shares of Baht 1 each	837,683,062	837,683,062	837,683,062	837,683,062	837,683,062	837,683,062
Share premium	859,613,073	859,613,073	859,613,073	859,613,073	859,613,073	859,613,073
Difference resulting from change in interest in subsidiary without loss of control	1,456,670	1,456,670	-	-	-	-
Retained earnings						
Appropriated - statutory reserve	57,561,177	56,360,468	52,597,372	57,561,177	56,360,468	52,597,372
Unappropriated	183,435,770	185,725,115	169,731,715	69,913,514	97,361,830	101,257,869
Other components of shareholders' equity	177,702,176	157,762,176	157,762,176	177,702,176	157,762,176	157,762,176
Equity attributable to owners of the company	2,117,451,928	2,098,600,564	2,078,844,068	2,002,473,002	2,008,780,609	2,008,913,552
Non-controlling interests of the subsidiaries	21,739,470	21,502,028	17,629,375	-	-	-
Total shareholders' equity	2,139,191,398	2,120,102,592	2,096,473,443	2,002,473,002	2,008,780,609	2,008,913,552
Total liabilities and shareholders' equity	2,690,736,519	2,714,615,148	2,661,324,955	2,227,947,263	2,280,693,577	2,272,556,346

WIIK Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2021 - 2023

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2023	2022	2021	2023	2022	2021
Profit or loss:						
Revenues						
Sales	981,025,245	1,114,205,553	1,095,652,177	906,550,071	1,007,947,414	1,025,793,082
Service income	334,187,757	394,118,328	188,770,008	150,957,967	247,721,053	63,873,699
Gains on investments designated at fair value through profit or loss	1,986,796	9,356,343	(1,170,302)	1,986,796	9,356,343	(1,170,302)
Other income	20,755,840	13,509,577	10,622,555	21,437,959	10,937,763	9,937,252
Total revenues	1,337,955,638	1,531,189,801	1,293,874,438	1,080,932,793	1,275,962,573	1,098,433,731
Expenses						
Cost of sales	859,280,509	964,491,467	885,534,334	813,376,026	884,016,780	825,286,018
Cost of services	253,451,611	287,605,098	135,659,180	133,071,224	191,511,042	62,239,152
Selling and distribution expenses	50,438,946	50,428,367	43,655,531	52,644,946	50,428,367	43,655,531
Administrative expenses	109,052,912	107,048,052	97,542,398	59,296,786	61,919,766	60,545,560
Total expenses	1,272,223,978	1,409,572,984	1,162,391,443	1,058,388,982	1,187,875,955	991,726,261
Operating profit	65,731,660	121,616,817	131,482,995	22,543,811	88,086,618	106,707,470
Finance income	2,814,111	2,375,057	1,500,624	6,549,307	5,248,284	12,068,254
Finance cost	(12,851,886)	(11,446,886)	(23,623,290)	(1,077,029)	(1,121,099)	(12,445,634)
Profit before income tax expenses	55,693,885	112,544,988	109,360,329	28,016,089	92,213,803	106,330,090
Income tax expenses	(6,284,095)	(16,763,141)	(17,542,757)	(4,002,712)	(16,955,271)	(20,056,275)
Profit for the year	49,409,790	95,781,847	91,817,572	24,013,377	75,258,532	86,273,815
Other comprehensive income:						
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>						
Actuarial loss - net of income tax	-	-	2,721,247	-	-	2,541,613
Changes in surplus on revaluation of land - net of income tax	19,940,000	-	-	19,940,000	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	19,940,000	-	2,721,247	19,940,000	-	2,541,613
Other comprehensive income for the year	19,940,000	-	2,721,247	19,940,000	-	2,541,613
Total comprehensive income for the year	69,349,790	95,781,847	94,538,819	43,953,377	75,258,532	88,815,428
Profit attributable to:						
Equity holders of the Company	49,172,348	95,147,971	91,417,025	24,013,377	75,258,532	86,273,815
Non-controlling interests of the subsidiary	237,442	633,876	400,547			
	49,409,790	95,781,847	91,817,572			
Total comprehensive income attributable to:						
Equity holders of the Company	69,112,348	95,147,971	94,127,774	43,953,377	75,258,532	88,815,428
Non-controlling interests of the subsidiary	237,442	633,876	411,045			
	69,349,790	95,781,847	94,538,819			
Earnings per share						
Basic earnings per share						
Profit attributable to equity holders of the Company	0.0587	0.1136	0.1357	0.0287	0.0898	0.1281

WIIC Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2021 - 2023

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2023	2022	2021	2023	2022	2021
Cash flows from operating activities						
Profit before tax	55,693,885	112,544,988	109,360,329	28,016,089	92,213,803	106,330,090
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:						
Depreciation and amortisation	94,761,374	95,184,498	96,970,525	48,206,855	46,266,530	46,925,824
Reversal of impairment loss on property, plant and equipment	(45,231)	-	-	(45,231)	-	-
Impairment loss on financial assets (reversal)	7,308,697	2,830,880	(3,874,152)	(270,330)	1,697,893	46,925,824
Reduction of inventories to net realisable value	5,827,347	4,438,941	6,246,564	5,827,347	4,438,941	(3,874,152)
Write-off inventories	7,972	104,175	423,594	7,972	104,175	6,246,564
Losses (gains) on sale of plant and equipment	1,105	(197,799)	(194,932)	(1,324)	(197,799)	423,594
Write-off advance payment for plant and equipment	-	495,000	-	-	-	(151,701)
Write-off withholding income tax	28,965	102,838	-	-	-	-
Long-term employee benefits expenses	4,620,383	4,418,391	5,031,540	3,361,271	3,209,689	-
Unrealised loss on exchange	310,461	1,265,439	1,157,876	308,038	1,273,764	3,786,133
Gains on investments designated at fair value through profit or loss	(1,986,796)	(9,356,343)	1,170,302	(1,986,796)	(9,356,343)	1,170,302
Losses (gains) on fair value adjustment of financial instruments	(1,599,673)	1,929,131	(84,814)	(1,599,673)	1,929,131	(84,814)
Finance income	(2,814,111)	(2,375,057)	(1,500,624)	(6,549,307)	(5,248,284)	(12,068,254)
Finance cost	12,851,886	11,446,886	23,623,290	1,077,029	1,121,099	12,445,634
Profit from operating activities before changes in operating assets and liabilities	174,966,264	222,831,968	238,329,498	76,351,940	137,452,599	162,331,788
Operating assets (increase) decrease						
Trade and other receivables	49,269,211	(180,889,608)	181,741,462	48,251,442	(154,044,135)	218,897,693
Inventories	48,698,887	(888,424)	(76,086,244)	63,345,747	(9,695,492)	(65,671,097)
Advance payment to subcontractors	(2,289,734)	(24,015,408)	4,162,781	(2,289,734)	1,731	1,748,648
Other current assets	(11,406,219)	11,720,982	28,505,082	(5,175,599)	1,290,974	24,884,093
Other non-current assets	231,917	(3,775,261)	217,652	204,917	(243,807)	248,492
Operating liabilities increase (decrease)						
Trade and other payables	4,110,776	27,060,405	(88,662,618)	5,668,809	(5,606,144)	(72,336,213)
Advance received from customers	(14,934,272)	(9,552,703)	(58,418,675)	(14,934,272)	(9,086,465)	(57,902,421)
Accrued expenses	(18,310,877)	16,187,183	(3,663,616)	(17,276,942)	11,350,174	(3,462,788)
Other current liabilities	(7,031,133)	15,493,792	(11,140,908)	(12,789,620)	10,172,470	(11,364,256)
Employee benefit paid during the year	(3,027,600)	-	(1,691,000)	(3,027,600)	-	(1,377,200)
Cash from (used in) operating activities	220,277,220	74,172,926	213,293,414	138,329,088	(18,408,095)	195,996,739
Interest paid	(9,684,611)	(8,644,603)	(22,069,229)	(461,131)	(78,627)	(12,510,111)
Corporate income tax paid	(12,738,876)	(17,788,836)	(35,636,085)	(8,562,593)	(15,908,369)	(34,735,157)
Cash returns from withholding tax	883,000	5,002,980	-	-	-	-
Net cash from (used in) operating activities	198,736,733	52,742,467	155,588,100	129,305,364	(34,395,091)	148,751,471

WIIK Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2021 - 2023

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2023	2022	2021	2023	2022	2021
Cash flows from investing activities						
Decrease in restricted bank deposits	-	35,533,385	(35,533,385)	-	35,533,385	(35,533,385)
Net cash payment for investment in subsidiary	-	(11,666,886)	-	-	-	(18,675,000)
Cash payment for short-term loans to related party	-	-	-	(110,000,000)	(30,000,000)	(65,000,000)
Cash receipt from repayment of short-term loans to related party	-	-	-	30,000,000	35,000,000	31,000,000
Acquisition of property, plant and equipment	(192,557,121)	(64,469,274)	(62,464,278)	(64,487,609)	(41,048,092)	(22,711,942)
Proceeds from sales of plant and equipment	1,333	272,453	199,533	1,333	272,453	198,598
Acquisition of assets for production of filtrated water that must be transferred at end of agreement of subsidiary	(1,187,257)	(163,323)	(2,273,519)	-	-	-
Acquisition of intangible assets	(5,748,600)	(1,496,319)	(879,300)	(5,725,900)	(1,496,319)	(879,300)
Increase in cash payment in advance for plant and equipment	(34,877,206)	(7,978,315)	(1,993,289)	(20,862,574)	(7,978,315)	(1,993,289)
Dividend income	384,000	-	-	384,000	-	-
Interest received	4,361,218	2,369,119	1,499,086	6,538,002	5,242,693	12,065,063
Net cash used in investing activities	(229,623,633)	(47,599,160)	(101,445,152)	(164,152,748)	(4,474,195)	(101,529,255)
Cash flows from financing activities						
Decrease in short-term loans from financial institutions	-	-	(416,131,396)	-	-	(416,131,396)
Proceed from increase in share capital of subsidiary	-	-	18,675,000	-	-	-
Cash receipt from long-term loans	54,000,000	-	-	-	-	-
Repayment of long-term loans	(40,226,073)	(29,996,699)	(28,950,440)	-	-	-
Proceed from increase in share capital	-	-	702,706,961	-	-	702,706,961
Payment of principal portion of lease liabilities	(16,724,702)	(17,056,998)	(16,970,812)	(9,066,333)	(9,219,594)	(9,158,449)
Dividend paid	(50,252,925)	(75,365,879)	(51,957,437)	(50,252,925)	(75,365,879)	(51,957,437)
Net cash used in financing activities	(53,203,700)	(122,419,576)	207,371,876	(59,319,258)	(84,585,473)	225,459,679
Net decrease in cash and cash equivalents	(84,090,600)	(117,276,269)	261,514,824	(94,166,642)	(123,454,759)	272,681,895
Unrealised loss on exchange for cash and cash equivalents	(391,360)	(1,199,090)	(1,473,239)	(388,936)	(1,207,415)	(1,497,821)
Cash and cash equivalents at beginning of year	247,783,914	366,259,273	106,217,688	225,321,949	349,984,123	78,800,049
Cash and cash equivalents at end of year	163,301,954	247,783,914	366,259,273	130,766,371	225,321,949	349,984,123

Supplemental disclosure of cashflow information

Non-cash transactions

Surplus on revaluation of land	24,925,000	-	-	24,925,000	-	-
Increase in other payables from acquisition of equipment	6,299,165	1,088,180	975,420	647,710	1,088,180	975,420
Increase in right-of-use assets from lease liabilities	2,887,949	2,816,042	6,310,639	-	2,816,042	5,276,405
Transferred cash payment in advance for plant and equipment to plant and equipment	7,978,315	1,993,289	1,395,131	7,978,315	1,993,289	1,395,131
Provision for decommissioning of plant and equipment	54,177	50,164	46,448	-	-	-
Share subscription for investment in subsidiary	-	12,712,800	657,944	-	-	657,944

WIJK Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2021 – 2023

(Unit: Baht)

Consolidated financial statements

	Issued and paid-up share capital		Share premium	Difference resulting from change in interest in subsidiary without loss of control	Retained earnings		Other components of equity Other comprehensive income Surplus on revaluation of assets	Total shareholders' equity	Non-controlling interests of the subsidiaries	Total shareholders' equity
	share capital	Share premium			Appropriated	Unappropriated				
Balance as at 1 January 2021	577,427,042	417,162,132	-	-	48,303,728	131,866,019	157,762,176	1,332,521,097	-	1,332,521,097
Profit for the year	-	-	-	-	-	91,417,025	-	91,417,025	400,547	91,817,572
Other comprehensive income for the year	-	-	-	-	-	2,710,749	-	2,710,749	10,498	2,721,247
Total comprehensive income for the year	-	-	-	-	-	94,127,774	-	94,127,774	411,045	94,538,819
Increase share capital	260,256,020	442,450,941	-	-	-	-	-	702,706,961	-	702,706,961
Dividend paid	-	-	-	-	-	(51,968,434)	-	(51,968,434)	-	(51,968,434)
Increase in non-controlling interests of the subsidiary	-	-	-	1,456,670	-	-	-	1,456,670	17,218,330	18,675,000
Transferred unappropriated retained earnings to statutory reserve	-	-	-	-	4,293,644	(4,293,644)	-	-	-	-
Balance as at 31 December 2021	<u>837,683,062</u>	<u>859,613,073</u>	<u>1,456,670</u>	<u>1,456,670</u>	<u>52,597,372</u>	<u>169,731,715</u>	<u>157,762,176</u>	<u>2,078,844,068</u>	<u>17,629,375</u>	<u>2,096,473,443</u>
Balance as at 1 January 2022	837,683,062	859,613,073	1,456,670	1,456,670	52,597,372	169,731,715	157,762,176	2,078,844,068	17,629,375	2,096,473,443
Profit for the year	-	-	-	-	-	95,147,971	-	95,147,971	633,876	95,781,847
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	95,147,971	-	95,147,971	633,876	95,781,847
Dividend paid	-	-	-	-	-	(75,391,475)	-	(75,391,475)	-	(75,391,475)
Increase in non-controlling interests of the subsidiary	-	-	-	-	-	-	-	-	3,238,777	3,238,777
Transferred unappropriated retained earnings to statutory reserve	-	-	-	-	3,763,096	(3,763,096)	-	-	-	-
Balance as at 31 December 2022	<u>837,683,062</u>	<u>859,613,073</u>	<u>1,456,670</u>	<u>1,456,670</u>	<u>56,360,468</u>	<u>185,725,115</u>	<u>157,762,176</u>	<u>2,098,600,564</u>	<u>21,502,028</u>	<u>2,120,102,592</u>

Consolidated financial statements

	Issued and paid-up share capital	Share premium	Difference resulting from change in interest in subsidiary without loss of control	Retained earnings		Other components of equity Other comprehensive income Surplus on revaluation of assets	Total shareholders' equity	Non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated	Unappropriated				
Balance as at 1 January 2023	837,683,062	859,613,073	1,456,670	56,360,468	185,725,115	157,762,176	2,098,600,564	21,502,028	2,120,102,592
Profit for the year	-	-	-	-	49,172,348	-	49,172,348	237,442	49,409,790
Other comprehensive income for the year	-	-	-	-	-	19,940,000	19,940,000	-	19,940,000
Total comprehensive income for the year	-	-	-	-	49,172,348	19,940,000	69,112,348	237,442	69,349,790
Dividend paid	-	-	-	-	(50,260,984)	-	(50,260,984)	-	(50,260,984)
Transferred unappropriated retained earnings to statutory reserve	-	-	-	1,200,709	(1,200,709)	-	-	-	-
Balance as at 31 December 2023	<u>837,683,062</u>	<u>859,613,073</u>	<u>1,456,670</u>	<u>57,561,177</u>	<u>183,435,770</u>	<u>177,702,176</u>	<u>2,117,451,928</u>	<u>21,739,470</u>	<u>2,139,191,398</u>

WIIC Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2021 - 2023

(Unit: Baht)

Separate financial statements

	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity Other comprehensive income Surplus on revaluation of assets	Total shareholders' equity
			Appropriated	Unappropriated		
Balance as at 1 January 2021	577,427,042	417,162,132	48,303,728	68,704,519	157,762,176	1,269,359,597
Profit for the year	-	-	-	86,273,815	-	86,273,815
Other comprehensive income for the year	-	-	-	2,541,613	-	2,541,613
Total comprehensive income for the year	-	-	-	88,815,428	-	88,815,428
Increase share capital	260,256,020	442,450,941	-	-	-	702,706,961
Dividend paid	-	-	-	(51,968,434)	-	(51,968,434)
Transferred unappropriated retained earnings to statutory reserve	-	-	4,293,644	(4,293,644)	-	-
Balance as at 31 December 2021	<u>837,683,062</u>	<u>859,613,073</u>	<u>52,597,372</u>	<u>101,257,869</u>	<u>157,762,176</u>	<u>2,008,913,552</u>
Balance as at 1 January 2022	837,683,062	859,613,073	52,597,372	101,257,869	157,762,176	2,008,913,552
Profit for the year	-	-	-	75,258,532	-	75,258,532
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	75,258,532	-	75,258,532
Dividend paid	-	-	-	(75,391,475)	-	(75,391,475)
Transferred unappropriated retained earnings to statutory reserve	-	-	3,763,096	(3,763,096)	-	-
Balance as at 31 December 2022	<u>837,683,062</u>	<u>859,613,073</u>	<u>56,360,468</u>	<u>97,361,830</u>	<u>157,762,176</u>	<u>2,008,780,609</u>

Separate financial statements

	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity Other comprehensive income Surplus on revaluation of assets	Total shareholders' equity
			Appropriated	Unappropriated		
Balance as at 1 January 2023	837,683,062	859,613,073	56,360,468	97,361,830	157,762,176	2,008,780,609
Profit for the year	-	-	-	24,013,377	-	24,013,377
Other comprehensive income for the year	-	-	-	-	19,940,000	19,940,000
Total comprehensive income for the year	-	-	-	24,013,377	19,940,000	43,953,377
Dividend paid	-	-	-	(50,260,984)	-	(50,260,984)
Transferred unappropriated retained earnings to statutory reserve	-	-	1,200,709	(1,200,709)	-	-
Balance as at 31 December 2023	837,683,062	859,613,073	57,561,177	69,913,514	177,702,176	2,002,473,002

4.1.2 Financial Ratios

Key Financial Ratios as at 31 December 2021 – 2023.

Financial Ratios		2023	2022	2021
LIQUIDITY RATIO				
Current ratio	(times)	4.28	4.17	5.04
Quick ratio	(times)	2.06	2.40	3.03
Cash flow ratio	(times)	0.67	0.18	0.28
Accounts receivable turnover ratio	(times)	2.69	3.16	3.10
Average collection period	(days)	135.69	115.51	117.74
Inventory Turnover ratio	(times)	2.93	3.37	3.50
Average sale period	(days)	124.57	108.31	104.29
Payable turnover ratio	(times)	12.80	18.12	11.44
Repayment period	(days)	28.52	20.14	31.91
Cash Cycle	(days)	231.74	203.68	190.12
PROFITABILITY RATIO				
Gross profit margin	(%)	15.40	16.99	20.49
Operating profit margin	(%)	5.00	8.06	10.24
Other income ratio	(%)	1.70	1.49	0.82
Cash to profitability	(%)	302.35	43.37	118.33
Net profit margin	(%)	3.69	6.26	7.06
Return on equity	(%)	2.32	4.54	5.33
EFFICIENCY RATIO				
Return on assets	(%)	1.83	3.56	3.53
Return on fixed assets	(%)	13.39	19.07	18.68
Assets turnover	(times)	0.50	0.57	0.50
FINANCIAL POLICY RATIO				
Debt to Equity ratio	(times)	0.26	0.28	0.27
Interest coverage ratio	(times)	22.84	9.16	9.66
Debt service coverage ratio	(times)	0.58	0.25	0.77
Dividend payout ratio	(%)	52.82	82.44	87.48

4.2 Management Discussion and Analysis

4.2.1 Overview

(1) Summary of operation and key factors that make changes

WIik Public Company Limited (WIik)

Principally engaged in the manufacture and distribution of High-Density Polyethylene (HDPE) pipe and related certain fittings, Low Density Polyethylene (LDPE) pipe, Polypropylene (PP) pipe, Polybutylene (PB) pipe, Weholite Spiro pipe, and sell Polyvinyl chloride (PVC) and polypropylene (PP-R) plastic pipes and fittings, including technical advising and planning for pipe installation system, and providing High Density Polyethylene (HDPE) pipe installation service.

WIik Water Company Limited (WW)

Principally engaged in water management business such as designs, contract manufacturing, concession, and distribution of fully integrated clean water production system and wastewater treatment system with modern technology and standards.

WIik PT Company Limited (WIik PT)

The service providers under the Memorandum of Agreement on production and/or procurement of tap water (RO) to Patong Municipality, Kathu District, Phuket Province dated 16 July 2012, aged 30 years.

Southern Consultants and Construction Company Limited (“SC&C”)

A licensee to operate waterworks according to the contract to operate waterworks in Phuket Province.

Summarized of the Statement of income (consolidated financial statements)

Unit: million Baht	Year 2023	Year 2022	Changed (%)
Income from pipe sale and installation	1,021.68	1,255.60	(18.63)
Incomes from the water management business	293.54	252.73	16.15
Other income	22.74	22.87	(0.57)
Total revenues	1,337.96	1,531.20	(12.62)
Cost from sale pipe and installation	913.91	1,075.19	(15.00)
Cost from the water management business	198.83	176.91	12.39
Selling and distribution expenses	50.44	50.43	0.02
Administrative expenses	109.05	107.05	1.87
Finance cost	10.04	9.07	10.69
Profit before income tax expenses	55.69	112.55	(50.52)
Income tax expenses	(6.28)	(16.76)	(62.53)
Profit for the year	49.41	95.78	(48.41)
Profit attributable to:			
Equity holders of the Company	49.17	95.15	
Non-controlling interests of the subsidiary	0.24	0.63	
	49.41	95.78	

The operating results for the year 2023 of the Company and its subsidiaries has changed less than 20%. In 2023 the net profit was Baht 49.41 million compared to Baht 95.78 million in the year 2022. The decreased of Baht (46.37) million or (48.41) %.

In the year 2023, the company and its subsidiaries had gross profit from selling and service by Baht 202.48 million, compared to Baht 256.23 million in the year 2022, the decreased of Baht (53.75) million or (20.98) %. The main reason is income from the pipe sales and installation business decreased by (233.92) million Baht or (18.63) %, which was a result of the economic situation and delay of a government budget, resulting in Income from sale of PE pipe decreased (11.77) %, Income from sales of PVC and PPR pipes decreased (26.46) %, and Income from installation decreased (39.06) % compared to the year 2022.

(2) Industry and economic conditions that affect the operation

The Office of the National Economic and Social Development Board reported that in 2023, the Thai economy expanded by 1.9%, slowing down from 2.5% expansion in 2022. Inflation rate was 1.2% the current account balance was in surplus at 1.3% of GDP.

Construction sector

Q4/2023 The Construction sector decreased by 8.8 percent, compared to an increase of 0.5 percent in the previous quarter, following the decrease in government construction, especially government construction. Meanwhile, private construction continued to increase for the 5th quarter. This quarter, public construction decreased by 18.4 percent, compared with a 1.8 percent decline in the previous quarter. (Government construction decreased by 30.9 percent following a decrease in capital expenditure disbursement. The construction of state enterprises increased continuously for the 7th quarter by 9.8 percent). Meanwhile, private construction increased by 3.4 percent, compared to an increase of 3.8 percent in the previous quarter, following the continuous expansion of non-residential building construction (such as commercial buildings and factory buildings) As for the construction material price index, continued to decrease for the 3rd quarter by 0.2 percent, following a decrease in the price of steel (decreased by 2.9 percent) and prices of other construction materials categories such as asphalt and aluminum products (decreased by 2.1 percent) Meanwhile, prices of concrete and cement increased by 1.1 percent and 0.7 percent, respectively.

Overall, in 2023, the construction sector decreased by 0.6 percent, compared to a decrease of 2.4 percent in 2022, with government construction decreasing by 3.3 percent (government construction decreased by 6.2 percent, state enterprise construction increased by 2.4 percent) and private construction increased by 2.9 percent.

Capacity utilization rate

In 2023, the overall production capacity utilization rate of the country was 59.06 percent, lower than 62.76 percent in 2022, lower than 60.26 percent in 2020, which was during COVID-19, and lower than 64.08 percent, the average of the past 5 years (2018 - 2022).

Government Expenditure

In Q1/2024, the government disbursed a total of 1,019,463.5 million Baht, a decrease from the same period last year by 10.7 percent, consisting of disbursement of budget expenditures for the fiscal year 2023 for the time being, of 910,162.6 million Baht, decreased from the same quarter of the previous fiscal year by 7.3 percent, classified as (1) Current expenses of 859,103.2 million Baht, an increase of 0.05 percent from the same period last year, with a disbursement rate of 31.0 percent, compared to 33.4 percent in the same quarter last year, and (2) capital expenditures of 51,059.4 million Baht, a decrease of 58.6 percent from the same period last year. The disbursement rate was 7.2 percent, compared to 20.1 percent in the same quarter last year due to the delay in the enactment of the Budget Act for the year 2024.

Exchange rate

The exchange rate of THB to the USD depreciated from the previous quarter. In Q4/2023, the average THB value was 35.67 Baht per US dollar, depreciating 1.39 percent from the average of 35.18 Baht per US dollar in the previous quarter, following the direction of the currencies of countries in the region and the strengthening of the US Dollar Index, after the conflict between Israel and Hamas. As a result, investors increased their holdings of safe assets causing THB and other currencies in the region to weaken rapidly. However, THB returned to strengthen during the last two months of the quarter, as did other currencies in the region especially after the US Federal Reserve signaled an end to interest rate increases, including signaling the trend of reducing the policy interest rate in 2024. As for the value of other currencies in the region relative to the US dollar, it depreciated from the previous quarter in the same direction as the Baht. Only the Chinese and Hong Kong currencies strengthened. Meanwhile, the Baht exchange rate index (NEER) in Q4/2023 averaged 119.21 percent, decreased by 0.53 percent compared to the previous quarter.

Throughout 2023, the value of the Baht moves within the range of 32.69 - 37.14 Baht per US dollar (Average 34.81 Baht per US dollar) appreciated by 0.74 percent (2022 average 35.07 baht per US dollar).

Crude oil price

Crude oil prices decreased compared to last year and the previous quarter. In Q4/2023, the average global crude oil price across four markets (Dubai, Brent, Oman, and West Texas) was 82.4 US dollars per barrel, which decreased 3.2 percent from the average price of 85.1 US dollars per barrel in the same period last year and decreased by 3.4 percent compared to the average price of 85.3 US dollars per barrel in the previous quarter.

The decrease in crude oil prices in the world market is caused by (1) Concern over signaling that the US policy interest rate has not decreased yet, coupled with the slowdown of the Chinese economy which affects the demand for oil in the world market (2) Additional OPEC+ production cuts were less than expected, (3) U.S. trade crude oil reserves In 4/2023, were 435 million barrels, an increase of 1.5 percent compared to 429 million barrels in 4/2022. (4) Relaxation of measures controlling the import of crude oil from Venezuela by the United States; and (5) Angola's exit from OPEC membership reflects that some member countries do not want to reduce production as per the meeting resolution.

Overall, 2023, the average crude oil price in 4 world markets is at 80.8 US dollars per barrel, decrease 16.2 percent from the average price of 96.5 US dollars in 2022.

(3) Change in key accounting policy

-None-

(4) Non-recurring items

-None-

(5) Research and development activities of the Company

In 2023, the Company had research and development expenses of 0.69 million Baht. The Company's investments in R&D, have made both improvements and developments in the production process and development of products such as the continuous development of production processes in various areas under the name “World Class Operation (WCO).” This project can improve production efficiency and reduce expenses and production costs by over 14.36 million Baht, along with product improvement and development, both existing and new products to meet customers' demand, including trends in new products in current and future market directions.

Development activities in both areas continue to be driven by the research and development (R&D) department under cooperation and joint development with external agencies and institutions such as research and development in improving the quality of Reworked Compound (RC) to have properties comparable to the Virgin HDPE compound. This R&D allows the Company to successfully produce and register products on the Thai Innovation List for HDPE pipe products from high-quality upgraded materials, W-EQ PIPE, and HDPE pipe from high-quality upgraded materials for drinking water, W-EP PIPE.

Recycling materials for use in industrial plants is one of the approaches that promote the maximum use of materials according to the principles of the circular economy, which complies with the policy of driving Thailand with an economic model towards sustainable development with concepts of Science, Technology, and innovation or Bio-Circular-Green economy model (BCG). Innovation development or applying knowledge in the quality of renewable materials from the production process to reduce costs and energy in production most cost-effectively.

The Company is committed to research and development, including improving the production process to create a competitive advantage. The Company will continue to conduct research and development to increase the variety of product options along with quality development to meet the customer's demands and carry out cost-reduction activities to increase business competitiveness under the conditions of current competition that will continue to increase.

4.2.2 Operating results and profitability

The operating results for the year 2023 of the Company and its subsidiaries has changed less than 20%. In 2023 the net profit was Baht 49.41 million compared to Baht 95.78 million in the year 2022. The decreased of Baht (46.37) million or (48.41) % are from the following reasons;

Revenues

Unit: million Baht	2023	Changed (%)	2022	Changed (%)	2021
Sales	981.03	(11.95)	1,114.21	1.69	1,095.65
Service income	334.19	(15.21)	394.12	108.78	188.77
Sales and service revenues	1,315.21	(12.80)	1,508.32	17.43	1,284.42
Gains (losses) on investments designated at fair value through profit or loss	1.99	(78.74)	9.36	(900.00)	(1.17)
Other income	20.76	53.66	13.51	27.21	10.62
Total other income	22.74	(0.57)	22.87	142.01	9.45
Total revenues	1,337.96	(12.62)	1,531.19	18.34	1,293.87

1) Sales and service revenues

Sales and service revenues in the year 2023 decreased from the previous year by (193.11) million Baht or (12.80) %. The sales decreased by (133.18) million Baht, and service income decreased (59.93) million Baht, with details as follows:

Pipe production and distribution business

- Income from sale of PE pipe decreased (11.77) %, which was a result of the economic situation and delay of a government budget. While cost from sale of PE pipe decreased only (9.55) % compared to the year 2022, due to decrease of production efficiency from less production, resulting in decreasing of gross profit by Baht (28.63) million.
- Income from sales of PVC and PPR pipes decreased (26.46) % compared to the year 2022, due to the economic situation, resulting in decreasing of gross profit by Baht (5.43) million.
- Income from installation decreased (39.06) % compared to the year 2022, due to the economic situation and delay of a government budget, resulting in decreasing of gross profit by Baht (38.58) million.

Water management business

- Income from sales of water increased 16.49% compared to the year 2022 from the recovery of the tourism sector, resulting in increasing of gross profit by Baht 20.99 million.
- Income from turnkey installation services increased 15.53% and cost of turnkey installation services increased 21.87% compared to the year 2022, resulting in decreasing of gross profit by Baht (2.10) million.

Revenue classified by business group

Unit: million Baht	2023	Changed (%)	2022	Changed (%)	2021
1. Revenue from pipe production and distribution business					
1.1 Revenue from domestic sales and installation					
- PE plastic pipes and fittings	863.65	(19.36)	1,071.04	11.06	964.34
- PVC & PPR pipes and fittings	92.77	(26.46)	126.15	-	-
1.2 Income from export sales and installation					
- PE pipes and fittings	65.26	11.73	58.41	(52.59)	123.19
Total	1,021.68	(18.63)	1,255.60	15.45	1,087.53
2. Revenue from water management business					
2.1 Revenue from production and distribution of tap water	189.71	16.49	162.85	9.76	148.37
2.2 Revenue from sale and installation of tap water production system	103.83	15.53	89.87	85.22	48.52
Total	293.54	16.15	252.72	28.36	196.89
3. Other income of the WIIC Group					
3.1 Transportation services income	4.65	(38.00)	7.50	68.54	4.45
3.2 Fines income	8.19	219.92	2.56	-	-
3.3 Gains (losses) on investments designated at fair value through profit or loss	1.99	(78.74)	9.36	(900.00)	(1.17)
3.4 Others	7.91	129.28	3.45	(44.08)	6.17
Total	22.74	(0.57)	22.87	142.01	9.45
Grand total	1,337.96	(12.62)	1,531.19	18.34	1,293.87

2) Other income

Other income in the year 2023 decreased from the year 2022 by Baht (0.13) million. The Major decreasing came from gain on other investments designated at fair value by Baht (7.37) million, and increasing from the adjustment of retention. One of our subcontractors breached the contract and consented to pay us compensation by deducting from the retention by Baht 5.32 million. The company got compensation fee from a customer for cancelling of its purchase orders in the amount of Baht 3.50 million. And other decrease was Baht (1.32) million.

Expenses

Unit: million Baht	2023	Changed (%)	2022	Changed (%)	2021
Cost of sales	859.28	(10.91)	964.49	8.92	885.53
Cost of services	253.45	(11.88)	287.61	112.01	135.66
Cost of sales and services	1,112.73	(11.13)	1,252.10	22.61	1,021.19
Selling and distribution expenses	50.44	0.02	50.43	15.51	43.66
Administrative expenses	109.05	1.87	107.05	9.75	97.54
Total expenses	1,272.22	(9.74)	1,409.57	21.26	1,162.39

3) Cost of sales and services

Cost of sales and service costs in 2023 decreased from the previous year by (139.37) million Baht or (11.13) %, with the cost of goods sold decreasing by (105.21) million Baht and the cost of services decreased by (34.16) million Baht as follows.

- Costs from the pipe sales and installation business decreased by (161.28) million Baht or (15.00) %, following the decrease in income from the pipe sales and installation business. The economic situation and the lack of a government budget cause production efficiency to decrease due to low production, resulting in a decrease in gross profit.
- Costs from the water management business increased by 21.92 million baht or 12.39%. Most of this increased from the cost of producing and distributing tap water following increased income from the recovery of the tourism sector.

4) Selling and distribution expenses

Selling and distribution expenses in 2023 increased slightly from 2022 by 0.01 million Baht or 0.02%.

5) Administrative expenses

Administrative expenses in the year 2023 increased from the year 2022 in the number of Baht 2.00 million or 1.87%, The major came from employee benefit expenses by Baht 1.92 million and other expenses by Baht 0.08 million from normal operation.

Finance cost and income tax expenses

Unit: million Baht	2023	Changed (%)	2022	Changed (%)	2021
Finance income	2.81	18.49	2.38	58.27	1.50
Finance cost	(12.85)	12.27	(11.45)	(51.54)	(23.62)
Finance cost	(10.04)	10.65	(9.07)	(58.99)	(22.12)
Income tax expenses	(6.28)	(62.51)	(16.76)	(4.44)	(17.54)

6) Finance cost

Financial cost in the year 2023 increased from the year 2022 by Baht 0.97 million or 10.65%. This came from the increase of interest rates from financial institutions charged to subsidiaries, The bank interest rate increased in accordance with the policy rate of the Bank of Thailand.

7) Income tax expenses

Income tax expenses in 2023 decreased from 2022 by 10.48 million Baht or (62.51) % from the decreased net profit of the business.

PROFITABILITY RATIO		2023	2022	2021
Gross profit margin	(%)	15.40	16.99	20.49
Operating profit margin	(%)	5.00	8.06	10.24
Other income ratio	(%)	1.70	1.49	0.82
Cash to profitability	(%)	302.35	43.37	118.33
Net profit margin	(%)	3.69	6.26	7.06
Return on equity	(%)	2.32	4.54	5.33

The operating results for the year 2023 of the Company and its subsidiaries has changed less than 20%. In 2023 the net profit was Baht 49.41 million compared to Baht 95.78 million in the year 2022. The decreased of Baht (46.37) million or (48.41) %. The main reason is income from the pipe sales and installation business decreased by (233.92) million Baht or (18.63) %, which was a result of the economic situation and the lack of government budget.

In 2023, the WIIC Group's gross profit margin was 15.40%, a decrease from 2022, which had a gross profit margin of 16.99%. The main reason is the pipe sales and installation revenue decreased due to the economic situation and the lack of a government budget. Meanwhile, costs from the pipe sales and installation business decreased in a smaller proportion than revenue. Production decreased and unit costs increased, making the gross profit margin decrease.

The cash to profitability ratio was 302.35%, which increased from 2022, with a cash to profitability ratio of 43.37% because in 2023 the Company had net cash received from operating activities of 191.03 million Baht, while in 2022, the Company had net cash used in operating activities of 52.74 million Baht. While in 2023 operating profits decreased.

The net profit margin was 3.69%, a decrease from 2022 with a net profit margin of 6.26%, while the return on equity was 2.32%, a decrease from 2022 with a return on equity of 4.54% from the operating results decreased.

4.2.3 Ability to manage assets

1) Receivables Management

In 2023, the Company had trade and other receivables of 547.59 million Baht, a decrease of (56.09) million Baht or (9.29) %, divided into trade accounts receivable of 387.28 million Baht, Unbilled revenue of 160.26 million Baht and other receivables of 0.06 million Baht. There are debtors overdue over 12 months in the amount of 108.73 million Baht, an increase from the previous year that had debtors overdue over 12 months, 72.29 million Baht. Such overdue receivables already have an allowance for doubtful accounts of (35.71) million Baht. The details are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related party (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	-	-	4,011	33
Past due				
Up to 3 months	-	-	1,741	-
Total trade receivables - related party	-	-	5,752	33
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	124,131	285,436	106,471	246,557
Past due				
Up to 3 months	92,660	77,830	82,260	69,311
3 - 6 months	50,083	33,370	50,083	30,227
Over 6 - 12 months	32,571	64,175	13,351	35,151
Over 12 months	108,726	72,293	59,786	44,501
Total	408,171	533,104	311,951	425,747
Less: Allowance for expected credit losses	(35,713)	(28,405)	(27,001)	(27,272)
Total trade receivables - unrelated parties - net	372,458	504,699	284,950	398,475
Retention receivables as per contract	14,817	20,085	14,817	20,085
Total	387,275	524,784	299,767	418,560
Total trade receivables - net	387,275	524,784	305,519	418,593
<u>Unbilled revenue</u>				
Unbilled receivables - unrelated parties	146,840	67,172	92,334	26,790
Accrued income	13,420	11,695	-	-
Total unbilled revenue	160,260	78,867	92,334	26,790
<u>Other receivables</u>				
Other receivables - unrelated parties	58	34	35	-
Total other receivables	58	34	35	-
Total trade and other receivables - net	547,593	603,685	397,888	445,383

The normal credit term is 30 to 180 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	28,405	25,574	27,272	25,574
Provision for expected credit losses (reversal)	7,308	3,407	(271)	2,274
Amount recovered	-	(576)	-	(576)
Ending balance	35,713	28,405	27,001	27,272

Part of the above overdue receivables aged over 90 days are secured by assignment to get payment from the customer, bank guarantees or guaranteed by the customer's directors and the Company is able to collect interest on overdue balances of certain delinquent receivables. Accordingly, the management believes that the allowance is adequate to cover the possible losses that may arise from the uncollectibility of the existing receivables.

Credit Risk Management

The Group is exposed to credit risk primarily with respect to trade and other receivables, short-term loans to related party, deposits with banks and financial institutions and other financial instruments. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Group also has a policy to obtain bank guarantees from its customers to secure the partial amounts of receivable balances and have exercised the letters of guarantee to reduce the overdue receivable balances and has implemented the credit risk insurance for some receivables since July 2014 to reduce more credit risk. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables and contract assets

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

2) Key component of other assets

In 2023 the Company had the key component of other assets (excluding trade and other receivables) as consolidated financial statements ended 31 December 2023 as follows.

Unit: million Baht	2023	Changed (%)	2022	Changed (%)	2021
Current assets					
Cash and cash equivalents	163.30	(34.10)	247.78	(32.35)	366.26
Restricted bank deposits	-	-	-	(100.00)	35.53
Inventories	383.14	(11.80)	434.40	3.25	420.71
Advance payment to subcontractors	4.93	(79.48)	24.02	462,813.80	0.01
Other current assets	45.26	35.26	33.46	(22.42)	43.13
Non-current assets					
Restricted bank deposits	17.21	0.00	17.21	0.00	17.21
Other non-current financial assets	40.77	4.09	39.17	31.39	29.81
Property, plant and equipment	1,157.78	16.36	994.96	(1.23)	1,007.34
Right-of-use assets	36.72	(23.68)	48.11	(19.65)	59.88
Assets for production of filtrated water that must be transferred at end of agreement of subsidiary	63.24	(6.68)	67.77	(7.47)	73.24
Intangible assets	153.45	(2.05)	156.66	10.98	141.16
Deferred tax assets	30.43	7.06	28.42	7.22	26.51
Advance payment for plant and equipment	34.88	337.15	7.98	220.63	2.49
Other non-current assets	12.03	9.48	10.99	1.12	10.87

Current assets

■ Cash and cash equivalents

Cash and cash equivalents were 163.30 million Baht, a decrease of (84.48) million Baht from the previous year, mainly from a decrease in dividend payment of (50.25) million Baht and investment in fixed assets.

■ Inventories

Inventories were 383.14 million Baht, a decrease of (51.26) million Baht from the previous year, mainly from a decrease in raw materials and finished goods following decreased sales. The inventories consist of;

Unit: million Baht	2023	Changed (%)	2022	Changed (%)	2021
Finished goods	234.72	(11.12)	264.08	14.21	231.21
Work in process	37.09	(3.25)	38.34	(11.00)	43.08
Raw materials	81.62	(29.26)	115.38	(8.23)	125.73
Spare parts and factory supplies	29.71	78.95	16.60	(19.75)	20.68
Total	383.14	(11.80)	434.40	3.25	420.71

■ **Advance payment to subcontractors**

Advance payments to sub-contractors were 4.93 million Baht, a decrease of (19.09) million Baht from the previous year, mainly from projects completed during the year.

■ **Other current assets**

Other current assets were 45.26 million Baht, an increase of 11.80 million Baht from the previous year, mainly from prepaid expenses and VAT.

Non-current assets

■ **Restricted bank deposits**

Restricted bank deposits were 17.21 million Baht, unchanged from the previous year. These are fixed deposits that the WIIC Group has pledged to secure credit facilities with banks and to guarantee land rental.

■ **Other non-current financial assets**

Other non-current financial assets were 40.77 million Baht, an increase of 1.60 million Baht from the previous year from an increase in the fair value of investments. Other non-current financial assets are as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	<u>2023</u>	<u>2022</u>
<u>Financial assets at FVTPL</u>		
Nakhonluang Capital Public Co., Ltd.	40,770	39,167
K-Tech Construction Public Co., Ltd.	-	-
Total financial assets at FVTPL	<u>40,770</u>	<u>39,167</u>
Total other non-current financial assets - net	<u>40,770</u>	<u>39,167</u>

■ **Property, plant and equipment**

Property, plant and equipment were 1,157.78 million Baht, an increase of 162.82 million Baht from the previous year. Mostly increased from Assets under construction and installation 117.60 million Baht, purchased Machinery and equipment 28.85 million Baht, and Surplus from land appraisal increased by 24.93 million Baht.

■ **Right-of-use assets**

Right-of-use assets were 36.72 million Baht, a decrease of (11.39) million Baht from the previous year from depreciation on the right-of-use assets. It was a result of the change in accounting policy from the implementation of Financial Reporting Standard No.16.

■ **Assets for production of filtrated water that must be transferred at end of agreement of subsidiary**

Assets for production of filtrated water that must be transferred at end of agreement of subsidiary were 63.24 million Baht, a decrease of (4.53) million Baht, mainly from amortization of such assets for production of treated water, which was included as part of cost of sales of treated water. Assets for production of treated water of the subsidiary will be transferred after the end of the 10 years agreement to produce and sell treated water and the 23 years agreement to operate water system and water distribution, which will expire in 2029 and 2042, respectively.

■ **Intangible assets**

Intangible assets were 153.45 million Baht, a decrease of (3.21) million Baht from the previous year. Mostly decreased from the amortization of the license for use of the water supply system and the right to manage the water production plant with Ultrafiltration and Reverse Osmosis and increased from software under development 5.60 million Baht.

■ **Deferred tax assets**

Deferred tax assets were 30.43 million Baht, an increase of 2.01 million Baht from the previous year, net from recording income tax expense and recording of deferred income tax assets from the deficit of subsidiaries under Accounting Standard No. 12 Income Tax.

■ **Advance payment for plant and equipment**

Advance payments for buildings and equipment were 34.88 million Baht, an increase of 26.90 million Baht from the previous year, mainly from advance payments for the purchase of machinery and others.

■ **Other non-current assets**

Other non-current assets were 12.03 million Baht, an increase of 1.04 million Baht from the previous year, mainly from withholding tax pending refund of subsidiaries.

EFFICIENCY RATIO		2023	2022	2021
Return on assets	(%)	1.83	3.56	3.53
Return on fixed assets	(%)	13.39	19.07	18.68
Assets turnover	(times)	0.50	0.57	0.50

Return on assets was 183%, a decrease from 2022, which had a return on assets of 3.56% because the Company's net profit decreased much from last year due to the economic situation and the lack of a government budget.

Return on fixed assets was 13.39%, a decrease from 2022, which had a return on fixed assets of 19.07%. The asset turnover ratio was 0.50 times, an increase from the previous year because the Company's net profit decreased.

4.2.4 Liquidity and Suitability of Capital Structure

1) Sources and uses of funds

In 2023, the Company's capital structure is cash from operating activities of 198.74 million Baht from the business operations of the WIIC group to use as working capital for business operations and a source of investment in the water management business of the subsidiaries with details of sources and uses of funds for the year 2023 as follows;

Unit: million Baht	2023	Changed (%)	2022	Changed (%)	2021
Net cash from (used in) operating activities	198.74	276.81	52.74	(66.10)	155.59
Net cash from (used in) investing activities	(229.62)	382.41	(47.60)	(53.08)	(101.45)
Net cash from (used in) financing activities	(53.20)	(56.54)	(122.42)	(159.03)	207.37
Net increase (decrease) in cash and cash equivalents	(84.09)	(28.30)	(117.28)	(144.84)	261.51
Unrealized (loss) gain on exchange for cash and cash equivalents	(0.39)	(67.36)	(1.20)	(18.61)	(1.47)
Cash and cash equivalents at beginning of year	247.78	(32.35)	366.26	244.82	106.22
Cash and cash equivalents at end of year	163.30	(34.10)	247.78	(32.35)	366.26

- Net cash received from operating activities was 198.74 million Baht, a change compared to 2022 with net cash received from operating activities of 52.74 million Baht. Mainly from Trade and other receivables and inventories have decreased quite a lot compared to the last year.
- Net cash used in investing activities was (229.62) million Baht, a decrease by (182.02) million Baht compared to the year 2022 with net cash used in investing activities of (47.60) million Baht. Most of them are Acquisition of property, plant and equipment (192.56) million Baht, cash payment in advance for plant and equipment (34.88) million Baht, Acquisition of intangible assets (5.75) million Baht, and Acquisition of assets for production of filtrated water that must be transferred at end of agreement of subsidiary (1.19) million Baht, while there is Interest received 4.36 million Baht, and Dividend income 0.38 million Baht.
- Net cash used in financing activities was (53.20) million Baht, while in 2022 there was net cash used in financing activities of (122.42) million Baht. In 2023, the Company had net cash used in financing activities such as Dividend paid (50.25) million Baht, Repayment of long-term loans (40.23) million Baht, Payment of principal portion of lease liabilities (16.72) million Baht, while the Company had funding during the year from long-term loans 54.00 million Baht to support the water operation project in the Kamala Subdistrict Administrative Organization area of a Subsidiary.

2) Investment expenses

In 2023, the Company had total investment expenses of (234.37) million Baht consisting of Acquisition of property, plant and equipment (192.56) million Baht, cash payment in advance for plant and equipment (34.88) million Baht, Acquisition of intangible assets (5.75) million Baht, and Acquisition of assets for production of filtrated water that must be transferred at end of agreement of subsidiary (1.19) million Baht.

3) Adequacy of Liquidity

LIQUIDITY RATIO		2023	2022	2021
Current ratio	(times)	4.28	4.17	5.04
Quick ratio	(times)	2.06	2.40	3.03
Cash flow ratio	(times)	0.67	0.18	0.28
Accounts receivable turnover ratio	(times)	2.69	3.16	3.10
Average collection period	(days)	135.69	115.51	117.74
Inventory Turnover ratio	(times)	2.93	3.37	3.50
Average sale period	(days)	124.57	108.31	104.29
Payable turnover ratio	(times)	12.80	18.12	11.44
Repayment period	(days)	28.52	20.14	31.91
Cash cycle	(days)	231.74	203.68	190.12

Liquidity ratio was 4.28 times, an increase from the previous year with a liquidity ratio of 4.17 times, showing that the Company has current assets consisting of cash, accounts receivable, and inventories more than short-term liabilities, including the Company has more flexibility in repaying short-term liabilities. Because in 2023, the Company's current liabilities decreased (54.62) million Baht compared to 2022.

Quick ratio was 2.17 times, a decrease from the previous year, reflecting the real liquidity that the Company has more cash-convertible assets more than short-term liabilities. However, the liquidity of short-term debt repayment decreased from the previous year. While the cash flow liquidity ratio was 0.65 times, an increase from the previous year, reflecting that the Company's operating cash flow increased from the previous year and has more proportion when compared to short-term liabilities.

Trade accounts receivable turnover ratio was 2.60 times with an average collection period of 140.38 days, indicating that the Company takes more time to collect money from credit sales than in 2022. However, the Company's average collection period is quite long as result of the relaxation on credit to the customers to increase the competitiveness of Company. The Company has made credit insurance to mitigate credit risk.

Inventory turnover ratio was 2.93 times with an average inventory turnover of 124.57 days, an increase from the previous year. In 2021 - 2022, the Company had an average inventory turnover of 104.29 days and 108.31 days, respectively, because the Company's sales decreased compared to the previous year.

Account payable turnover ratio of 12.80 times and a repayment period of 28.52 days, longer than the year 2022 with a repayment period of 20.14 days, because the Company purchased raw materials during the year by the cash term and a 60-day credit term during the plastic resin price decreased, to manage the cost of raw materials.

In 2023 the Company's cash cycle period (calculated by the number of days from payment of raw material until received payment from customers) was longer than the last year. The main reason is that The Company's collection period and sale period increased when compared to the previous year.

The operating results for the year 2023 of the Company and its subsidiaries has changed less than 20%. In 2023 the net profit was Baht 49.41 million compared to Baht 95.78 million in the year 2022. The decreased of Baht (46.37) million or (48.41) %. The main reason is income from the pipe sales and installation business decreased by (233.92) million Baht or (18.63) %, which was a result of the economic situation and the lack of government budget.

4) Ability to repayment

The Company and its subsidiaries had total liabilities in 2023 of 551.55 million Baht, a decrease of (42.97) million Baht or (7.23) % from the previous year, with total liabilities of 594.51 million Baht. Mostly are liabilities arising from long-term loans of 217.80 million Baht, trade and other payables of 95.23 million Baht, other current liabilities of 54.08 million Baht, Deferred tax liabilities 49.60 million Baht, Lease liabilities 39.73 million Baht, Advance received from customers 37.77 million Baht, and Provision for long-term employee benefits 33.31 million Baht.

The Company's capital structure is cash from operating activities of 198.74 million Baht from the business operations of the WIIC group to use as working capital for business operations and a source of investment in the water management business of the subsidiaries. From past operations, the Company can be paid liabilities according to conditions and have sufficient ability to pay off liabilities.

Long-term loans

		(Unit: Thousand Baht)	
Interest rate (% per year)	Repayment schedule	Consolidated financial statements	
		2023	2022
MLR - 1.75	Monthly installments as from November 2016 - July 2024	7,348	19,837
MLR - 1.75	Monthly installments as from November 2017 - August 2025	21,844	34,781
MLR - 1.75	Monthly installments as from March 2020 - October 2027	21,590	26,398
MLR - 1.75	Monthly installments as from March 2020 - August 2027	113,022	123,014
MLR - 2.35	Monthly installments as from November 2023 - October 2029	54,000	-
Total		217,804	204,030
Less: Current portion		(44,272)	(44,121)
Long-term loans, net of current portion		173,532	159,909

Movement of the long-term loan account during the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Beginning balance	204,030	234,027
Additional borrowings	54,000	-
Repayments	(40,226)	(29,997)
Ending balance	217,804	204,030

The loans of its subsidiaries are secured by the Company and a subsidiary and the mortgage of the Company's land including the transfer of rights of claim under the agreement granting a license for operate a water supply system, the agreement granting to design, construct and operate a potable water production system, the agreement of production and/or supply of good water (RO) and the agreement granting to design, construct and operate an extension portable water production system that its subsidiaries had received from counterparties.

Under the loan agreements, its subsidiary is required to follow certain conditions stated in the agreement which, among other things, require to maintain debt-to-equity ratio at the rate prescribed in the agreements.

As at 31 December 2023, the long-term credit facilities of the subsidiary which have not yet been drawn down amounted to Baht 108 million (2022: Baht 108 million).

FINANCIAL POLICY RATIO		2023	2022	2021
Debt to Equity ratio	(times)	0.26	0.28	0.27
Interest coverage ratio	(times)	22.84	9.16	9.66
Debt service coverage ratio	(times)	0.58	0.25	0.77
Dividend payout ratio	(%)	52.82	82.44	87.48

The Company and its subsidiary manage to ensure that it has appropriate capital structure in order to support their businesses and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods. As at 31 December 2023, the Group's debt-to-equity ratio was 0.26 :1 (2022: 0.28:1) and the Company's was 0.11 :1 (2022: 0.14:1).

Debt to equity ratio in 2023 was 0.26, a slight decrease from the year 2022 with a debt-to-equity ratio of 0.28, because, in 2023, the Company's total liabilities decreased from the previous year.

The interest coverage ratio was 22.84 times, an increase from the previous year with an interest coverage ratio was 9.16 times, showing that the Company has sufficient cash flow from operations and the ability to pay interest increased compared to the previous year.

Debt service coverage ratio (cash basis) was 0.58 times, showing that the Company's operating cash flow is more than its obligations such as payment of debts, Capital expenses for purchasing assets, including dividend payment. Because of in 2023, the Company has net cash received from operating activities of 198.74 million Baht, while there is a total investment expense of (234.37) million Baht.

4.2.5 Liabilities obligations and off-balance sheet liabilities management

The Company had commitments and contingent liabilities which disclose in notes to the financial statements article 30 of the financial statements 2023 as follows.

1) Capital commitments

As at 31 December 2023 and 31 December 2022, the Group had capital commitments relating to the acquisition of machinery and building under installation as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	(Million)	(Million)	(Million)	(Million)
Baht	57.3	10.8	1.8	10.8
US dollar	1.4	2.4	1.4	2.4

2) Raw material purchase commitments

As at 31 December 2023, the Group had raw material purchase commitments amounting to Baht 71.3 million (2022: Baht 125.4 million) (The Company only: Baht 71.3 million (2022: Baht 125.4 million)).

3) Long-term service commitments

- (a) The Company entered into Licensing Agreement with Uponor Infra Ltd. for the products under WEHOLITE trademarked for a period of 5 years. The Licensing Agreement is for Licensing Fee and Royalty Fee. For the year ended 31 December 2023, the Licensing Fee and Royalty Fee was approximately Baht 2.3 million (2022: Baht 1.4 million).
- (b) On 17 May 2016, the subsidiary signed an agreement with a company (the Licensor) granting it a license to manage a water supply system, whereby the subsidiary is to manage operation of the water supply distributed to Siam Eastern Industrial Park for a period of 20 years from the first day the water supply system is operational (1 June 2016). The subsidiary has to pay to the Licensor compensation amounting to Baht 110 million and compensation for rental as stipulated in the agreement at Baht 1.2 million per annum for 20 years. The subsidiary is required to maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. The Licensor agrees to purchase treated water that the subsidiary produces in a volume sufficient to meet the demand of its users at the price stipulated in the agreement, with minimum guaranteed purchases of 12,000 cubic meters per day and the subsidiary has to purchase raw water only from the licensor at the price stipulated in the agreement. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement.

- (c) On 21 October 2016, the subsidiary signed an agreement with a company (Employer) to design, construct and operate a potable water production system for Wellgrow Industrial Estate for a period of 20 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for the acquisition of machinery and equipment used in the production of potable water, including installation of potable water system and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement. Employer agrees to purchase treated water that the subsidiary produces in a volume to meet the demand of Employer at the price stipulated in the agreement, with minimum guaranteed purchases of 17,500 cubic meters per day.

On 1 October 2018, the subsidiary signed an amendment to the above the agreement, with minimum guaranteed purchases of 17,000 cubic meters per day which will be effective from 1 October 2018.

Subsequently, on 21 July 2020, the subsidiary signed an amendment to the above the agreement, with minimum guaranteed purchases of 10,500 cubic meters per day and increase the selling price per cubic meters.

- (d) On 31 March 2019, the subsidiary signed the water recycling agreement with a company (Buyer) in Wellgrow Industrial Estate for a period of 10 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for design, construct and install the water recycling system with standard stipulated in the agreement, including acquisition of machinery and equipment used in the production of filtrated water and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement, including deliver and transfer ownership of machines, equipment and relevant items, in relation to the entire water recycling system to Buyer when that agreement terms have been expired. Buyer agrees to purchase filtrated water that the subsidiary produces in a volume to meet the demand of Buyer at the price stipulated in the agreement, with minimum guaranteed purchases of 475 cubic meters per day.
- (e) On 25 December 2019, the subsidiary signed the water supply agreement with a company (Buyer) for a period of 23 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for design, construct and install the water supply system with standard stipulated in the agreement, including acquisition of machinery and equipment used in the production of filtrated water and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement, including deliver and transfer ownership of machines, equipment and relevant items, in relation to the entire water treatment system to Buyer when that agreement terms have been expired. Buyer agrees to purchase filtrated water that the subsidiary produces in a volume to meet the demand of Buyer at the price stipulated in the agreement, with minimum guaranteed purchases of 10,500 cubic meters per day.

- (f) On 4 January 2020, the subsidiary purchased ordinary shares of WIik PT Company Limited (“WPT”) (Formerly known as “WOG ITR Water Solution Company Limited (“WOG ITR”)”), the subsidiary of Wiik Water Co., Ltd., with an objective of acquiring the right to manage the water production plant with Ultra filtration and Reverse Osmosis systems to provide services in accordance with the agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province (client) dated 16 July 2012 with a term of 30 years. Under the agreement, WPT is responsible for providing engineers, technicians and person who has knowledge and specialty in design, procurement and installation of Reverse Osmosis systems including the acquisition of machinery and equipment used in the production of RO, and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at WPT own expense. Moreover, WPT is also obliged to comply with certain provisions and conditions stipulated in the agreement.
- (g) On 31 March 2023, the subsidiary signed a contract of purchasing tap water with specified standards from a tap water production company (the Seller) to prepare tap water for distribution to customer in some area in Phuket, contract period is 30 years from the first date of water delivery or until expired date of water supply business concession of any party before the contract expiry date. (Currently, not yet delivered).

Under the mentioned contract, the parties have defined the water delivered point. The subsidiary would invest for construction of the water distribution system starting from connection point of water meter at the delivered points to reach capable per agreed volume. The contract defines minimum volume of tap water that the seller must provide, and the subsidiary must purchase by 12,000 to 20,000 cubic meters per day depend on each period as defined in the contract, and define maximum of sale-purchase volume 30,000 cubic meters per day.

4) Guarantees

- (a) As at 31 December 2023, the Company has guaranteed bank credit facilities of its subsidiaries amounting to US dollar 1 million and Baht 649 million (2022: US dollar 1 million and Baht 625 million).
- (b) As at 31 December 2023 and 2022, there were outstanding bank guarantees issued by banks on behalf of the Group as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	31 December 2023	31 December 2022
Guarantee payment due to suppliers	35.0	35.0
Guarantee contractual performance	34.0	33.3
Guarantee electricity use among others	6.9	6.5
Guarantee cash received from customers and retention	21.9	18.1
Guarantee bid bond	-	24.9

4.2.6 Factors that affect the operating results in future

1) Economic outlook for 2024

The Thai economy in 2024 is projected to expand in the range of 2.2 – 3.2 percent (with the midpoint of 2.7 percent). Key supporting factors include: (1) the return to an expansion of exports of goods in line with the global economic recovery; (2) the favorable growths of private consumption and private investment; and (3) the continual recovery of tourism sector. Private consumption expenditure and private investment are expected to increase by 3.0 percent and 3.5 percent, respectively. Meanwhile, export value of goods in US dollar terms is anticipated to expand by 2.9 percent. Headline inflation is estimated to be in the range of 0.9 - 1.9 percent and the current account is projected to record a surplus of 1.4 percent of GDP.

(Source: Office of the National Economic and Social Development Board)

2) Restrictions and risk factors

A decline in fiscal momentum is a result of important limiting factors including (1) Delays in the budget process in the fiscal year 2024, in the base case it is expected that the fiscal year 2024 expenditure budget will be able to begin disbursement in May 2024 or delayed from the normal case of 7 months. Such conditions allow the disbursement of funds into the economy in the third and fourth quarters of fiscal year 2024. As a result, budget disbursement, especially the government investment budget, in 2024 will be lower than the previous fiscal year. In the base case, it is expected that in fiscal year 2024, there will be money from investment budget disbursement of 461 billion Baht compared to 478 billion Baht in fiscal year 2023 and (2) The trend of decreasing fiscal space amid Thailand's high public debt ratio of 61.3 percent to GDP at the end of the 4th quarter of 2023, while government income is likely to continue to decrease. The estimated government revenue to GDP ratio under the medium-term fiscal plan for fiscal year 2024 is 14.7 percent of GDP, compared to 15.2 percent in fiscal year 2019. This will be a major constraint on government spending and Implementation of fiscal policy in the next period.

Fluctuations in energy and commodity price levels; In the midst of geopolitical conflicts, especially in the Middle East region, there is still uncertainty, including the effects of climate variability. This may put pressure on inflation to be higher than expected and affects the central bank's monetary policy to maintain the policy interest rate at a continuously high level.

Chinese economic slowdown may be more severe than expected due to debt problems in the real estate sector and high government debt. The slowdown in domestic consumption poses a risk of deflation, including directions for changing policy guidelines that focus on relying more on the domestic economy, reflected by a decrease in imports of Chinese goods. This may affect the recovery of export and manufacturing sectors of developing countries and emerging market economies.

Fiscal space is shrinking in many countries facing high debt under the high interest rate. This may result in the need for more fiscal consolidation and become restrictions on the economic recovery trend in the next period.

3) Construction Materials Industry Outlook

The construction materials industry will enjoy an improving outlook over 2023 to 2025 thanks to better conditions on both domestic and international markets. (i) Overall domestic expenditure on construction is forecast to expand by 3.0-3.5% annually, lifted by a combination of an acceleration in government investment on megaprojects connected to the Eastern Economic Corridor (EEC) and upgrades and expansion of the national road and rail networks, and growth in the economy that will then feed greater private sector spending on residential accommodation. (ii) With the COVID-19 pandemic now receding, regional economies are rebounding, and this will support increased spending on infrastructure and real estate projects across the region, especially in Thai operators' principal export market of the CLM nations.

Manufacturers and distributors will see their income rise amidst the stiff competition coming from both other Thai players and overseas producers exporting into the Thai market. Manufacturers will tend to respond to this situation by stepping up their investment in technology, and this will then pave the way to the production of higher-quality goods that are a better match for changing market demand, especially given the increasing focus on sustainability and the ESG model. Likewise, in response to consumer behavior that is evolving under the impact of new digital technologies, distributors will also need to adjust their operations, for example by developing new channels through which to connect with their customer base. Despite this positive outlook, players will nevertheless face the risk arising from: (i) rising imports of construction steel and ceramic tiles, especially from China and Vietnam since these enjoy a price advantage relative to Thai products; (ii) the likely elevated price of crude, which will add to energy costs; and (iii) continuing labor shortages that will affect both the construction industry and manufacturers of construction materials. (Source: Krungsri Research)

4) SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> High quality Ability to provide technical services and installation Technical collaboration with Lesso and Uponor Qualified and high experienced production staff, marketing staff, and engineering staff Ability to provide water management services Synergy with Lesso, wide product range 	<ul style="list-style-type: none"> Old machinery, high maintenance cost Less flexible than our competitors Lesso product not 100% fit in Thailand market, need to flexible and make minor changes to follow the demand of the market Local production is not available for PVC in short period, need support from Lesso Our PVC lack of TIS certificates compared to the others
Opportunities	Threats
<ul style="list-style-type: none"> Water management problems, both flooding and drought Development in EEC zone More acceptance of structured wall PE pipes High demand of PE conduits Retail market development for PVC and PPR in provinces Product variety create more sales channels and possibilities Lesso existing customers can develop more revenue with better service with local team 	<ul style="list-style-type: none"> Restricted government budget High Competition Higher costs of installation and transportation More local manufacturers in our export target countries Low quality competitors PVC market is well protected by the existing players in Thailand PPR market size quite low, probably 1,000-million-baht market PPR market is not the same as PVC, mostly run for the project segment only, not dealer channel

5. General information and other important information

5.1 General information

1) General Information of the Company

Name	:	WIik Public Company Limited
Security Symbol	:	WIik
Head office	:	90 CW Tower A, 35th Floor, Ratchadapisek Road, Huaykwang, Bangkok 10310
Factory Location	:	7/214 Moo 6 Amata City Industrial Estate (Rayong), Mab Yang Porn, Pluak Daeng, Rayong 21140
Branch Location	:	C.M. Enriquez Street, Suba, Danao City, Cebu, Republic of the Philippines 6004
Nature of Business	:	Manufacturing, distribution, consulting and advisory services about installation planning of pipe systems and installation services of HDPE pipe, LDPE pipe, polypropylene pipe, Weholite Spiro pipe and WehoTank. Its production capacity and quality of products are well known worldwide.
Business Registration	:	0107538000151
Contact numbers	:	Telephone 0-2612-8600 Fax 0-2645-2828-9
Website	:	www.wiik.co.th
Registered Capital	:	837,683,062 Baht
Paid up Capital	:	837,683,062 Baht
Number of paid-up shares	:	837,683,062 shares
Par value	:	1.00 Baht
Accounting period	:	1 January - 31 December

2) General information of Subsidiaries

(1) Name	: WIIC Water Company Limited
Head office	: 90 CW Tower B, 21st Floor, Ratchadapisek Road, Huaykwang, Bangkok 10310
Branch location 1	: 60/129 Moo 3 Mab Yang Porn Sub-district, Pluak Daeng District, Rayong Province 21140
Branch location 2	: 371 Soi Bangna-Trad 12, Bangna Sub-district, Bang Na District, Bangkok 10260
Nature of Business	: Water management business such as designs, contract manufacturing, concession, and distribution of fully integrated clean water production system and wastewater treatment system with modern technology and standards.
Contact numbers	: Telephone 02-398-9031 Fax 02-398-9031 Ext 7
Registered Capital	: 260,000,000 Baht
Paid up Capital	: 192,500,000 Baht
Number of paid-up shares	: 2,600,000 shares
Par value	: 100 Baht
Shareholding	: 82.69%
Related status	: Subsidiary
Note	: <u>Formerly</u> named WH Pipe (Thailand) Company Limited
(2) Name	: WIIC PT Company Limited
Head office	: 90 CW Tower B, 21st Floor, Ratchadapisek Road, Huaykwang, Bangkok 10310
Nature of Business	: Production of tap water with ultra-filtration and reverse osmosis systems.
Contact numbers	: Telephone 02-398-9031 Fax 02-398-9031 Ext 7
Registered Capital	: 60,607,100 Baht
Paid up Capital	: 60,607,100 Baht
Number of paid-up shares	: 606,071 shares
Par value	: 100 Baht
Shareholding	: 100% by WIIC Water Company Limited
Related status	: Subsidiary
Note	: <u>Formerly</u> named WOG ITR Water Solution Company Limited

(3) Name	: Southern Consultants and Construction Company Limited
Head office	: 90 CW Tower B, 21st Floor, Ratchadapisek Road, Huaykwang, Bangkok 10310
Nature of Business	: Trading in drinking water, mineral water, raw water, tap water
Contact numbers	: Telephone 02-398-9031 Fax 02-398-9031 Ext 7
Registered Capital	: 10,386,200.00 Baht
Paid up Capital	: 10,386,200.00 Baht
Number of paid-up shares	: 103,862 shares
Par value	: 100 Baht
Shareholding	: 51% by WIIC Water Company Limited
Related status	: Subsidiary

3) Other References

Share Registrar	: Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400 Telephone: 0 2009-9000 Fax: 0 2009-9991 SET Contact center: 0 2009-9999 Website: http://www.set.or.th/tsd E-mail: SETContactCenter@set.or.th
Auditor	: Mr. Khitsada Lerdwana C.P.A. Registration No. 4958 Mr. Termphong Opanaphan C.P.A. Registration No. 4501 Ms. Vilailak Laohasrisakul C.P.A. Registration No. 6140 Mrs. Wilai Sunthornwanee C.P.A. Registration No. 7356 EY Office Limited 33rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road Klongtoey Bangkok 10110 Telephone: +66 2264 0777, +66 2661 9190 Fax: +66 2264 0789-90 Website: http://www.ey.com

5.2 Other important information

-None-

5.3 Legal Disputes

In 2023, the Company does not have any legal disputes in which the Company or its subsidiaries are related or parties that may significantly affect its business operations.

Part 2 Corporate Governance

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practices

The company emphasize on efficiency management which has to be transparent and inspected in order to ensure for shareholders, investors, stakeholders, and all related department to encourage the company to the stability for sustainable growth.

The Board of Directors realizes role, duty and responsibility as director to the Company and the shareholders and has approved the written corporate governance policy that complied with good corporate governance of the Stock Exchange of Thailand (“SET”) in order to determine the supporting corporate governance policy to be its guideline to perform which the material substances divided into 5 sections as follows:

1) Rights of Shareholders

Basic shareholder rights are rights to buy, sell or transfer shares, share in the profit of the Company, obtain relevant and adequate information on the Company in a timely manner and on a regular basis, participate and vote in the shareholders’ meeting to elect or remove members of the board, appoint the external auditor and make decisions on any transactions that affect the company such as dividends payment, amendments to the company’s articles of association or the company’s bylaws, capital increases or decreases, and the approval of extraordinary transactions, etc.

Apart from the above basic rights, the Company has policy to support and facilitate the shareholders to exercise their rights as follows:

- 1) In case the shareholder cannot attend the meeting by himself, the Company allows the shareholder to assign the proxy to the Audit Committee or any person to attend the meeting by using any type of proxy as submitted with the invitation letter.
- 2) Allow the shareholder to submit the opinion, advice and send questions in advance prior to the shareholders’ meeting date.
- 3) To encourage the shareholder to use the proxy in form that the shareholder can determine the voting direction and nominate at least 1 independent director.
- 4) During the meeting, the Company shall provide proper time and encourage the shareholder to express opinion, advice or raise question at the meeting with regard to the matters concerning the Company prior to the voting in any agenda. The Company shall provide sufficient information of such matter to the shareholder.
- 5) To encourage using voting card for the important agenda such as related transaction, asset acquisition or disposition, etc. for transparency and be able to examine in case there is any argument in the future.
- 6) All directors shall attend the meeting except for necessary circumstance so that the shareholders can inquire with regard to the related matter.

The Company also recognizes shareholders' legal rights and encourages shareholders to exercise their rights as follows:

Right to Information

Shareholders have the right to receive information on the Company's operations. The Company has made company information and news in both Thai and English available for view through active channels such as SET's website.

Right to Participate

in Shareholders' Meetings the Company holds an Annual General Meeting of Shareholder within four months after the date of the Company's fiscal year end by date, time and place of meeting no obstacle to attend.

In 2023, the Company held the Annual General Meeting of Shareholders 2023 on 28 April 2023. The Company has complied with the good corporate governance principles as follows;

The Annual General Meeting of Shareholders 2023

(1) Before the meeting

- **Opportunity for Shareholders to Propose AGM Agenda**

The Company invited the shareholders to propose the agenda and candidates to be considered for the election as the Company's directors in the Annual General Meeting of Shareholders. The submitting period is from 7 December 2022 until 31 January 2023

The Company disclosed (1) Criteria for shareholders to propose the agenda and candidates to be elected as directors in the Annual General Meeting of Shareholders 2023 (2) Form for proposing agenda for the Annual General Meeting of Shareholders 2023 (Form A) and (3) Form for proposing candidates to be elected as directors in the Annual General Meeting of Shareholders 2023 (Form B and Form C) via the Company's website at www.wiik.co.th since 7 December 2022.

There was no proposed agenda, question or candidate of directors from the shareholders.

- **Agenda and sending notice of meeting**

The Company has notified the agenda for the shareholders' meeting in both Thai and English via the channels of the Stock Exchange of Thailand since 16 February 2023 to informed the Shareholders 71 days before the meeting date. The Company has sent a notice of meeting which has both facts and reasons including opinions of the Board of Directors on every agenda together with supporting documents as follows.

- Copy of the minutes of the Annual General Meeting of Shareholders 2022
- QR CODE for download the Annual Report and Financial Statements for the year 2022 (Form 56-1 One Report)
- Information of the directors who retire by rotation and proposed the shareholders to vote for election another term
- Guidelines for appointment of proxy holder, registration and documents required in order to attend the shareholders' meeting

- Articles of Association with respect to the meeting of shareholders only
- Independent Directors Definition and Information of an independent director for consideration regarding appointment as proxy holder
- Proxy (Form B)

By submitting before the meeting date 23 days since 5 April 2023 and also advertised in newspapers 3 consecutive days before the meeting from 3 - 5 April 2023 as well as published the notice of the Annual General Meeting of Shareholders 2023 with supporting documents on the Company's website www.wiik.co.th since 29 March 2023.

(2) During the Meeting

With the situation of the Coronavirus Disease 2019 (COVID-19) outbreak, the Company is extremely aware and concerned about the health of its shareholders. For this reason, the Company organized the Annual General Meeting of Shareholders 2023 via an E-meeting live at 2:00 PM at the Company's office meeting room, 90 CW Tower A, 35th Floor, Ratchadapisek Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310.

The Shareholders or proxies who would like to attend the E-AGM must submit an application to attend the meeting by Electronic Method. The system will be available to access from 17 - 27 April 2023. In the event that a shareholder cannot attend the shareholders' meeting in person, such shareholder may appoint any other person as proxy holder to attend the meeting. The registrations for attending the Annual General Meeting of Shareholders 2023 were opened at 13.00 hours via E-AGM by broadcasting live at the Company's headquarters meeting room.

The Board of Directors attaches importance to the shareholders' meeting which considered as a duty to attend. The Annual General Meeting of Shareholders 2023 on 28 April 2023. There were 8 directors (From a total of 9 directors) attended the meeting as follows:

- | | |
|---|--|
| 1) POL.GEN. Chidchai Vanasatidya, Ph.D. | Independent Director / Chairman of the Board of Directors /
Chairman of the Audit Committee |
| 2) Mr. Wiboon Sangwithayanon | Director and Chief Executive Officer |
| 3) Dr. Shaoquan Lin | Director |
| 4) Mr. Rocky Kin Lau | Director and Executive Committee |
| 5) Mr. Karn Siriphatras | Director and Executive Committee |
| 6) Mr. Zhe Li | Director and Executive Committee |
| 7) Mr. Yulong Li | Director and Executive Committee |
| 8) Miss Benjawan Sinkunakorn | Independent Director and Audit Committee |
| 9) Assoc. Prof. Dr. Tanit Tongthong | Independent Director and Audit Committee |

Besides, Chief Financial Controller, the Company's Auditor, Legal Advisor and Company Secretary, who served as the inspector in the meeting and witness to vote counting also attended the Meeting to answer questions from shareholders. List of the members of the Board and other Executives who attended the Meeting was included in the Minutes of Annual General Meeting of Shareholders 2023.

The Shareholders' meetings are an opportunity for shareholders to exercise their rights to inquire about the operations and performances of the Company and to consider and vote on various matters as specified by laws and the Company's Articles of Association. Upon the commencement of a meeting, Chief Executive Officer informs the meeting of the number/proportion of shareholders in attendance. Chairman of the Board of Director acts as a chairman of the meeting announces the opening of the meeting and then explain procedures and rules governing voting and vote counting. For the meeting to elect the Company's Directors, the election will be voted upon individually by shareholders. The meeting proceeds in the sequence of agenda and no additions or order changes of agenda items will be made without advance notice. Sufficient time to consider the agenda items is provided and shareholders are given an opportunity to make inquiries and comments, to which direct and clear responses are provided by Directors. The meeting is informed of voting result of each agenda item, including vote counts for Approve, Disapprove, Abstain, and Void.

(3) After the Meeting

The Company recorded inquiries, opinions, and essential details in the Minutes of the Meeting to facilitate future audits by the shareholders as follows:

- The voting and vote counting processes which were clarified by the Company Secretary to the shareholders prior to the beginning of the shareholders meeting according to the agenda.
- The votes of the shareholders which were clearly segregated as "Approval", "Disapproval", "Abstention", and "Void" in terms of number of votes and proportion for each agenda item.
- List of names and positions of directors, high-level executives and the auditor who were present at the shareholders meeting.
- Summary of inquiries, opinions, and recommendations of the shareholders as well as response of the directors and the management to the inquiries made by the shareholders in each agenda item, for information of the shareholders who were absent from the shareholders meeting.

The Company later submitted the minutes of Annual General Meeting of Shareholders 2023 to the Stock Exchange of Thailand and the registrar of the public companies limited, Department of Business Development, Ministry of Commerce on 10 May 2023 which was within the specific 14 days from the meeting date and noticed the minutes information in both Thai and English including meeting's recorded video through the Company's website.

The Company allocated the shares of Minority shareholders (Free Float) in accordance with the requirements of the Stock Exchange of Thailand. That was, as at 16 March 2023, on which the shareholders register book was closed to determine entitlements to attend the shareholders meeting 2023, the Company's shares held by Minority shareholders (Free Float) accounted for 42.33%

2) Equitable Treatment of Shareholders

The Company has policy to perform and protect right of each shareholder equally in order to create true equality especially for the minority shareholders such as.

- 1) Disclose information regarding shareholders meetings on the company's website before sending out the notice of the meetings and inform rules related to the meeting, shareholders' rights to attend the meeting and right to vote in advance.
- 2) To handle and facilitate each shareholder equally and shall not do anything to limit or violate or deprive right of shareholder.
- 3) To determine the independent director to oversee minority shareholders by allowing the minority shareholder to give advice, express opinion or claim to the independent directors. The independent directors shall be the person to properly manage each case such as if it is the claim, the independent directors shall investigate for fact and find way to compensate properly or in case that the independent directors consider that such matter is material which affect to the overall stakeholder or affect the Company's business operation, the independent directors shall propose such matter to the shareholder's meeting for considering to be the agenda of the shareholders' meeting.
- 4) To encourage for right exercising such as allowing the minority shareholder to propose additional agenda prior to the shareholders' meeting date and to nominate person to be director in advance with information related to the qualifications and consent of the nominated person.
- 5) The shareholder who is the executive of the Company shall not add any agenda which is not inform in advance especially an important agenda which the shareholders need time to study information before making decision.
- 6) To determine the insider trading protection measurement of relates persons including director and the Company's executives who related to the information (including spouse and minor child of such person).
- 7) To allow shareholder to exercise his right to appoint each director.
- 8) To determine the written guideline for preservation of inside information and protection of using and inform such guideline to all staff to perform accordingly and determine that all directors and executives who have duties to report the shareholding according to the laws have to report regularly to the Board of Directors.

In 2023, the Company performed various matters by considering the equitable treatment of shareholders as follows.

(1) Meetings of Shareholders

- For foreign shareholders, the Company will prepare an English version of the notice of shareholders' meeting, supporting documents, and minutes of a meeting to ensure that all shareholders are able to participate in considering and voting on important matters of the Company. Shareholders who are unable to attend a meeting may choose to vote by proxy by appointing someone or a member of the Audit Committee who is also the Independent Director to cast votes on their behalf. Names and addresses of the three members of the Audit Committee as well as their interests in the matters being considered at the meeting are included in the notice of the meeting. Proxy Form B is also enclosed with the notice of the meeting to be used by shareholder to give their voting instructions.

- The proxy form is affixed with revenue stamp to make it convenient for shareholders to return the form to the Company.
- Votes of shareholders' meeting are counted based upon the number of shares owned by shareholders with one share being entitled to one vote.
- The meeting proceeds in the sequence of the agenda given in the notice of the meeting and no additions or order changes of agenda items will be made without advance notice.
- Use E-AGM system to count votes on each agenda of the meeting for accurate and accurate scoring.
- Voting would be done publicly in which shareholders are given voting cards to vote to approve, disapprove, or to abstain their votes on each agenda. Only the voting cards of shareholders who vote to disapprove and/or to abstain from voting would be collected, with an exception of the election of the Company's Directors in which all voting cards will be collected. Only disapprove and/or abstain votes will be counted which will be subtracted from the total number of eligible votes in attendance. The resulting counts will be considered as approving votes for that agenda. The Company's Auditor acts as witness to vote counting.

(2) Control on the use of inside information

The Company controls on the use of inside information by the Code of Conduct for Directors, Management and Employees of WIIC Public Company Limited which was approved by the Board of Directors Meeting No. 1/2016 on February 29, 2016 and it shall become effective from February 29, 2016 onwards.

The Company considered that Directors, management and employees will be responsible for keeping the confidential information of the Company strictly. Especially inside information that has not been disclosed to the public and impact on the business or securities price. Directors, Management including those related (Spouses and underage children of Directors and Managements) Employees will not take the opportunity of being a Director, Managements or Employees in the pursuit of personal gain and in business operation that compete or relate to the Company as well as will not take the inside information to their advantage in trading of the Company's securities and do not disclose confidential information to the competitors of the company's business, although they was terminated from Director, Managements or Employees already. The Company has process to control on the use of inside information for their own benefit or the others as follows.

- (1) Set for notification of Directors and Managements to understand the duty on reporting of securities holding of their own spouses and underage children as well as report of change in holdings in accordance with section 59 and Penalty provisions under section 275 of the Securities and Exchange Act BE 2535.
- (2) Limit acknowledgment of inside information only Director, Managements, Employees or insiders were involved as necessary and set the authority for the personnel authorized to disclose information of the Company clearly.
- (3) Send circular letter to notify suspend period for trading / transfer of the Company's securities (Backout Period) and prohibit to disclose inside information financial statements during the 1-month period before the public disclosure and within 24 hours after the disclosure of such information already, to Directors, Management including those related (Spouses and underage children of Directors and Managements) and management team for the compliance requirements in such period.

- (4) Set for Directors, Management including those related (Spouses and underage children of Directors and Managements) to inform about trading shares of the Company at least 1 day before trading to the Board of Directors or the assignment.

- (5) Set the regulations for security of computer system and information of the Company stringently.

The Company also impose penalties in case of breach on the use of inside information for their own benefit with penalties ranging from a verbal warning to leaving their job.

Performance

In the past year 2023, Directors, Executives, and Employees have strictly complied. There were no cases of violation or non-compliance with the code of conduct for Directors, Executives, and Employees regarding the use of inside information.

(3) Implementation of conflict of interest

The Company controls on conflict of interest by the Code of Conduct for Directors, Management and Employees of WIIK Public Company Limited which was approved by the Board of Directors Meeting No. 1/2016 on February 29, 2016 and it shall become effective from February 29, 2016 onwards.

The Company adheres to the policy to make no the Directors, Management and employees use of their own duties to seek personal gain, so the Company has determined a code of conduct for Directors, Executives and employees as follows.

- (1) Avoid making connected transactions on their own that may cause a conflict of interest with the Company. Except where need to make such transaction for the benefit of the Company by make such transaction virtual with the outsider. The stakeholders in these transactions must not be involved in the approval process.
- (2) In the case of Directors, Management, Employees or family members involved, whether directly or indirectly in the transactions that may cause a conflict of interest or they are shareholders in business that compete with the Company's business. They have to notify the supervisor as hierarchy and Chairman of the Board to know in writing.
- (3) In the event that Directors, Executives, Employees hold the position of Director, Partner or Advisor in the other organization. They must not conflict to the interests of the Company.
- (4) In the case of the related transaction as requirements of governance agency such as the Securities and Exchange Commission: SEC, the Stock Exchange of Thailand: SET etc. It must comply with the rules, procedures and disclosure strictly.
- (5) The related transaction must be reviewed or considered by the Audit Committee and the Board of Directors, respectively. In case there is any member of the audit committee or the Company's director have an interest in related transaction, such member of the audit committee or director must be no consideration in such related transaction.

Performance

In the past year 2023, Directors, Executives, and Employees have strictly complied. The Company did not find any significant conflicts of interest.

(4) Opportunity for Shareholders to Propose AGM Agenda

According to the good corporate governance regarding the equitable treatment of shareholders, the Company would like to invite the shareholders to propose the agenda and candidates to be considered for the election as the Company's directors in the Annual General Meeting of Shareholders 2024 which is scheduled in April 2024. The submitting period is from 12 December 2023 until 31 January 2024.

The Company disclosed (1) Criteria for shareholders to propose the agenda and candidates to be elected as directors in the Annual General Meeting of Shareholders 2024 (2) Form for proposing agenda for the Annual General Meeting of Shareholders 2024 (Form A) and (3) Form for proposing candidates to be elected as directors in the Annual General Meeting of Shareholders 2024 (Form B and Form C) via the Company's website at www.wiik.co.th since 12 December 2023.

(5) Personal Data Privacy Policy for business partners and related parties

WIik Public Company Limited and its subsidiaries collectively referred to as the "Company" realize the importance of protecting business partners' data which is a natural person, a juristic person including the operators and employees of business partners, collectively referred to as "business partners" and to ensure that the business partners receive personal data protection. Therefore, the Company has prepared this privacy policy to inform you of details related to the purpose of the collection, use or disclose personal data, including withdrawing consent, deleting and destroying personal data of business partners through online channels and other channels according to the Personal Data Protection Act B.E. 2562 with the following policy;

1. Purposes for the collection, use and disclosure of Personal Data

- To take steps at your request prior to entering into a contract or for the performance of a contract.
- For the legitimate interests of the Company or WIik Group.
- To prevent and stop danger to life, body, or health of business partners or other people such as emergency contact, contagious control, and prevention.
- For legal compliance:
- For the performance of duties in the mission for the public benefit of the company or performing duties of state powers that have been granted.
- By Data Subject consent: for development and management of the relations between you and the company, including organizing activities and market research such as products and services satisfaction surveys etc.

2. Personal data collected, used or disclosed

- The Company collects personal data of business partners when dealing with, selling products or providing any services with the Company.
- If a business partner enters the Company's area, we may record video or images of business partners using CCTV cameras. The Company does not collect audio data through the CCTV and the Company will post a sign to inform business partners that CCTVs are used on the Company's premises.

- If the business partners contact or join any activities with the Company, we may collect personal data.
- The Company may need to collect and process the special personal data as required by the Personal Data Protection Act B.E. 2562 to use it for the purposes stated by the Company in this Privacy Policy.
- If necessary, the Company will process special types of personal data of business partners with the express consent of the business partner or for other purposes as required by law only. The Company will use its best efforts to provide adequate security measures to protect the protection of special types of personal data of business partners.

3. Retention Period

4. Disclosure of Personal Data to Third Party

5. Security Measures

6. Business partners rights as Data Subject

7. Contact

8. Amendment of Policy and Guideline on Personal Data Protection

You can study the full Personal Data Privacy Policy for business partners and related parties of the Company at the Company's website at <https://www.wiik.co.th/en/investor-relations/135>

Performance

In the past year 2023, Directors, Executives and Employees have strictly complied. There were no cases of violation or non-compliance with the Personal Data Privacy Policy for business partners and related parties.

3) Role of Stakeholders

The Company sets a clear policy on fair treatment for each and every stakeholder in accordance with the laws as follows;

❖ Roles of Stakeholders

As mentioned previously, the company is working in compliance with the good corporate governance to ensure that all shareholders receive the equitable rights in all concerns, for instance the right to attend the shareholders' meeting, the right to vote, the right to use the proxy forms, the right to obtain sufficient information previous to the meeting, the right to obtain the information on the meeting venue and date, the suitable meeting time allocation, etc.

Besides, the company Board of Directors puts the emphasis on the transparency in disclosure of correct and precise information via any possible channels so that the shareholders and investors can obtain the adequate information equally. We are also widely open to questions from analysts from all kinds of institutions.

❖ Customers

Our board of directors treats all debtors as our valuable asset. It is important that we build up their confidence by providing best service and quality products to them. We guarantee that all products produced by us are in accordance with the ISO and other worldwide standards.

Moreover, to follow the strategy of the company, we continuously improve our business operation by focusing more in the requirements and needs of the customers. We take complaints from the customers as the note to improve to the better.

❖ Employees

We regard our employees as an important asset of the company. Besides the provision of the basic welfares in accordance to the labor laws, we provide them the opportunity to attend the training and seminars to enhance their working skills. The company also provides them a reasonable income and fringe benefit in relation to their abilities and contribution to the company by the assessment from our systematic evaluation procedure.

In case of accidents, the company provides a reasonable support and compensation to employees. We also conduct the safety training and evacuation rehearsal on regular basis. The penalties are given to the employees who misconduct in offending to the company safety policy. The environmental concern is also in attention of our management team.

❖ Trading Partners

One of the most important concerns of the company management and board members is the company reputation and responsibility to all related parties, no exception to the trading partners. We have fair and transparent criteria for the selection of not only reliable trading partners but also ones with concern on social responsibility and environment. We carry on our business relationship with trade partners in proper business manners and commitment.

❖ Creditors

The company management and board members are responsible for making sure that the financial risk management is efficiently manageable. Loans for project investment are audited to ensure that there is no misuse of the funds.

❖ Business-Community relationships

Since the company's business is in the manufacturing sector which our factory was located in Rayong Province. The company is well aware of community effect, so we have decided to build our plant in the best industrial estate that high management standard, reliable and friendly community located. The company has defined the definition of production process, security system, hygienic condition and friendly environmental. Besides, we are providing to support public communities and social responsibility such as donation our product to public construction and participate various social activities. In additional the company's recruitment policy will give priority the candidates who are domiciled in the vicinity in order to increase local employment, economy growth and improve the well-being of local communities.

❖ Environment and Society Concern

The company continues to focus on environmental management and attempts to least cause of environmental impact whether our employees, location and nearby communities. The environmental management concerns manufacturing process, chemical using in production and machine maintenance including with disposal hazard and non-hazard waste under legal standard. The environmental management activities as follows;

- External Audit ISO14001 from Third parties and surveillance auditor and Internal Audit in the company
- Environment campaign and continuous training environment acknowledge along with visiting outside
- Making contact with supplier to disposal the waste who under control of Department of Industrial Works (DIW) and all concerned

- Appointing an environmental management committee in order to visual inspection to evaluate potential environmental concern and monthly situation report.
- Communicate environmental issue with nearby communities and all accept if they have an environmental complaint.
- Monitoring and improving cooling water system in production process in order to reduce water consumption and recirculation system.
- Electrical conservation plan development to improve electricity efficiency in order to reduce electric power consumption.
- Increase green area by planting trees around the factory.
- Monitoring and measurement procedure of workplace environment regulation.

4) Disclosure and Transparency

The important company information includes financial reports and non-financial information is disclosed correctly, accurately, on a timely basis through easy-to-access channels that are fair and trustworthy. We have the investor relations officer available to communicate with outsiders and company secretary in compliance to laws.

In general, the company information is submitted through the Stock Exchange of Thailand channel in the form 56-1 One Report. The same information is also posted on the company website with the up-to-date information.

The company board of directors is responsible for the producing of publicized consolidated financial report of company and its subsidiaries under the recognized certified standard with the choice of appropriate accounting policy and practice on regular basis. Sufficient explanations to the financial statements are also inclusive in the annual report.

The company board of directors has appointed the audit committee, comprising of independent directors to take responsibility in auditing and certifying the quality of financial report and internal audit. The related comments from the audit committee are marked in the report from the audit committee pages. The Company has provided the disclosure in related to number of meetings and number of times of each director attended the meeting each year, including the disclosure of remuneration policy for directors as well.

❖ Shareholder Structure

The Company disclosed the shareholder structure and the WIik Group structure in the Company's annual report and the website. The shareholder structure completely and clearly showed the name list and the shareholding of both major and minority shareholders. The WIik Group structure also showed the shareholding of other shareholders.

❖ Remuneration for Directors and Management

The Remuneration and Nomination Committee and the Board of Directors set a clear and transparent policy on remuneration for directors and management in conformity with the industry norms. The Annual General Meeting of Shareholders of the Company approve the directors' remuneration. The Executives' remuneration was set in advance by the annual budget which is linked to the Company's and its subsidiaries' operating performances as well as his scope of duties, responsibilities and performance prior to being proposed for approval of the Board of Directors.

❖ Report of Interest of Directors and Directors' and Managements' Changes in number of shares

The Company had set a policy to have directors and executives to report their interests by arranging a report form of interest of directors and executives and have the Company Secretary propose them to the Chairman's of the Audit Committee and the Chairman of the Board of Directors. And, every change to such an interest is required to be reported to both of them.

In 2023, Directors' and Managements' have any changes in relation to shares transaction as follows.

List of Directors and Executives	WIIK securities held as of				Increase (Decrease)	% Shareholding
	31 December 2022		29 February 2024			
	Direct	Indirect	Direct	Indirect		
1) POL.GEN. Chidchai Vanasatidya, Ph.D. Independent Director / Chairman of the Board / Chairman of the Audit Committee	1,055,100	-	1,055,100	-	-	0.13
2) Mr. Wiboon Sangwithayanon Director / Chief Executive Officer	210,000	-	410,000	-	200,000	0.05
3) Mrs. Sumalee Ongcharit Director / Executive Committee	81,910,950	-	81,910,950	-	-	9.78
4) Dr. Shaoquan Lin Director	-	-	-	-	-	-
5) Mr. Guirong Huang Director / Executive Committee	-	-	-	-	-	-
6) Mr. Yulong Li Director / Executive Committee	-	-	-	-	-	-
7) Mr. Zhe Li Director / Executive Committee	-	-	-	-	-	-
8) Miss Benjawan Sinkunakorn Independent Director / Audit Committee	-	-	-	-	-	-
9) Associate Professor Dr. Tanit Tongthong Independent Director / Audit Committee	-	-	-	-	-	-
10) Miss Rewadee Whanchid Executive Committee	-	-	-	-	-	-
11) Miss Chinanut Jariyarudeechai Executive Committee / Chief Financial Controller	-	-	-	-	-	-
12) Mr. Yanlong Yang Deputy General Manager of PVC / PP-R Business	-	-	-	-	-	-
13) Mr. Yang Zhang PVC Technical Manager	-	-	-	-	-	-
14) Mr. Peerapon Thantranon Sales Manager	-	-	-	-	-	-

List of Directors and Executives	WIiK securities held as of				Increase (Decrease)	% Shareholding
	31 December 2022		29 February 2024			
	Direct	Indirect	Direct	Indirect		
15) Mrs. Sasiwimon Wirojchewan Administrative & Procurement Manager	-	-	-	-	-	-
16) Miss Jarunee Anansuksakun Technical & Product Manager	-	-	-	-	-	-
17) Mr. Arom Petchmanee Factory Manager	-	-	-	-	-	-
18) Mr. Krisnat Busapavanij Export Sales Manager	-	-	-	-	-	-
19) Miss Parichart Wongwiwat Business Development Manager	-	-	-	-	-	-
20) Mr. Panao Intraphan Project Manager	-	-	-	-	-	-
21) Mrs. Aphitchaya Hemtanon Accounting Manager	-	-	-	-	-	-
Total	83,176,050	-	83,176,050	-	-	9.96

❖ Information providing and mass media or public interviews

- 1) The disclosure of the Company's information shall be in accordance with the rules and regulations of the Stock Exchange of Thailand; subject: Rules, Conditions and Procedures for Information Disclosure and any practices of listed companies including other relevant laws.
- 2) The Company determined the Chief Executive Officer is the authority in the interview or answer questions of Shareholders, Investors, mass media, and outsiders. Other top executives may provide information if they assigned by Chief Executive Officer.
- 3) The Company determined the Investor Relations Department to represent the Company to provide useful information to shareholders, securities analysts, fund manager, investors, and financial institutions.

❖ Communication Channels to the Public

The Board of Directors recognizes the significance of correct, complete, timely, transparent, and thorough information disclosure, and assigns the Chief Executive Officer and Company Secretary acts as Investor Relations to communicate with investors, shareholders, analysts, media, and other organizations concerned. Investors can access all information relating to the Company by contacting Mr. Wittaya Janta-ummao, the Company Secretary at Tel. +6626128610 Email Address: wittaya@wiik.co.th

In 2023, the Company constantly communicated and provided information to analysts, investors, shareholders, and media in various forms as follows:

- (1) Providing opportunities for analysts from securities companies to meet with executives (Company Visit).

- (2) Publicizing the investor relation's information via the Company's website under the item of "Investor Relation"
- (3) Besides, the Company plans to organize the activity "Listed Companies Meet Investors" (Opportunity Day), which aims for listed companies to conduct investor relations activities by clarifying information about the business and company operations to securities analysts, investors, and the media on March 16, 2023, at 13.15 – 14.00 via VDO Conference: <https://www.youtube.com/watch?v=qmkDk10IJV8>

❖ **Financial Statements and Auditors**

The Company and its Subsidiaries have appointed EY Office Limited as auditors since 2009 - 2023 totaling 15 years. The appointed auditors were the independent ones whose qualifications were accepted and approved by the Securities and Exchange Commission. The financial statements have been always certified by the auditors without any condition. In 2023, the Company had no past record of being ordered to amend the financial statements by the Securities and Exchange Commission and the Stock Exchange of Thailand and also no record of delay of both quarterly and yearly submission of the financial statements.

5) Responsibilities of the Board

The Board of Directors has important role in corporate governance for maximum benefit of the Company and responsible for the duties to shareholders and independent from the management in the decisions for maximum benefit of the Company and overall shareholders. The Company provides the separation of roles and responsibilities systems between the Board of Directors and the management clearly. And overseen the Company's work system to ensure that various activities of the Company and has conducted in a lawful and ethical manner.

The Board of Directors consists of directors whose variety qualification in terms of skills, specialized capabilities experience that beneficial to the Company including they have devoted time and effort to their duties in order to enhance the Company's strength.

The Company has established the Audit Committee and the Executive Committee to study and screening necessary. Especially in cases that relies on neutrality in diagnosis and policy formulation on role, responsible, working process clearly to make the effective and efficient duties of the Board.

All directors understand the duties and responsibilities of the Board and the Company's business as well. They are ready to express their opinion freely and perform with integrity careful and thoughtful by considering the maximum benefit of the Company and fair to all shareholders with accurate and complete information. In the past year, all directors devoted sufficient time to perform duty under responsibilities fully. It is a duty of directors to attend every Board meeting, unless there are special reasons really.

(1) Vision, Mission and Corporate Governance Policy

In 2023, the Board of Directors reviewed the 2022 version of corporate vision, mission and targets and amended Corporate Governance Policy which were cascaded down to employees at all levels. It is the policy of the Company to review its corporate vision and mission every year.

(2) Structure and qualifications of the Board of Directors

The Board of Directors shall consist of 9 members who meet the required qualifications and do not possess prohibited characteristics under the Public Company Limited Act. The Board should comprise persons with a variety of skills and expertise, regardless of gender. The Company has clearly separated positions between Chairman of the Board of Directors, Chief Executive Officer, and President. The composition of the Board of Directors consists of 3 independent directors, representing one-third of the entire Board. This contributes to proper checks and balances and crosschecking of management.

Selection and nomination of directors must be transparent and must be subject to consideration by the Nomination and Remuneration Committee. Each year, at least one-third of the directors shall retire by rotation. It is the corporate policy that each director is allowed to assume directorship in no more than 5 listed companies. The Chief Executive Officer must report to the Nomination and Remuneration Committee in the case of holding directorship in other company.

(3) Balance of power of non-executive directors

As at 31 December 2023, the Board of Directors consisted of 9 members.

- 5 executives directors
- 1 outside director who is not employee of the Company
- 3 independent directors

3 independent Directors which is 33.33% of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

(4) Chairman of the Board of Directors and Chief Executive Officer

The Chairman of the Board of Director is not the same person as the Chief Executive Officer. Both positions have clearly separate duties and responsibilities in terms of supervision and management. Details of duties and responsibilities are described in the topic of “Management Structure”. The top executive position is Chief Executive Officer.

(5) Directorship in other company

No director has assumed directorship in more than 5 other companies. This is in line with the recommendation of the Stock Exchange of Thailand. Details of directorship of each director in other companies are presented in the topic of “Profile of the Board of Directors and Management”.

(6) Orientation for new directors

The Company prepared video materials introducing the Company and major projects to new directors and the general public. The corporate presentation video was posted on the home page of the Company’s website. Also, information about the Company’s businesses was prepared in the form of presentation slides for the CEO to present to the new directors and for the HR Department to present to new employees.

(7) Self-assessment of the Board of Directors

The Board of Directors set up the policy requiring all directors to conduct assessment of the performance of the entire Board of Directors using the self-assessment form for the Board of Directors provided by the Corporate Governance Development for Capital Market Department, Stock Exchange of Thailand. For 2023, the Company used the form issued in February 2015 with the additional information for certain topics to support the assessment of the directors. There are 6 major topics for assessment:

1. Structure and qualifications of the Board of Directors
2. Role, duties and responsibilities of the Board of Directors
3. Meetings of the Board of Directors
4. Performance of Duties as Director
5. Relationship with management
6. Directors and management development

Furthermore, performance assessment for individual directors and subcommittees including the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee was conducted. The assessment results were presented to the Board of Directors meeting.

(8) Performance assessment for Chief Executive Officer

The Board of Directors assigns the Remuneration and Nomination Committee to handle the performance appraisal for Chief Executive Officer on annually basis and also determine the annual remuneration for him prior to proposing the appraisal result for consideration of the Board of Directors Meeting for approval of his remuneration annually.

(9) History of Misconduct against the Regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission

The Company has no record of misconduct against the regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission.

(10) Sub-Committees

The Company's Board of Directors has appointed 4 committees of which their members are the Company's directors and executives to carry out specific tasks as assigned. Those 4 committees are the Audit Committee, Executive Committee, Remuneration and Nomination Committee, and Good Corporate Governance Committee. Duties and responsibilities of each committee were clearly defined in writing and disclosed in the Company's Annual Report. These committees are authorized to request the management to clarify any issues or to submit a specific report as well as to appoint any external advisor for recommendations as deemed appropriate.

❖ Audit Committee

The Audit Committee consists of 3 independent directors whose qualifications are in line with the criteria of the Stock Exchange of Thailand and the Securities and Exchange Commission in which the proportion of shareholding of the independent directors was set not less than 1% equal to the Securities and Exchange Commission's regulations

Since 2015 - 2023, the Company hired JP Tip Audit Limited to perform duties as the internal auditor in place of the Internal Audit Department. This is to facilitate independence in performing duties and allows the auditor to report directly to the Audit Committee.

❖ Executive Committee

Executive Committee consisting of 5 executive directors and 3 non-executive directors totaling 8 members are responsible for developing plans, policies, direction, business strategies, and management structure for the Company's core business operation; considering the Company's performance in terms of profit/loss, and the interim or annual dividend payment before proposing it to the Board of Directors; and performing other tasks as assigned by the Board of Directors.

❖ Remuneration and Nomination Committee

The Remuneration and Nomination Committee consists of 2 independent directors and 1 executive director to recruit and determine the remuneration of Directors and Executives. In 2023, there were 3 meetings to perform their duties as follows.

- Consider the term of directors, and approve the nominations who will serve as the new directors.
- Consider and approve the appointment of a director to replace the resigned director.
- Consider and approve the appointment of executive directors.
- Consider and approve the remuneration of the Board of Directors for the year 2023
- Consider and approve the payment of the directors' bonus for the year 2023

The Remuneration and Nomination Committee served for nominating candidates to replace Directors and Executives in the case of completed their terms resign or other. In order to comply with the corporate governance guidelines of the Stock Exchange of Thailand and Articles of Association, the Board of Directors and executives of the Company must be fully qualified by the Public Companies Act BE 2535 and the Securities and Exchange Act BE 2535 and proposed to the Board of Directors for approval. However, in 2023, the Board of Directors did not appoint any person to be the advisor of the Nomination and Remuneration Committee.

❖ Good Corporate Governance Committee

The Good Corporate Governance Committee consists of 1 directors and 2 executive, as 3 members of the good corporate governance committee, to consider, set, review, revise the policy, manual, and good corporate governance practices, business ethics, employee ethics, and the Anti-Corruption Policy at least once a year, to consistent with international practice as well as consider, set, review, revise the policy, manual, and guidelines for the Corporate Social Responsibility: CSR to propose to the Board of Directors for consideration and approval for compliance at all levels as well as ensuring that social responsibility policy is followed. The Good Corporate Governance Committee was appointed on 1 March 2021.

(11) Directors' Report

The Company's Board of Directors is responsible for the Company's financial statements prepared in accordance with the generally accepted accounting standards, and responsible for ensuring the adequate disclosure of significant information in the notes to financial statements. The Board of Directors appointed the Audit Committee, consisting of independent directors, to oversee the quality of the Company's financial reports as well as the internal control system. The Audit Committee's opinion toward such reports and the internal control will be disclosed in the Annual Report's "Report of the Audit Committee" section. Report on the Board of Directors' Responsibilities for Financial Statements is to be proposed to the Board of Directors meeting and disclosed in the Annual Report as well.

The Board of Directors set a policy for every director to submit an annual interest report and every time there is a change of status of interest. As well as preparing a certificate of independence every year and assigned the company secretary to present a copy of the said report to the chairman of the board and the chairman of the audit committee.

(12) Succession Plan

To prevent the potential detrimental impact on the Company's business operation, the Board of Directors has approved the policy on the nomination of Chief Executive Officer and the policy on succession of executive positions in case of emergency or retirement.

(13) Remunerations for Directors and Management

The Remuneration and Nomination Committee proposes directors' remuneration and bonus to the Board of Directors Meeting to later propose to the Annual General Meeting of Shareholders for approval including to propose the remuneration of Chairman of Executive Committee and Chief Executive Officer for approval by the Board of Directors Meeting. The remunerations were passed the resolution of the committee in term of appropriateness in comparison with other listed companies. The Company's remunerations for directors are in a form of monthly payment, meeting attendance fee and bonus. The management's remuneration will be in accordance with the principle and policy as set by the Board of Directors and in relation to the company's operating performance and corresponding to their responsibilities.

(14) Directors and Management Development

The Board of Directors prioritize to participation in training courses that are beneficial to the performance of Directors. The Company promotes and supports the training of directors in the courses organized by Thai Institute of Directors Association (IOD) as at 26 January 2024, details are as follows:

No.	List of Directors	Position	Training Course from Thai Institute of Directors Association (IOD)
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board	<ul style="list-style-type: none"> Director Accreditation Program (DAP), Class 75/2008 Capital Market Academy (CMA) Class 10/2010
2.	Mr. Wiboon Sangwithayanon	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 120/2015
3.	Mrs. Sumalee Ongcharit	Director	<ul style="list-style-type: none"> Director Certification Program (DCP) 2547
4.	Dr. Shaoquan Lin	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 193/2022
5.	Mr. Guirong Huang	Director	-
6.	Mr. Yulong Li	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 193/2022
7.	Mr. Zhe Li	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 193/2022
8.	Miss Benjawan Sinkunakorn	Independent Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP class 24/2004) Director Certification Program (DCP class 79/2006) Audit Committee Program (ACP class 12/2006) Role of the Compensation Committee (class 7/2008) IOD-Detection of Accounting Irregularities in Fast growing Business IOD-Leadership Amidst Volatility and Distrust IOD- Whose role prevents corruption in the organization?
9.	Assoc. Prof. Dr. Tanit Tongthong	Independent Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 11/2004 Advanced Audit Committee Program (AACP) class 29/2018

(15) Board of Directors Meeting

The Board of Directors determines meeting schedules for the Board of Directors and other subcommittees in advance annually. Meetings of the Board of Directors and the Audit Committee must be held at least once per 3 months. Special meetings may be convened as deemed necessary. The Chairman of the Board of Directors shall manage the performance of duties of directors, and shall provide a summary of the meeting agenda to directors for consideration. Each director shall be allowed and encouraged to express opinions freely and meeting time shall be allocated appropriately and efficiently. In the case of any director having a conflict of interest in the matter being considered, the Chairman of the Meeting shall inform the Meeting and the director having a conflict of interest shall leave the meeting.

The Corporate Governance Policy set forth that in accordance with the corporate governance principles, in any Board of Directors meeting, the presence of not less than two thirds of the total number of the Board members is required to constitute a quorum for voting each agenda. The Corporate Secretary shall be responsible for providing supporting in preparing meeting agenda, notification to the meeting, and supporting documents and submitting them to the directors at least 7 days in advance prior to the meeting date. The Corporate Secretary shall also oversee and arrange the meeting, keep the meeting documents, and provide advice in relation to the compliance of the Board of Directors with applicable laws, rules and regulations.

The Board of Directors encourages each director to attend at least 80% of all Board of Directors meetings held throughout the year. The meeting attendance details of directors and subcommittee members were disclosed in the topic of “Management Structure”.

Moreover, the Board of Directors set out the policy to arrange a meeting among all independent directors without any participation of the executive directors at least once per year starting from 2018 onwards. In 2023, one meeting among all independent directors was held in November. In November the Audit Committee held a joint meeting with the independent auditor without the presence of the Company’s management.

(16) Company Secretary

Since 2015, the Board of Directors has appointed Mr. Wittaya Janta-ummao, Investor Relations, as Company Secretary to perform supporting duties to the Board of Directors Meeting such as agenda preparation, notice of the meeting, meeting arrangement, meeting documents filing and also give her advices to directors so that they can perform their duties in compliance with relevant laws and regulations.

6.2 Code of Conduct

WIik Public Company Limited established more than 30 years. Throughout the period of the past, the Company operates on the basis of ethics and morality under the administration on the principles of corporate governance. With a commitment to focus on the fair treatment of all stakeholders. With regard to overall society and environment, to create a growing business and value-added sustainability to organizations, shareholders and all stakeholders.

The Company recognizes that the performance of duties with integrity and ethics of all employees, all positions and all functions together from all of directors, executives and employees are key factors that will take the business to the success.

Therefore, the Company provided the "Code of Conduct" to show best practices in the workplace to make the Directors, Management and all employees adhere to practice with an understanding the best practices as same standard. This Code of Conduct has been improved from the original that was only Ethical Guideline of KWH Group since the announcement on 22 June 2013 in order to be suitable for current situation and comprehensive the performance of duties more.

This Code of Conduct was approved by the Board of Directors Meeting No. 1/2016 on February 29, 2016, divided into 6 chapters as follows:

Chapter 1 Message from the Chairman

Chapter 2 Principle of business operations

Chapter 3 Best practices

3.1 Conflict of interest and treatment of confidential information

3.1.1 Conflict of interest

3.1.2 Treatment of confidential information

3.2 Responsibility for the Company and the Company's assets

3.2.1 The Company's assets

3.2.2 Documentation

3.2.3 Computer and communication technology

3.2.4 Bribe giving and receiving

3.2.5 Gifts and Entertaining

3.2.6 Information providing and mass media or public interviews

3.2.7 Political rights and other activities

3.3 Practices for Stakeholders

3.3.1 Business ethics for Directors and Executives

3.3.2 Business ethics for all employees

Chapter 4 Compliance

Chapter 5 Complaints handling

Chapter 6 Penalty

The Company's Code of CONDUCT can be read in its entirety at the Company's website at https://www.wiik.co.th/wp-content/uploads/2021/11/Code-of-Conduct-WIik-2020_EN.pdf

6.3 Key changes and developments in policies, practices, and the corporate governance system in the past year

In 2023, the Board of Directors, by the suggestion of the Good Corporate Governance Committee, has considered the good corporate governance principles for listed companies 2017 or Corporate Governance Code (CG Code) issued by the SEC Office. To apply by considering and recognizing the roles and duties of the organization's leadership (governing board). All directors have carefully considered the Code and understood the benefits and importance of implementing the CG Code which focuses on the integration of social and environmental issues, and corporate governance to be used to create value for businesses for sustainable development. The company got the CG score from the corporate governance assessment 2023 conducted by the Thai Institute of Directors Association (IOD), the Company's overall score was 77% ("Very good"), no change from last year

Besides, the Audit Committee Meeting No.1/2024 held on 23 February 2024, has considered the results of self-assessment in compliance with good corporate governance principles for the year 2023 and has reviewed the policies and CG Code Principles, including reviewing the issues that have no implemented yet, and has considered and formulated appropriate action guidelines following the nature of business and corporate culture. There are important cases as follows:

CG Code that has no implemented	Opinion
The Board of directors consists of more than half of the independent directors.	The Board of Directors consists of qualified directors with diverse qualifications, abilities, and experiences which consists of 3 independent directors out of a total of 9 directors (33.33%). The chairman of the Board is an independent director which is considered an appropriate proportion with the performance of the independent directors.
Appointment of advisors to the Nomination and Remuneration Committee	<p>The Board of Directors has assigned the Nomination and Remuneration Committee which consists of experts from various professions to perform duties in summary as follows:</p> <ul style="list-style-type: none"> To select persons to replace directors and executives, if the term expires, resign or other cases. This is to be in line with the good corporate governance guidelines of the Stock Exchange of Thailand and accordance with the Articles of Association of WIIC Public Company Limited, the directors and executives of the Company Must be fully qualified according to the Public Limited Companies Act 1992 and the Securities and Exchange Act 1992 To consider the remuneration of Directors by considering the suitability of the duties, responsibility, and the Company's performance and propose to the Board of Directors. <p>In the past, the Nomination Committee can perform its duties very well. Therefore, it can be considered that the Company has an appropriate and efficient process of nomination and remuneration of directors.</p>

7. Corporate Governance Structure and key information about the Board of Directors, Sub-committees, Executives, Employees and Others

7.1 Corporate Governance Structure

7.1.1 Board of Directors

As at 26 January 2024 the Board of Directors of WIIK Public Company Limited consist of;

1) Board of Directors

1.	Police General Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board of Directors
2.	Mr. Wiboon Sangwithayanon	Director
3.	Mrs. Sumalee Ongcharit	Director
4.	Dr. Shaoquan Lin	Director
5.	Mr. Guirong Huang	Director
6.	Mr. Yulong Li	Director
7.	Mr. Zhe Li	Director
8.	Miss Benjawan Sinkunakorn	Independent Director
9.	Associate Professor Dr. Tanit Tongthong	Independent Director

2) Executive Committee

1.	Mr. Wiboon Sangwithayanon	Chief Executive Officer
2.	Mrs. Sumalee Ongcharit	Executive Committee
3.	Mr. Guirong Huang	Executive Committee
4.	Mr. Karn Siriphatras	Executive Committee
5.	Mr. Yulong Li	Executive Committee
6.	Mr. Zhe Li	Executive Committee
7.	Miss Rewadee Whanchid	Executive Committee
8.	Miss Chinanut Jariyarudeechai	Executive Committee

3) Audit Committee

1.	Police General Chidchai Vanasatidya, Ph.d	Chairman of the Audit Committee
2.	Miss Benjawan Sinkunakorn	Audit Committee
3.	Associate Professor Dr. Tanit Tongthong	Audit Committee

4) Nomination and Remuneration Committee

- | | |
|--|---|
| 1. POL.GEN.Chidchai Vanasatidya, Ph.D. | Chairman of the Nomination and Remuneration Committee |
| 2. Miss Benjawan Sinkunakorn | Nomination and Remuneration Committee |
| 3. Mr. Wiboon Sangwithayanon | Nomination and Remuneration Committee |

5) Good Corporate Governance Committee

- | | |
|----------------------------------|---|
| 1. Mr. Wiboon Sangwithayanon | Chairman of the Good Corporate Governance Committee |
| 2. Mr. Karn Siriphatras | Good Corporate Governance Committee |
| 3. Miss Chinanut Jariyarudeechai | Good Corporate Governance Committee |

According to the articles of association section 2 Board of Directors, article 6 stated that the Board of Directors shall consist of not less than five (5) persons. At least one-half (1/2) of the directors must be residents of Thailand. The Board of Directors shall elect one (1) director as the Chairman of the Board of Directors. If deemed appropriate by the Board of Directors, one (1) or more directors may be elected as Vice-Chairmen, to have duties pursuant to these Articles of Association in the matters designated to them by the Chairman.

The Board of Directors as a representative of shareholders who is responsible for supervise the management of Company to comply with law, objectives and articles of association by determining vision, mission, strategies to create value for business including a return on investment under the expertise and ethics in business for maximize benefits of all stakeholders.

As at 26 January 2024, the Company had total of 9 directors which consists of 5 Executives Directors, 1 outside director who are not employee of the Company and 3 independent Directors which is 33.33% of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

Limits on Authority of the Board of Directors

The Board of Directors has the authority to approve budget according to the laws of the Securities and Exchange, and regulations, announcement, the order or the terms of the Stock Exchange of Thailand.

Authorized signatory

Name and number of directors who are authorized to sign on behalf of the Company are Mr. Wiboon Sangwithayanon, Mrs. Sumalee Ongcharit, Mr. Yulong Li, Mr. Zhe Li, Mr. Guirong Huang". Any two of the five mentioned directors jointly sign their names.

7.1.2 Executives

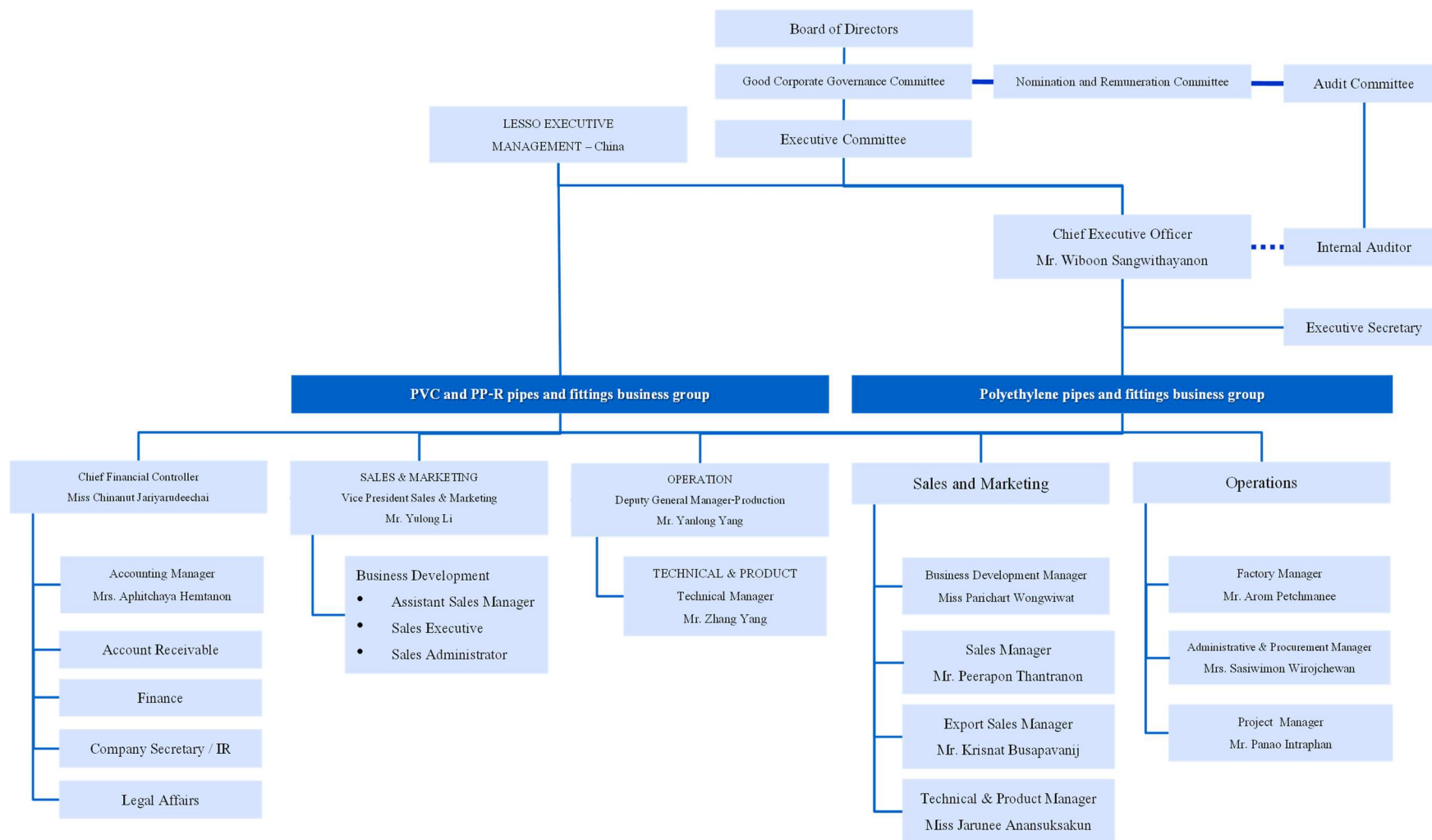
As at 29 February 2024 the Management team of WIik Public Company Limited has 14 executives as follows.

List of Executives	Position	Note
1. Mr. Wiboon Sangwithayanon	Chief Executive Officer	-
2. Mrs. Sumalee Ongcharit	Executive Committee	Resigned 28 Feb 2023 Appointed 14 Nov 2023
3. Miss Rewadee Whanchid	Executive Committee	-
4. Mr. Yulong Li	Executive Committee / Vice President – Sales & Marketing PVC & PP-R	Appointed 27 Nov 2020
5. Miss Chinanut Jariyarudeechai	Executive Committee / Chief Financial Controller	-
6. Mr. Yanlong Yang	Deputy General Manager of PVC / PP-R Business	Appointed 5 Jul 2022
7. Mr. Yang Zhang	PVC Technical Manager	Appointed 5 Jul 2022
8. Mr. Peerapon Thantranon	Sales Manager	-
9. Mrs. Sasiwimon Wirojchewan	Administrative & Procurement Manager	-
10. Miss Jarunee Anansuksakun	Technical & Product Manager	-
11. Mr. Krisnat Busapavanij	Export Sales Manager	-
12. Miss Parichart Wongwiwat	Business Development Manager	-
13. Mr. Panao Intraphan	Project Manager	-
14. Mrs. Aphitchaya Hemtanon	Accounting Manager	Appointed on 1 Jan 2020
15. Mr. Rocky Kin Lau	Executive Committee	Resigned 14 Nov 2023
16. Mr. Arom Petchmanee	Factory Manager	Retired 29 Feb 2024

Information about the management team is in the Attachment 1.

Management structure

WIIK Public Company Limited as at 29 February 2024



7.2 Information about the Board of Directors

The management structure of the Company consisted of the Board of Directors and 3 committees such as Audit Committee Executive Committee and Nomination and Remuneration Committee which were define the authority and responsibilities of committees in Charter of Board of Directors, Charter of Audit Committee, Charter of Executive Committee and Charter of Nomination and Remuneration Committee which were approved by the Board of Directors' meeting No.8/2015 on August 11, 2015 and shall became effective on August 11, 2015 onwards.

1) Board of Directors

As at 26 January 2024 the Board of Directors consisted of 9 directors as follows.

No.	List of Directors	Position	Note
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board of Directors	Appointed 27 Oct 2020
2.	Mr. Wiboon Sangwithayanon	Director	-
3.	Mrs. Sumalee Ongcharit	Director	Appointed 26 Jan 2024
4.	Dr. Shaoquan Lin	Director	Appointed 27 Nov 2020
5.	Mr. Guirong Huang	Director	Appointed 14 Nov 2023
6.	Mr. Zhe Li	Director	Appointed 27 Nov 2020
7.	Mr. Yulong Li	Director	Appointed 27 Oct 2020
8.	Miss Benjawan Sinkunakorn	Independent Director	Appointed 11 May 2020
9.	Assoc. Prof. Dr. Tanit Tongthong	Independent Director	Appointed 11 Aug 2022
10.	Mr. Rocky Kin Lau	Director	Resigned 14 Nov 2023
11.	Mr. Karn Siriphatras	Director	Resigned 26 Jan 2024

According to the articles of association section 2 Board of Directors, article 6 stated that the Board of Directors shall consist of not less than five (5) persons. At least one-half (1/2) of the directors must be residents of Thailand. The Board of Directors shall elect one (1) director as the Chairman of the Board of Directors. If deemed appropriate by the Board of Directors, one (1) or more directors may be elected as Vice-Chairmen, to have duties pursuant to these Articles of Association in the matters designated to them by the Chairman.

As at 26 January 2024, the Company had total of 9 directors which consists of 5 Executives Directors, 1 outside director who are not employee of the Company and 3 independent Directors which is 33.33% of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

Mr. Wittaya Janta-ummao, Company Secretary oversees the activities of the Board of Directors, minutes of meeting and documenting about the meeting.

Tenure

- (1) Directors must retire from office as one in three of all members in every Annual General Meeting. If the number of Directors cannot divide into three parts, directors shall retire nearest to one in three of all members. Directors who retired by rotation may be re-elected.
- (2) In cases where the position of director is vacant because of other reasons except expiration of the term and the remaining term not less than 2 months. The Board of Directors have to elect directors to replace the vacancies on the Board of Directors at the next meeting. The persons who are elected as such directors will remain in office only for the remaining term of directors they replace.
- (3) Directors must retire from office when.
 - A. The expiration of the term.
 - B. Resignation
 - C. Died
 - D. Disqualified or prohibited characteristics under the law or the Articles of Association. A manner that reflects the lack of suitable to get trust to manage business that the public is shareholder according to the Securities and Exchange Commission's notification.
 - E. The meeting of shareholders voted to out of position.
 - F. The court ordered to out of position.
- (4) Directors who resigned before the expiration of term, have to submit a letter of resignation to the company. The resignation is effective from the date of letter of resignation reach to the company and they can inform their resignation to the registrar according the law on public limited company.

Role of Chairman

- (1) Responsible for determines agenda, lead and control Board of Directors' meeting to run smoothly.
- (2) Create a reasonable relationship with the CEO and Company Secretary.
- (3) Encourages all directors to participate in the meeting and can show fully potential.
- (4) Create clarity on the scope of duties and responsibilities between Board of directors and the executives.
- (5) Determines framework and monitor the corporate governance policy.
- (6) Be a representative and build a reputation to organization.
- (7) Be the shareholders' representative to serve as a leader in the annual general meeting.
- (8) Participate in building process of strategy plan that effective in practice.
- (9) Responsibility to seek qualified directors to join as member of the Board and directors' development.
- (10) Supervise the Board of Directors along with evaluation of performance, communicate for transmit the expectation to the Board of directors.
- (11) Create succession planning process and the evaluation of performance of Chief Executive Officer.

Duties and responsibilities

Duties and responsibilities of directors according to defined in the Articles of Association by acting as follows.

- (1) The authority in accordance with Public Limited Companies Act BE 2535 and any other laws that defined as duties of director or Board of Directors of public companies.
- (2) Perform their duties with responsibility, careful and honesty including they must comply with the law, objectives and articles of association that defined as well as compliance with resolutions of the shareholders' meeting.
- (3) Determine the main business policy, Monetary Policy, Funding policy, Capital Management and Risk management policy for the company implementation
- (4) Authorized to determine and change the name of directors who have authorized signatory of the company.
- (5) Corporate governance to meet or exceed the target set and determined a solution if there are obstacles in achieving that target.
- (6) Provide the general information reporting and financial statements to its shareholders and general stakeholders correctly, completely, transparency and in accordance with the law.
- (7) Acknowledge the important audit report and determine measures to improve if it finds significant deficiencies.

Meeting

- (1) The Board of Directors' meeting must have directors attend at least half of all member so it is a quorum.
- (2) Scheduled to meeting at least 4 times per year and there may be meeting for more special agenda as necessary.
- (3) Chairman of the Board of Directors or Company Secretary responsible for determine agendas.
- (4) Notice of the meeting must be sent at least seven (7) days before the meeting. In the event of an emergency or to protect the rights and interests of the company, the Board of Directors' meeting may be held by notify all directors by other means and can schedule date of meeting faster than it.
- (5) Meeting resolution of Board of Directors shall count a majority vote of directors who attending the meeting. A director has one vote in the voting. A Director who has interests in the matter, has no right to comment and vote on such matter. If the votes are equal, the chairman of the meeting shall have an additional casting vote, except the law has determined otherwise for the voting.

The Company has annually scheduled the Board of Directors' meetings in advance and notify the Board of Directors since the beginning of the year to plan the attendance.

7.3 Information about Sub-committees

7.3.1 Audit Committee

As at 31 December 2023 the Audit Committee consisted of 3 members as follows.

No.	List of Audit Committee	Position	Note
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Chairman of the Audit Committee	Appointed 27 Oct 2020
2.	Miss Benjawan Sinkunakorn	Audit Committee	Appointed 11 May 2020
3.	Assoc. Prof. Dr. Tanit Tongthong	Audit Committee	Appointed 11 Aug 2022

Miss Benjawan Sinkunakorn is a member of the Audit Committee who has sufficiently knowledgeable and experienced in the field of accounting able to conduct a review to assess financial statement credibility in accordance with the Security Act (No. 4) B.E. 2551 and Miss Chinanut Jariyarudeechai, Chief Financial Controller served as Secretary of Audit Committee who oversee the activities of Audit Committee, minutes of meeting and documenting about the meeting.

Tenure

Member of Audit Committee has term of office according to their tenure for director position and member of Audit Committee who retires by rotation may be re-appointed for another term. Addition to the retirement by expiration of term, a member of Audit Committee must retire from office when.

- (1) Dead
- (2) Resign
- (3) Disqualified to being a member of Audit Committee according to this charter or regulations of the Securities and Exchange Commission.
- (4) The Board of Directors approved to retire.

A member of Audit Committee who wish to resign, shall submit a letter of resignation to the Chairman of Board of Directors and Board of Directors is an approver in the event that the entire Audit Committee shall retire from office. The Audit Committee that retired from office must acting in position to continue operation until new Audit Committee will be commissioned.

In the case of member of audit committee becomes vacant because of other causes in addition to retirement by rotation, the Board of Directors have to appoint a person who qualified to be a member of audit committee instead within 90 days to make the Audit Committee has full member according to the Board of Directors defined.

Duties and Responsibilities

The Audit Committee has duties and responsibilities as follows.

- (1) Review the accuracy of Company's financial statements as it should be according to the general accepted accounting standards and adequate disclosure.
- (2) Review the Company's internal control and internal audit systems to be appropriate and effective.

- (3) Review the Company's compliance with the law on Securities and Stock Exchange, requirements of the Stock Exchange of Thailand and laws relating to the Company's business.
- (4) Consider and make a proposal in re-appointment, termination and remuneration of auditor of the Company.
- (5) Meeting with the auditor specifically at least 1 time per year to discuss on various matters that the Audit Committee or the auditor see that it should be discuss in private.
- (6) Review the independence of auditor and determine the receiving other services policy that is non-audit service from the same audit firm.
- (7) Review the corporate governance policy and make the proposal any changes to approve by the Board of Directors.
- (8) Review the related party transactions or transactions that may have conflicts of interest to comply with laws and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and in the best interests of the Company.
- (9) Review the Company's risk management systems to be appropriate and effective.
- (10) Consider the independence of internal audit department as well as to approve, appoint, migrate, lay off and consider the performance, meritorious service of internal audit head. All of this may hire individuals or external firm to perform internal audit work by nominate and qualifications to the Audit Committee for approval at least once a year at the same time with an auditor nomination and practice as the Company conduct themselves tacitly.
- (11) Review and comment on internal audit plan, performance of internal audit department and coordinate with the auditor.
- (12) Prepare a report of the Audit Committee to disclose it in annual report of the Company that report must be signed by the Chairman of Audit Committee and must contain at least the following.
 - Commenting on the accuracy, completeness and reliability of the financial statements of the Company.
 - Commenting on the adequacy of internal control system of the Company.
 - Commenting on the compliance with law on the Securities and Exchange, requirements of the Stock Exchange of Thailand or the laws relating to the Company's business.
 - Commenting on the suitability of an auditor.
 - Commenting on the transactions that may have conflicts of interest.
 - The number of Audit Committee's meetings and the attendance of each member.
 - Comments or overall observation that the Audit Committee received from the performance of duties under the Charter.
 - Other issues that shareholders and investors should be informed under the scope of duties and responsibilities as assigned by the Board of Directors.

- (13) Investigate suspicious circumstances that director, manager or persons who responsible for operation of the Company committed an offense under the Securities and Exchange Act (No. 4) BE 2551 which the auditor detected and reported and the Audit Committee shall report the results of preliminary inspection to Board of Directors, the Securities and Exchange Commission and the auditor within 30 days from the date of notification by the auditor. The suspicious circumstances that have to inform and method to get facts about such circumstances shall be in accordance the notification of the Capital Market Commission defined.
- (14) In performing of Audit Committee's duties, if found or suspected that it has transaction or action as follows which may have a significant impact on the financial position and operating results of the Company. The Audit Committee shall report to Board of Directors for rectification within period that Audit Committee deem appropriate.
- Transaction was conflicts of interest.
 - Fraud or irregularity or a significant deficiency in internal control system.
 - Violation of the law on Securities and Exchange, requirements of the Stock Exchange of Thailand or the laws relating to the Company's business.
- If the Board of Directors or Executive fails to make a rectification within period according to the first paragraph, one of member of Audit Committee may report such transactions or actions to the Securities and Exchange Commission or the Stock Exchange of Thailand.
- (15) Authorized to hire the consultant or outsider according to regulation of the Company to comment or consulting if needed.
- (16) Authorized to invite the Executive or any related person of the company to comment, attend meetings or provide relevant information.
- (17) Report the performance of Audit Committee to the Board of Directors acknowledge at least 4 times per year.
- (18) Evaluation of its own performance annually.
- (19) Review and evaluate on the adequacy of its charter and propose the change to the Board for approval.
- (20) Review the Company's internal control systems to be implements efficiently.
- (21) Review or audit as appropriate and report on the anti-corruption measures that the Board of Directors assigned to the Audit Committee to supervise the Company's anti-corruption policy.
- (22) Perform any other duties as assigned by the Board of Directors.

7.3.2 Executive Committee

As at 31 December 2023 the Executive Committee consisted of 8 members as follows.

No.	List of Executive Committee	Position	Note
1.	Mr. Wiboon Sangwithayanon	Chief Executive Officer	-
2.	Mrs. Sumalee Ongcharit	Executive Committee	Resigned 28 Feb 2023 Appointed 14 Nov 2023
3.	Mr. Karn Siriphatras	Executive Committee	-
4.	Mr. Guirong Huang	Executive Committee	Appointed 14 Nov 2023
5.	Mr. Zhe Li	Executive Committee	Appointed 27 Nov 2020
6.	Mr. Yulong Li	Executive Committee	Appointed 27 Nov 2020
7.	Miss Rewadee Whanchid	Executive Committee	-
8.	Miss Chinanut Jariyarudeechai	Executive Committee	-
9.	Mr. Rocky Kin Lau	Executive Committee	Appointed 23 Feb 2022 Resigned 14 Nov 2023

Composition and qualification

The Executive Committee must have at least 3 members consisting of Chief Executive Officer as a Chairman of Executive Committee by position and other persons who the Board of Directors appointed to be member of Executive Committee, are employees and/or outsider. This requires knowledge and experience sufficient to serve management of the Company's business as well.

Term in office

Member of Executive Committee retire from office when

- (1) Dead
- (2) Resign
- (3) The Board of Directors approved to retire.

Any member of Executive Committee would like to resign, shall submit a resignation letter to Chairman of the Board. In cases where position member of Executive Committee is vacant, the Board of Directors shall appoint a new member of Executive Committee within 90 days to make Executive Committee has fully members as the Board of Directors defined.

Executive authority

- (1) Appointment, removal, transferring, considering meritorious service as well as determine compensation and benefits for employees in various levels including other working group to perform various activities in management of the Company.

- (2) Approve the sales under normal transactions of the Company in the absence of guarantees or collateral or not protect or exceed credit limit by insurance in excess amount of Baht 20 million (total amount per client).
- (3) Approve raw materials purchasing to produce in all items which excess from authority of the management.
- (4) Approve the procurement and investment in fixed assets that beyond the budget, in the part excess of 500,000 Baht, not more than Baht 2 million per time, total not over Baht 5 million per year.
- (5) Approve the pretreatment, destroy, write off the fixed assets and intangible assets that depreciated, damaged, lost, destroyed or obsolete cannot be used which has total book value in excess of Baht 5 hundred thousand in each time.
- (6) Approve the reconditioning, destruction of raw materials and / or deteriorated inventory or obsolete, which would have book value decreased in excess of Baht 5 hundred thousand in each time.
- (7) Approve the compromise, dispute settlement by arbitration, grievances, litigation and / or the implementation of any judicial procedure on behalf of the Company for non-habitually of commercial with discount, in excess of Baht 5 hundred thousand in each time and / or habitually of commercial with discount, in excess amount of Baht 1 million in each time.
- (8) Authorized to perform in financial transaction with financial institution in account opening with bank, financial institution and request guarantee from bank, financial institution of not exceeding Baht 50 million.
- (9) Approve loans and guarantee to subsidiaries in the amount of not exceeding Baht 20 million per company.
- (10) The Executive Committee may authorize the executives or any person has the authority to perform in any or many matter according to the Executive Committee considered appropriate. The approval of executive committee and authorization must not the related transaction or transaction that may have conflict of interest or transaction that the members of Executive Committee are the stakeholders as defined in the Articles of Association and the announcement of the Capital Market Commission.
- (11) Hiring a consultant or independence person to provide comments or suggestions as needed.
- (12) Approve the investment in water management business and provide financial assistance in the amount not exceeding Baht 80 million in accordance with the investment policy of the Company.
- (13) Perform other duties according assigned from the Board of Directors in each period.

Duties and Responsibilities

- (1) Make recommendations on strategic direction, Management structure, Business plan and annual budget for the Board of Directors.
- (2) Responsible for management of the Company's business to comply with the direction, policy and goals of business.
- (3) Responsible for enhancing competitiveness of the Company and encourage to create innovation continuously.
- (4) Responsible for the operation of the Company to comply the law, objectives, articles of association, resolution of shareholders, resolution of Board of Directors as well as related regulations.

- (5) Ensuring the preparation of financial reports for the auditor to audit and / or review before propose to the Audit Committee and the Board of Directors respectively.
- (6) Consider and comment on the subject that must be approved by the Board of Directors. Except in any activities that the Board of Directors authorized to other committees to perform.
- (7) Consider and review the risk management and internal control systems of the Company.
- (8) Review and assess the adequacy of its charter and propose the change to the Board of Directors for approval.
- (9) Perform any other according to the Board of Directors assigned.

Authority of the Executive Committee and Chief Executive Officer

The Executive Committee and Chief Executive Officer have authority to approve various credit lines in accordance with the Limit of Authority as approved by the Board of Directors Meeting No. 3/2017 on May 11, 2017, which remains in force to this day.

7.3.3 Nomination and Remuneration Committee

As at 31 December 2023 the Nomination and Remuneration Committee consists of 3 members as follows.

No.	List of Nomination and Remuneration Committee	Position	Note
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Chairman of the Nomination and Remuneration Committee	Appointed 27 Oct 2020
2.	Miss Benjawan Sinkunakorn	Nomination and Remuneration Committee	Appointed 11 May 2020
3.	Mr. Wiboon Sangwithayanon	Nomination and Remuneration Committee	Appointed 11 Aug 2022

Objectives

The Nomination and Remuneration Committee is responsible for setting the company's policy and criteria in the selection of directors and determining the remuneration of the Board of Directors and sub-committees. Also, to recruit, select, and nominate the right person to be a director as well as to set the remuneration for a director. This includes working on other assigned tasks and present to the Board of Directors and/or to the Shareholders' Meeting.

Composition of the Nomination and Remuneration Committee

- (1) The Nomination and Remuneration Committee is to be appointed by the Board of Directors company's committee and has to comprise of not less than three persons, being the Company's directors and/or executives by more than one-half of the total number of Nomination and Remuneration Committee's members must be independent directors.
- (2) The independent director shall be the Chairman of the Nomination and Remuneration Committee.

The office terms

- (1) The Nomination and Remuneration Committee's member has the office term of three years.
- (2) The Nomination and Remuneration Committee's member may be re-appointed as the Board of Directors see as appropriate.

- (3) Apart from vacating upon the end of office term stated in Item (1), the Audit Committee's member will retire from the office upon the following conditions:
- Resignation
 - Dismissal by the Board of Directors
- (4) The Board of Directors has power to appoint a new member of the Nomination and Remuneration Committee as to resume the operation and to substitute the member of the Nomination and Remuneration Committee who is out of office term according to Item (1) or Item (3) The substituted member can only be in the office within the remaining term of the member he/she replaced.

Duties and Responsibilities**Nomination**

- (1) Setting 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) Searching, selecting and proposing appropriate persons to assume the position of the Company's directors whose terms have expired and/or became vacant, including newly appointed director.
- (3) Executing other tasks related to nominations as assigned by the Board of Directors.
- (4) Evaluating the performance of the top management and reporting to the Board of Directors for their consent.

Remuneration

- (1) Preparing guidelines and policies in determining the Board of Directors and other sub-committees' remuneration, and proposing it to the Board of Directors and/or Shareholders' Meeting for approval as appropriate.
- (2) Determining necessary and appropriate monetary and non-monetary remuneration, for individual members of the Board of Directors by taking into consideration each director's duties and responsibilities, performance, and 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 to the Shareholders' Meeting for approval.
- (3) Taking responsibility to support the Board of Directors and being responsible for explaining and answering any questions regarding the Board of Directors' remuneration in the Shareholders' Meeting.
- (4) Reporting policies and principles/reasons in determining the remuneration of directors and management according to the SET guidelines by disclosing them in the Company's annual information disclosure (56-1) and annual report.
- (5) Being 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 Nomination and Remuneration Committee in order to support the operation of the Nomination and Remuneration Committee to achieve their assigned tasks.

Reporting

The Nomination and Remuneration Committee directly reports to the Board of Directors.

Meetings

- (1) The Nomination and Remuneration Committee holds a meeting when seen as appropriate (at least 1 time a year) and has power to call for an extra meeting if necessary. The Nomination and Remuneration Committee shall comprise of not less than one-half of the total existing members.
- (2) All the Nomination and Remuneration Committee's members shall attend every meeting unless he/she has any necessary matter. In this case, the member has to notify his absence in advance to the Chairman of the Nomination and Remuneration Committee.
- (3) The Chairman of the Nomination and Remuneration Committee shall be the chairman of the meeting. In case where the Chairman of the Nomination and Remuneration Committee is absent, other Nomination and Remuneration Committee's members attending the meeting can select one member to be a substitute chairman of the meeting.
- (4) The resolution of the Nomination and Remuneration Committee can be made by majority vote. Any member of the Nomination and Remuneration Committee, who has any interest or benefit in the related topic shall not vote in that particular topic.
- (5) The meeting invitation letter shall be issued to the Nomination and Remuneration Committee in advance prior to the meeting date held. This excludes the emergency case, where the dates of the meeting will be informed by other methods or the meeting shall be scheduled earlier. The Company Secretary shall take the minutes of the meeting.
- (6) The Nomination and Remuneration Committee can invite any related personnel to attend the meeting in order to provide relevant information to the Nomination and Remuneration Committee.

7.3.4 Good Corporate Governance Committee

As of 31 December 2023, the Corporate Governance Committee consists of 3 members as follows:

No.	List of Good Corporate Governance Committee	Position	Note
1.	Mr. Wiboon Sangwithayanon	Chairman of the Good Corporate Governance Committee	-
2.	Mr. Karn Siriphatras	Good Corporate Governance Committee	-
3.	Miss Chinanut Jariyarudeechai	Good Corporate Governance Committee	-

Objectives

The good Corporate Governance Committee has a role in defining and reviewing the corporate governance principles to be a guideline in business operations and a guideline for management and employees for the confidence of shareholders, investors, including all stakeholders as well as communicating to relevant persons both inside and outside the organization to know the practices that are the standards of good corporate governance.

The Good Corporate Governance Committee is responsible for monitoring the operation and the performance of Management and employees to comply with the principles of good corporate governance with international standards and guidelines for good corporate governance.

Composition and tenure of office

The Good Corporate Governance Committee consists of directors or independent directors and the suitable management of the Company at least 3 persons. The Chairman must be a director or independent director of the Company. The Good Corporate Governance Committee can appoint 1 company officer to act as secretary of the Corporate Governance Committee.

The member of the good corporate governance committee who retires by rotation can be re-appointed again. If any member vacates office before the expiration of the tenure. It shall elect a replacement director within 90 days from the date of the vacancy. The new member has a tenure of office equal to the remaining time of the member who was replaced.

The member of the good corporate governance committee may retire when:

- 1) Die
- 2) Resign
- 3) Board of Directors approved to vacate office

Duties and responsibilities

- 1) Consider, set, review, revise the policy, manual, and good corporate governance practices, business ethics, employee ethics, and the Anti-Corruption Policy at least once a year, to consistent with international practice as well as suggesting good corporate governance criteria propose to the Board of Directors for consideration and approval for compliance at all levels.
- 2) Consider, set, review, revise the policy, manual, and guidelines for the Corporate Social Responsibility: CSR to propose to the Board of Directors for consideration and approval for compliance at all levels as well as ensuring that social responsibility policy is followed.
- 3) Advise the Board of Directors concerning good corporate governance.
- 4) Promote and supervise the Company's operations and performance of the Board, Management, and employees following the policy of good corporate governance.
- 5) Designate the person responsible for the supervision of the organization's operations following the law, regulations, policy, and procedures defined.
- 6) Perform any other tasks assigned by the Board of Directors and/or the shareholders' meeting.
- 7) Report the performance and results of the meetings of the Corporate Governance Committee to the Board of Directors for acknowledgment or approval.
- 8) Review and revise the charter of the good corporate governance committee and propose to the Board of Directors for approval.

Meetings of the Good Corporate Governance Committee

- 1) The good corporate governance committee must hold a meeting at least once a year.
- 2) At each meeting, a quorum must have members attending the meeting not less than half of the total number of members.
- 3) If any member of the Corporate Governance Committee has a stake in any matter considered, they must refrain from comment and vote on that matter.
- 4) The decision of the meeting will use the majority vote. If the votes are equal, the chairman of the meeting shall have an additional vote as a casting vote. In voting, the number of members must be at least two-thirds of the total number of members.
- 5) The Secretary of the Corporate Governance Committee sends the meeting invitation letter by email to the good corporate governance committee at least 7 days before the meeting date. The minutes of the meeting are taken and prepared within 14 days. The Secretary keeps the minutes of the meeting and support and follow up for the Good Corporate Governance Committee to perform duties under the law, rules as well as to coordinate with relevant persons.

7.4 Information about Executives

As of 29 February 2024, there are 14 executives of WIIC Public Company Limited as follows:

List of Executives	Position	Note
1. Mr. Wiboon Sangwithayanon	Chief Executive Officer	-
2. Mrs. Sumalee Ongcharit	Executive Committee	Resigned 28 Feb 2023 Appointed 14 Nov 2023
3. Miss Rewadee Whanchid	Executive Committee	-
4. Mr. Yulong Li	Executive Committee / Vice President – Sales & Marketing PVC & PP-R	Appointed 27 Nov 2020
5. Miss Chinanut Jariyarudeechai	Executive Committee / Chief Financial Controller	-
6. Mr. Yanlong Yang	Deputy General Manager of PVC / PP-R Business	Appointed 5 Jul 2022
7. Mr. Yang Zhang	PVC Technical Manager	Appointed 5 Jul 2022
8. Mr. Peerapon Thantranon	Sales Manager	-
9. Mrs. Sasiwimon Wirojchewan	Administrative & Procurement Manager	-
10. Miss Jarunee Anansuksakun	Technical & Product Manager	-
11. Mr. Krisnat Busapavanij	Export Sales Manager	-
12. Miss Parichart Wongwiwat	Business Development Manager	-
13. Mr. Panao Intraphan	Project Manager	-
14. Mrs. Aphitchaya Hemtanon	Accounting Manager	Appointed on 1 Jan 2020
15. Mr. Rocky Kin Lau	Executive Committee	Resigned 14 Nov 2023
16. Mr. Arom Petchmanee	Factory Manager	Retired 29 Feb 2024

Information about the management team is in the Attachment 1.

7.4.1 Policy for Remuneration of Chief Executive Officer / Executives

The Board of Directors has assigned the Nomination and Remuneration Committee (NRC), in which exclude the executive directors, acting in determining, considering and monitoring the remuneration structure of The Board of Directors, Chief Executive Officer, and Executives. In addition, the NRC would monitor the assessment of performance in accordance with the specific criteria, to apply for the information in determining proper compensation for the short-term and long-term, including communicating the executives at all levels to acknowledge. In this regard, each step of process could be performed to the employees at all levels as well.

Guidelines

Chief Executive Officer

The remuneration of Chief Executive Officer would be determined each year through the annual budgeting process according to the principles and the policies that the NRC designated, which would be at the appropriate and motivated level, by considering the duties, responsibilities along with the performance of the CEO, as well as the profit growth in the past year and the overall economic situation of the Company. These were in accordance with the strategic objectives and main goals of the organization, consistent with the long-term business interests, including being comparable to other listed companies in the same industries. The NRC would propose to the Board of Directors for approval and the management for further proceeding.

Executives

Remuneration of the Executives are determined annually through the annual budgeting process by the Executive Committee, in accordance with the principles and policies of the Nomination and Remuneration Committee designated, in line with the CEO of the Company.

7.4.2 Executive remuneration

The Company has set the remuneration of Chief Executive Officer, the Executive Committee and the Management (including employees at all levels) by prepared the annual budget and proposed to the Board of Directors for consideration of the operating results, budgets, and set personnel remuneration of all positions in advance each year to motivate everyone to participate to achieve their goals. The types of remuneration are as follows:

Executives' Remuneration	Types of Remuneration	Objective
Fixed Pay	Base salary/ Benefits such as Provident Fund, welfare benefits.	To attract and retain high caliber Executives
Short-term Incentive	Bonus based on performance	To reward the achievement of annual performance objectives

1) Monetary remuneration

In 2023, the Board of Directors approved the budget and target for the year 2023 including the remuneration of Executive Committee and top Executives. The Company and its subsidiaries paid remuneration consisted of salary, bonus, and other monetary remuneration to 21 Executives totaling Baht 42,100,309 as follows.

The Management and Executive Committee remuneration	Fiscal year 2023	
	Number of Executives	Amount (Baht)
The Company		
• Salary	16	24,587,379
• Bonus	16	3,509,613
• Provident Fund	16	1,027,889
• Social Security Fund	16	111,000
• Post-employment benefits	16	1,422,387
• Life and health insurance	16	454,359
Total	16	31,112,627
Subsidiaries		
• Salary	5	8,540,858
• Bonus	5	1,862,715
• Provident Fund	5	387,065
• Social Security Fund	5	36,000
• Post-employment benefits	5	-
• Life and health insurance	5	161,044
Total	5	10,987,683

2) Other remuneration

In 2023, other remuneration for the executive committee and senior executives of the Company consisted of vehicles, drivers, and fuel costs for the executives and the executive committee of 16 persons, a total of 3,322,548.43 Baht as follows.

Other remuneration	Fiscal year 2023	
	Number of Executives	Amount (Baht)
The Company		
• Executive Cars	4	872,692.00
• Driver	1	278,353.00
• Petrol expenses	11	790,469.53
Total	11	1,941,514.53
Subsidiaries		
• Executive Cars	3	722,543.96
• Driver	1	323,510.00
• Petrol expenses	5	334,979.94
Total	5	1,381,033.90

7.5 Information about Employees

7.5.1 Number of employees

As at 31 December 2023 the Company and its subsidiaries had total staff (excluding Executives) of 310 people. The Company paid remuneration to employees that consists of salary, bonus, contribution to provident fund, social security fund, and group life insurance total of Baht 104.56 million.

Primary line	Number of Employees (person)	
	The Company	WIIC Water Co., Ltd. (Subsidiary)
Operation / Service Employees	212	25
Head office Employees	50	23
Total	262	48
Employees remuneration (Million Baht)	85,524,100	19,033,117

Note WIIC PT Company Limited has no regular employees because using personnel of WIIC Water Company Limited and temporary employees from the outsource.

7.5.2 Employee compensation and welfare policy

(1) Objectives

WIIC Public Company Limited (“the Company”) focuses on the compensation policy for all employees. This policy ensures that the Company can create incentives and can retain employees who have good performance and effectiveness to the Company under the current business competition, to make employees can be considered compensation at an appropriate rate and comply with the standard pay in the same or similar business for making employees feel encouraged to work and to create results that will help lead the company to stable growth.

(2) Composition of compensation

The Company determines the composition of the compensation, consisting of

1. Salary
2. Annual bonus according to performance
3. Legal welfare such as the Social Security Fund
4. Additional welfare from the law, such as provident fund, life and health insurance, etc.
5. Compensation in case of termination of employment (According to the Labor Protection Act)

Salary is determined based on the job title, roles, duties, and responsibilities of each employee as well as relevant experience with roles and responsibilities. Besides, the Company will consider salary adjustment from the Company's operating results in short-term, long-term, and inflation. Including individual consideration based on industriousness, intention, dedication, and performance ability.

Annual bonus according to annual performance assessment, Annual bonus payments to motivate and reward employees for achieving goals which consist of the Company's overall goals, the goal of the work department as specified by the Company. Including the performance assessment of the employees assessed by the supervisor and the Human Resources Department by individual assessment.

The performance assessment form will be used to assess employees individually which will contain the key topics used in the assessment as follows.

- Assessment from the achievement of job goals as a percentage of completion
- Working skills assessment/work methods that support work goals
 - Responsibility and integrity
 - Analytical skills and appropriately problem-solving skills
 - Discipline and compliance work regulations as well as corporate culture
 - Effective communication skills

The Company's overall goal is determined by the revenue growth/profit/production cost management/distribution costs and administrative expenses. Besides, the goals of the department will be set which consists of Accounting and Finance Department, Sales and Marketing Department, Operation Department.

Welfare, the Company will consider the benefits of various welfare based on the employment contract of each employee and/or employee roles and positions. At present, the Company has benefits for employees as follows

- (1) Savings and contributions to the provident fund
- (2) Savings and contributions to the social security fund
- (3) Housing Allowance
- (4) Transportation Allowance
- (5) Position Allowance
- (6) Telephone Allowance
- (7) Diligence Allowance
- (8) Over Time
- (9) After Working Hours Allowance
- (10) Accommodation Allowance
- (11) Subsidy for marriage ceremony
- (12) Subsidy for the first child
- (13) Subsidy for funeral arrangements
- (14) Fixed Bonus/ Performance Bonus
- (15) Personal safety uniform/equipment
- (16) Annual health check
- (17) Health, life and accident insurance
- (18) Vacation / Holidays

Compensation in the case of termination of employment will be paid under the Labor Protection Act.

The Company will consider the compensation of employees and workers as described in the composition of the compensation. The adjustment of each composition is determined by the growth of the operating results, both in terms of revenue and profit each year which is consistent with the performance of the company in the short term. And the Company will consider the adjustment of the compensation rate increase to cover the inflation each year. The Company will give priority to the operating results of each upcoming year to consider that the business goals are met or not. However, for considering other forms of employee compensation such as the offering of securities to employees, employee stock accumulation program, the Company will consider at the appropriate time.

7.5.3 Personnel development policy

The Company has the policy on recruitment, development and preservation of its personnel, as it has realized that the personnel are an important thing enabling the company to achieve the goal and success. So, the Company has developed the personnel continuously by providing training/seminars internally and externally by qualified trainers, especially in the building conscience and training on teamwork, good service, love of organization, and development of the job system.

The Company has given priority to creation of morale and spirit and pride in working to the employees by setting the remuneration and progress in the organization based on knowledge, capability and equity, including providing suitable fringe benefit, as well as developing the livelihood of the personnel better.

Human resource management and development

- (1) The recruitment for new employees shall be undertaken based on job description, since the Company's nature of business requires specialist candidates. Realizing in a happy workplace principle, the recruitment has been proceeded under "put the right man to the right job" concept. Upon the employment starting date of the new comers, their job descriptions shall be clarified in details for transparency of working.
- (2) Employees' remuneration and welfare are also emphasized for all employees in all levels. Apart from serving basic welfares as enforced by laws, the Company has established other benefits as follows:
 - The health insurance cards are arranged on the purpose of more convenience upon employees' requirement of medical care at any time and hospital with no payment required for both inpatient and outpatient cases.
 - Group life and accidental insurance are arranged to ensure employees' confidence on risk since most of works are carried out at sites and any accident maybe arisen.
 - The provident funds for their employees have been established in order to allow employees to reserve their funds after retirement for which the Company has paid a counterpart amount for them based on a number of their working years as required by a relevant law.
- (3) The Board of Directors has defined a policy for Executive Committee to consider and set up a criteria and budget for annual salary increment and bonus reward for which the captioned committee's decision making shall be based on external factors (such as inflation rate forecast, economic situation, etc.) and internal factors (such as annual operating result, history of salary increment and past bonus payment) for remuneration criteria of each year to be appropriate and in line with the Company's short-term and long-term operating results.

- (4) Employees' Development Plan has been continuously arranged to develop their knowledge and skills including specialized fields and general knowledge as follows:

■ **New Employees**

The orientation program has been arranged as a fundamental knowledge for working consisting of the Company's history, nature of business, business process, vision and mission, basic ISO 9001:2015 quality management system standard, ISO 14001:2015 environmental management system, information and technology as well as operating system including safety measure.

■ **Permanent Employees in All Levels**

It is the Company's policy to encourage employees to attend training courses in order to develop their expertise in both general management and technical topics.

- (5) Employee Relation Activities have been organized to provide a meeting opportunity for management and employees to contribute good relation for each other and to enhance unity among all of them in all levels as follows:

- Color Sport Day and Staff New Year Party: to avail an opportunity for both employees working at the head office and sites to participate in sport competition for good relationship between them among warm atmosphere.
- Happy Work Place to celebrate the birthday of all employees born in the same month.
- Activities to make merit on a religious day.

- (6) The internal communication, Human Resources Department is a center, has been constantly arranged among the Company and employees at both head office and site offices through various channels in order to enable them to access, acknowledge and update their knowledge on all regulations and rules including news and information. The main channel is arranged through the intranet, ERP containing ISO 9001:2015, activities photo and all information related to employees such as date of birth, monthly new comer, etc. In addition, other channels are accessible; email and board announcement.
- (7) The Company has also emphasized on human rights respect, no involvement to violation of human rights and no gender discrimination including an employment for eye-sight problem employee and no specific gender requirement of employment.
- (8) An opportunity for complaints has been always provided for employees to inform any offended acts to Company Secretary or Suggestion Box to further propose for consideration of the Audit Committee and the reporter's name shall be strictly kept as confidential.

3) **Significant Labor Legal Dispute during the last 3 years**

On 5 June 2020, a former chief accountant (Complainant) filed a lawsuit against WIik Water Company Limited (a subsidiary or defendant) as a Black Case No. Ror2692/2020. In the case that the defendant violated the labor contract and the law on labor protection. On January 20, 2022, the Central Labor Court sentenced the defendant to pay the Complainant's aid of 91,875 Baht. If the defendant defaults, the defendant agrees to allow the Complainant to enforce the lawsuit on such amount immediately with interest at the rate of 15% per annum from the date of default until payment is completed. The Complainant agrees that both parties are not interested in making any claims, both civil and criminal cases, and about the labor contract in the cause of this case anymore.

7.6 Other important information

7.6.1 The person supervising accounting

The Board of Directors Meeting No.6/2015 dated May 12, 2015, approved to appoint Ms. Chinanut Jariyaruedeechai as the Chief Financial Officer as well as being directly responsible for controlling and supervising the Company's accounting until now. The qualifications of the supervisor in accounting are shown in Attachment 1.

7.6.2 The Company Secretary

The Board of Directors Meeting No. 6/2015 on May 12, 2015 appointed Mr. Wittaya Janta-ummao to the position of Company Secretary with responsible according to the Securities and Exchange Act (No. 4) BE 2551 which is responsible for the preparation and storage of Director registration, notice of the Board meeting, minutes of the Board meeting and annual report of the Company, Notice of the Shareholders meeting and minutes of the Shareholders meeting, storage the stakeholders report that report by Directors or Executives as well as other actions as notification of the Capital Market Commission defined, on behalf of the Company or the Board of Directors. The qualifications of incumbent as Company Secretary are shown in Attachment 1.

7.6.3 Head of Internal Audit

The Audit Committee's meeting No.1/2023 on 16 February 2023 assigned JP Tip Audit Limited to perform the internal auditor of the Company since 1 January 2023 until 31 December 2023. The JP Tip Audit limited has appointed Mr. Thanongsak Praditsatan to be main duty of the internal auditors of the Company.

The Audit Committee has considered the qualifications of JP Tip Audit Limited, Mr. Thanongsak Praditsatan and concluded that there is sufficient and appropriate for such duties. They are independence and experienced in the field of internal audit of the industry in the same as company business for 14 years

The consideration and approval of the appointment, removal, transfer the incumbent head of internal audit of the company must be approved by the Audit Committee. The qualifications of Head of Internal Audit are shown in Attachment 3.

7.6.4 Head of Investor Relations

The Board of Directors recognizes the significance of correct, complete, timely, transparent, and thorough information disclosure, and assigns the Chief Executive Officer and Company Secretary acts as Investor Relations to communicate with investors, shareholders, analysts, media, and other organizations concerned. Investors can access all information relating to the Company by contacting Mr. Wittaya Janta-ummao, the Company Secretary at Tel. +6626128610 Email Address: wittaya@wiik.co.th

7.6.5 Auditor Fee

Articles of Association stated that the Annual General Meeting of Shareholders shall appoint the Auditor and determine audit fee of the Company every year. The appointment of auditor can appoint existing auditor again. The auditor must not be a director, staff, employee or person who holding any position in the Company.

The Annual General Meeting of Shareholders 2023 on 28 April 2023 appointed Mr.Khitsada Lerdwana C.P.A. Registration No. 4958 or Mr.Termphong Opanaphan C.P.A. Registration No. 4501 or Ms. Vilailak Laohasrisakul C.P.A. Registration No. 6140 or Mrs. Wilai Sunthornwanee C.P.A. Registration No. 7356 of EY office Company Limited as the auditor of the Company with auditor fee not exceeding 1,490,000 Baht for the year ended 31 December 2023 including authorized the Board of Directors to approve the audit fee that may occur during the year.

EY office Company Limited was an auditor of the Company since 2009 - 2023, total of 15 years and the auditor of 2 subsidiaries is the same office of the Company. The auditor of 1 indirect subsidiary is an auditor from another office. The Board of Directors will ensure that the financial statements can be prepared in time. Details of audit fee as follows.

(1) Audit fee

The Company and its subsidiaries paid audit fees to the audit firm in the past fiscal year a total of 2,675,000 Baht, consisting of the Company's audit fee of 1,490,000 Baht and the subsidiaries' s audit fee which each subsidiary bears its responsibility of 1,185,000 Baht.

Audit fee (Baht)	2023	2022	2021
Annual audit	940,000	900,000	900,000
Review of quarterly financial statements (3 quarter)	450,000	420,000	420,000
Review of annual report	100,000	100,000	100,000
Audit fee of WIIC Water Co., Ltd.	835,000	800,000	800,000
Audit fee of WIIC PT Co., Ltd.	250,000	250,000	250,000
Audit fee of Southern Consultants and Construction Co., Ltd.*	100,000	85,000	-
Total	2,675,000	2,555,000	2,470,000

Note * During 2022 – 2023, Dharmniti Auditing Company Limited is the auditor of Southern Consultant and Construction Company Limited.

(2) Non-audit fee

In 2023, the Company and its subsidiaries paid non-audit fees which consisted of a fee for reviewing compliance with the conditions of the Investment Promotion Certificate (BOI) of 100,000 Baht and a fee for reviewing information for the Lesso group of 80,000 Baht. Besides, there are other expenses such as travel expenses, document fees, and extra overtime to the Auditor of 12,606.72 Baht, a total of 192,606.72 Baht as follows.

Non-audit fee (Baht)	2023	2022	2021
Reviewing the Investment Promotion Certificate (BOI)	100,000.00	100,000.00	40,000.00
Reviewing information for the Lesso group	80,000.00	80,000.00	100,000.00
Other expenses	12,606.72	11,714.28	9,597.04
Total	192,606.72	191,714.28	149,597.04

The Management has considered that hiring an auditing firm does not create a conflict of interest and does not check their work themselves. This does not cause the auditor to lack independence and impartiality in auditing work. Therefore, it was proposed and received approval from the Audit Committee.

8. Report on key performance in corporate governance

8.1 Summary of the performance of the Board of Directors in the past year

8.1.1 Recruiting, developing and evaluating the performance of the Board of Directors

The Nomination and Remuneration Committee served for nominating candidates to replace Directors and Executives in the case of completed their terms resign or other. In order to comply with the corporate governance guidelines of the Stock Exchange of Thailand and Articles of Association, the Board of Directors and executives of the Company must be fully qualified by the Public Companies Act BE 2535 and the Securities and Exchange Act BE 2535.

The Nomination and Remuneration Committee is responsible for setting the company's policy and criteria in the selection of directors and determining the remuneration of the Board of Directors and sub-committees. Also, to recruit, select, and nominate the right person to be a director as well as to set the remuneration for a director. This includes working on other assigned tasks and present to the Board of Directors and/or to the Shareholders' Meeting.

The Charter of the Nomination and Remuneration Committee was approved by the Board of Directors Meeting No. 1/2016 on February 29, 2016 and become effective on February 29, 2016 onwards.

(1) Criteria of Independent Director Selection

Process of Independent Director Nomination

The Remuneration and Nomination Committee shall preliminarily consider suitable persons whose qualifications are in accordance with the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand. Also, the candidates shall have useful knowledge and capability that are useful for the Company. The suitable candidates will be proposed to the Board of Directors and the Shareholders' Meeting for approval, respectively. (Only the increase of the number of directors and the appointment of directors in replacement of directors retiring by rotation shall be approved by the Shareholders' Meeting.)

Qualification of Independent Directors

- (1) Shareholding does not exceed one percent of total shares with voting rights of the Company, parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest which includes the related party's shareholding of such independent directors.
- (2) Never or ever was a director who participate in administration, employees, staff, consultants who receive a regular salary or the controlling person of the Company, parent companies, subsidiaries, affiliates or the same level subsidiary or juristic person that may have conflict of interest unless they are clear from the foregoing relationship not less than two years before apply for permission to the SEC.

- (3) They are not persons who have blood ties or by legal registration in manner that is father, mother, spouse, sibling and child, including spouse of a child of the executives, major shareholders, control authority or persons who will be nominated as executive or controlling person of the Company or its subsidiaries.
- (4) Never or ever had business relationship with the company, parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest in a way that may obstruct their independent judgment. Including never or ever was major shareholder, director who was not independent director or executive of the business relationship of the company, parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest unless they are clear from the foregoing relationship not less than two years before they were appointed as an independent director.
- (5) Never or ever was the auditor of company, parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest and never was major shareholder, director who was not independent director, executive or managing partner of audit firm which has an auditor belong to the parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest unless they are clear from the foregoing relationship not less than two years before they was appointed as an independent director.
- (6) Never or ever was any professional service provider which includes serving as legal advisor or financial advisor who receives service fees more than two million baht per year from the company, parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest. In the case that professional service provider is juristic person, provided include major shareholder, director who was not independent director, executive or managing partner of such professional service provider unless they are clear from the foregoing relationship not less than two years before they were appointed as an independent director.
- (7) Not a director who has been appointed as a representative of Board of Directors, major shareholders or shareholders who are related to the Company's major shareholders.
- (8) Do not operate the same nature business and compete with the Company or its subsidiaries or not a partner in partnership or directors who participate in management, employee, staff, consultant who receive regular salary or holding more than one percent of the shares with voting rights of other company that operate the same nature business and compete with the Company or its subsidiaries.
- (9) No other characteristics that make they can not to give an opinion independently on the company's operation.
- (10) Independent directors have a continuous term of not more than 9 years from the date of the first appointment as an independent director. If an independent director is to be appointed to continue its position, the Board should reasonably consider the said necessity.

If the Securities and Exchange Commission announced changes to qualifications of independent directors, independent directors of the company must qualify as change announced in all respects.

(2) Director and Top Executive Selection**Directors Selection**

The Nomination and Remuneration Committee that members who are stakeholders did not participate in consideration, was nominated to select qualified persons to replace any directors or executives who had either completed their term or resigned, etc. To comply with both WIIC Public Co, Ltd.'s own good corporate governance practices and regulations as well as those of the Stock Exchange of Thailand, the Company's Board of Directors and Executives have to meet all qualifications as qualified as per the Public Company Limited Act B.E. 2535 and the Securities and Exchange Act B.E. 2535 and proposed to the Board of Directors for approval. Moreover, the Company had invited Shareholders to propose qualified candidates to be appointed as directors in advance for the Annual General Meeting of Shareholders 2017 via the Company's website which appears that there was no proposed candidate of directors from the shareholders. The Company's criteria for the appointment of the Board of Directors are as follows:

- (1) At the shareholders' meeting, at least 5 (five) directors are appointed. Of these, more than half must reside in the Kingdom of Thailand.
- (2) The selection of directors must be carried out at the shareholders' meeting.
- (3) Each shareholder shall have 1(one) vote for each share in respect of which he, she or it is the registered holder.
- (4) A shareholder or proxy may vote only for as many persons as vacancies on the Board of Directors are to be filled. A shareholder or proxy may not cast more than 1(one) vote for any person in respect of each share that the shareholder holds or proxy represents and may not allot his or her votes to any person in any number.
- (5) After the vote, the candidates shall be ranked in order descending form the highest number of votes received to the lowest and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the remaining appointments shall be made by drawing lots.
- (6) In every annual ordinary meeting, one-third of the total number of directors will complete their term. If the number of directors is not divisible by one-third, the closest number is acceptable. A drawing process is used to determine who will end their term in the first and the second year after the registration of the company. For the following year, directors who have served the longest period will resign. The resigning directors could be selected again and could therefore return to their positions as director.
- (7) The candidates' knowledge, capability, experience and specializations that would contribute to the Company's operational efficiency.
- (8) The candidates' qualifications shall support good corporate governance practices, such as ethics, independence, assertiveness, creativity, careful and integrity as well as ability to dedicate their time for the Company.

In other cases, any vacancy occurring in the Board of Directors otherwise than by completion of a vacating director's term of office shall be filled by resolution of the Board of Directors, unless the remaining period of the vacating director's term of office is less than 2 (two) months. The resolution of the Board of Directors to such effect shall be adopted by the affirmative votes of at least $\frac{3}{4}$ (three – fourths) of the remaining directors. However, in the event that the number of vacancies in the Board of Directors is such that the number of remaining directors does not constitute a quorum, the remaining directors may act on behalf of the Board of Directors only to summon a General Meeting solely for the purpose of electing replacement directors. The said General Meeting must be held within 1 (one) month from the date on which the number of vacancies resulted in the number of remaining directors being less than a quorum. In all cases under this Article, any person appointed or elected as a replacement director shall retain his or her office during such time only as the vacating director was entitled to retain same.

Top Executive Selection

The top executive selection shall be undertaken by the Remuneration and Nomination Committee to select candidates having suitable qualification, experience of working to be further proposed to the Board of Directors for approval. The policy and criteria for selection of the top executives including succession plan for emergency case or retirement are set forth to avoid any impact to the Company's business as follows:

The Board of Directors approved to set up the succession plan for Chief Executive Officer position and Vice President positions as well as experience transfer to their potential subordinates to work in their replacement for emergency case or retirement. - The basic qualifications of Chief Executive Officer are as follows:

- The education should be not lower than a master degree in engineering field or business administration or other related fields. In case of being educated in lower degree, it is subject to the discretion of the Remuneration and Nomination Committee on his other qualifications.
- Having experience not less than 10 years in the top executive position management
- Having leadership character with wide vision
- Be capable in strategic planning and organizational management
- Having cautious decision making and problem solving with recognition of highest benefit of the Company

Policy for Remuneration of Directors

The Board of Directors has assigned the Nomination and Remuneration Committee (NRC), in which exclude the executive directors, acting in determining, considering and monitoring the remuneration structure of The Board of Directors, Chief Executive Officer, and Executives. In addition, the NRC would monitor the assessment of performance in accordance with the specific criteria, to apply for the information in determining proper compensation for the short-term and long-term, including communicating the executives at all levels to acknowledge. In this regard, each step of process could be performed to the employees at all levels as well.

Guidelines

The Board would assign the Nomination and Remuneration Committee to consider the remuneration of the Directors prudently and transparently, including the appropriateness in line with the Directors' duties and responsibilities, as well as comparing to other companies in the similar fields and in the same level. Additionally, the NRC would also consider the expansion of the business and the growth of the Company's profit which should be sufficient to attract and retain valuable and qualified Directors. The remuneration would be presented to the Board of Directors for approval and further propose to the Shareholders Meeting for approval.

The remuneration paid to non-executive directors only and the Chairman is authorized to consider the allocation of bonus to the directors as appropriate if there is any remaining from above.

(3) Directors Development

The Board of Directors prioritize to participation in training courses that are beneficial to the performance of Directors. The Company promotes and supports the training of directors in the courses organized by Thai Institute of Directors Association (IOD) as at 26 January 2024, details are as follows:

No.	List of Directors	Position	Training Course from Thai Institute of Directors Association (IOD)
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board	<ul style="list-style-type: none"> Director Accreditation Program (DAP), Class 75/2008 Capital Market Academy (CMA) Class 10/2010
2.	Mr. Wiboon Sangwithayanon	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 120/2015
3.	Mrs. Sumalee Ongcharit	Director	<ul style="list-style-type: none"> Director Certification Program (DCP) 2547
4.	Dr. Shaoquan Lin	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 193/2022
5.	Mr. Guirong Huang	Director	-
6.	Mr. Yulong Li	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 193/2022
7.	Mr. Zhe Li	Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 193/2022
8.	Miss Benjawan Sinkunakorn	Independent Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP class 24/2004) Director Certification Program (DCP class 79/2006) Audit Committee Program (ACP class 12/2006) Role of the Compensation Committee (class 7/2008) IOD-Detection of Accounting Irregularities in Fast growing Business IOD-Leadership Amidst Volatility and Distrust IOD- Whose role prevents corruption in the organization?
9.	Assoc. Prof. Dr. Tanit Tongthong	Independent Director	<ul style="list-style-type: none"> Director Accreditation Program (DAP) class 11/2004 Advanced Audit Committee Program (AACP) class 29/2018

Development and Training

In 2023, the Company has promoted and supported the training of directors as follows:

List of Directors	Position	Training Course
Mr. Yulong Li	Director	Accounting and Finance Course for Executives without Basics, Class 41 (Finance for Non-financial Executive) October 6 – November 25, 2023
Miss Benjawan Sinkunakorn	Independent Director	<ul style="list-style-type: none"> ▪ Continuing professional knowledge development project through self-study (Self-Study CPD) No. 11/2023 Financial reporting standards for non-publicly owned entities (NPAEs) ▪ TFAC-Discussion on Deferred Tax ▪ TFAC-Read the Council Journal, Year 5, No. 13 (2023) ▪ TFAC-TFRS for NPAEs (2022) Part 1 ▪ TFAC-TFRS17 Manual Lease Agreement ▪ TFAC-NPAEs Revaluation ▪ TFAC-NPAEs (Chapter 19 Recognition of Revenue from Real Estate Sales) ▪ IOD-Detection of Accounting Irregularities in Fast growing Business ▪ TFAC-Digital Confirmation ▪ SET-TFRS year 2023 ▪ IOD-Leadership Amidst Volatility and Distrust ▪ EY-Corruption in decorating financial statements ▪ IOD - Whose role prevents corruption in the organization? ▪ SET-The importance of the audit committee and confidence in the Thai capital market

(4) Self-assessment of the Board of Directors

The Board of Directors set up the policy requiring all directors to conduct assessment of the performance of the entire Board of Directors using the self-assessment form for the Board of Directors provided by the Corporate Governance Development for Capital Market Department, Stock Exchange of Thailand. For 2023, the Company used the form issued in February 2015 with the additional information for certain topics to support the assessment of the directors. There are 6 major topics for assessment:

1. Structure and qualifications of the Board of Directors
2. Role, duties and responsibilities of the Board of Directors
3. Meetings of the Board of Directors
4. Performance of Duties as Director
5. Relationship with management
6. Directors and management development

Furthermore, performance assessment for individual directors and subcommittees including the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee was conducted. The assessment results were presented to the Board of Directors meeting.

Objectives

- 1) The principles of good corporate governance for listed companies, the Boards and committees of listed companies should have Self-assessment at least once a year for the committee to jointly consider the results and make improvements. The assessment should be done both individually and individually.
- 2) The company set a standard scoring method for the committee can compare the assessment results in each topic or compare the assessment results of each year as follows:
 - 0 = Strongly disagree or no action on the subject
 - 1 = Disagree or little action on the subject
 - 2 = Agree or have action on the subject
 - 3 = Very agree or good action on the subject
 - 4 = Strongly agree or excellently action on the subject

(5) Performance assessment of the Chief Executive Officer

The Board of Directors has assigned the Remuneration and Nomination Committee to evaluate the performance and consider the annual remuneration of the Chief Executive Officer and to present the assessment results to the Board of Directors' meeting to approve compensation each year

Objectives

1. Evaluate the performance of the top management, Chief Executive Officer, Managing Director or other titles that are equivalent to the chief executive of the organization (Chief Executive Officer: CEO)
2. Use the scoring method for the assessors can compare the results in each topic or can compare the results of each year.

The meaning of the rating is as follows;

0	=	No action on the subject
1	=	Little action on the subject
2	=	Fair action on the subject
3	=	Good action on the subject
4	=	Excellent action on the subject
N/A	=	No data or not available

(6) Self-assessment results for the year 2023

The company secretary collects the assessment form and calculates the Self-assessment results. It is the average score as a percentage of all categories and the total average score as a percentage. There are 5 levels of assessment results as follows:

More than	85 -100 %	= Excellent
More than	75 – 85 %	= Very good
More than	65 - 75 %	= Good
More than	50 - 65 %	= Fair
less than	50 %	= Need to improve

Assessment	Assessment Results	Score
Board of Directors	Excellent	91.24
Sub-committees	Excellent	95.83
Individual directors and committees	Excellent	92.21
Chief Executive Officer	Excellent	96.30

8.1.2 Meeting attendance and Remuneration

(1) Meeting attendance

In 2023, the Company has organized 5 Board of Directors Meeting, and the Annual General Meeting of Shareholders 2023, with details of meeting attendance of directors as follows:

List of directors	Position	Meeting		Note
		Board Meeting (Attendance /Right to attend)	Annual General Meeting of Shareholders (Attendance /Right to attend)	
Pol.Gen. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board of Directors / Chairman of the Audit Committee	5/5	1/1	-
Mr. Wiboon Sangwithayanon	Director / Chief Executive Officer	5/5	1/1	-
Mrs. Sumalee Ongcharit	Director / Executive Committee	-	-	Appointed 26 Jan 2024
Dr. Shaoquan Lin	Director	3/5	1/1	-
Mr. Guirong Huang	Director / Executive Committee	-	-	Appointed 14 Nov 2023
Mr. Zhe Li	Director / Executive Committee	4/5	1/1	-
Mr. Yulong Li	Director / Executive Committee	5/5	1/1	-
Miss Benjawan Sinkunakorn	Independent Director / Audit Committee	5/5	1/1	-
Assoc. Prof. Dr. Tanit Tongthong	Independent Director / Audit Committee	5/5	1/1	-
Mr. Rocky Kin Lau	Director / Executive Committee	1/5	1/1	Resigned 14 Nov 2023
Mr. Karn Siriphatras	Director / Executive Committee	5/5	1/1	Resigned 26 Jan 2024

(2) Remuneration of Directors

Articles of Association, article 10 Remuneration of Directors stated that the Company is prohibited from paying money or other assets to the directors except as remuneration pursuant to the Articles of Association, such remuneration pursuant to the Articles of Association being salary, allowance, meeting allowance, travel allowance, award and bonus. Other remuneration shall be paid by the Company in accordance with resolutions adopted at General Meetings by the affirmative votes of at least two-thirds (2/3) of all the votes of the shareholders attending or represented at such General Meetings.

The Annual General Meeting of Shareholders 2023 on 28 April 2023 approved the Directors' remuneration for the year 2023 of not exceeding Baht 5 million by defined Directors' remuneration as follows.

Position	Monthly	Per time of attending
Board of Directors		
● Chairman of the Board of Directors	30,000	15,000
● Director / Independent Director	25,000	10,000
● Executive Director	-None-	-None-
Audit Committee		
● Chairman of the Audit Committee	-None-	10,000
● Audit Committee	-None-	8,000
Nomination Committee		
● Chairman of the Nomination Committee	-None-	5,000
● Member of the Nomination Committee	-None-	3,000

The remuneration paid to non-executive directors only and the Chairman is authorized to consider the allocation of bonus to the directors as appropriate if there is any remaining from above.

(A) Monetary remuneration

Monetary remuneration for the Board of Directors consists of monthly remuneration, attendance fee paid by number of attending and Director's bonus as follows;

List of directors	Position	Remuneration (Baht)			
		Monthly remuneration	Attendance fee	Bonus	Total
Pol.Gen. Chidchai Vanasatidya, Ph.D.	Independent Director Chairman of the Board Chairman of the Audit Committee	360,000.00	130,000.00	250,000.00	740,000.00
Mr. Wiboon Sangwithayanon	Director Chief Executive Officer Nomination Committee	-	-	-	-

List of directors	Position	Remuneration (Baht)			
		Monthly remuneration	Attendance fee	Bonus	Total
Mrs. Sumalee Ongcharit	Director / Executive Committee	-	-	-	-
Dr. Shaoquan Lin	Director	300,000.00	30,000.00	125,000.00	455,000.00
Mr. Guirong Huang	Director / Executive Committee	37,500.00	-	15,625.00	53,125.00
Mr. Zhe Li	Director / Executive Committee	300,000.00	40,000.00	125,000.00	465,000.00
Mr. Yulong Li	Director / Executive Committee	-	-	-	-
Miss Benjawan Sinkunakorn	Independent Director / Audit Committee / Nomination Committee	300,000.00	91,000.00	155,000.00	546,000.00
Assoc. Prof. Dr. Tanit Tongthong	Independent Director / Audit Committee / Nomination Committee	300,000.00	82,000.00	155,000.00	537,000.00
Mr. Rocky Kin Lau	Director / Executive Committee	-	-	-	-
Mr. Karn Siriphatras	Director / Executive Committee	-	-	-	-
Total		1,597,500.00	373,000.00	825,625.00	2,796,125.00

(B) Other remuneration

In 2023, the Company does not pay any other remuneration to the directors.

8.1.3 Supervision of Subsidiary and Affiliated Companies

The Company set up mechanism to supervise and oversee the operations of its subsidiary and affiliated companies as follows:

- (1) The Company sends representatives of the Company to serve as directors, executives, or authorized persons in such companies according to the ratio of shareholding which was approved by the meeting of the Board of Directors.
- (2) The Company has a policy to appoint the audits of the Company to serve as the audits of subsidiary and affiliated companies to regulate and ensure accuracy and completeness in the disclosure of financial status information and operation results, transactions between subsidiary companies and related persons, acquisition and disposal of assets or other important transactions, using the same criteria for disclosure of information and preparation of transaction used by the Company.

8.1.4 Monitoring to ensure compliance with corporate governance policies and guidelines**(1) Implementation of conflict of interest**

The Company controls on conflict of interest by the Code of Conduct for Directors, Management and Employees of WIIC Public Company Limited which was approved by the Board of Directors Meeting No. 1/2016 on February 29, 2016 and it shall become effective from February 29, 2016 onwards.

The Company adheres to the policy to make no the Directors, Management and employees use of their own duties to seek personal gain, so the Company has determined a code of conduct for Directors, Executives and employees as follows.

- (1) Avoid making connected transactions on their own that may cause a conflict of interest with the Company. Except where need to make such transaction for the benefit of the Company by make such transaction virtual with the outsider. The stakeholders in these transactions must not be involved in the approval process.
- (2) In the case of Directors, Management, Employees or family members involved, whether directly or indirectly in the transactions that may cause a conflict of interest or they are shareholders in business that compete with the Company's business. They have to notify the supervisor as hierarchy and Chairman of the Board to know in writing.
- (3) In the event that Directors, Executives, Employees hold the position of Director, Partner or Advisor in the other organization. They must not conflict to the interests of the Company.
- (4) In the case of the related transaction as requirements of governance agency such as the Securities and Exchange Commission: SEC, the Stock Exchange of Thailand: SET etc. It must comply with the rules, procedures and disclosure strictly.
- (5) The related transaction must be reviewed or considered by the Audit Committee and the Board of Directors, respectively. In case there is any member of the audit committee or the Company's director have an interest in related transaction, such member of the audit committee or director must be no consideration in such related transaction.

Performance

In the past year 2023, Directors, Executives and Employees have strictly complied. The Company did not find any significant conflicts of interest.

(2) Control on the use of inside information

The Company controls on the use of inside information by the Code of Conduct for Directors, Management and Employees of WIIC Public Company Limited which was approved by the Board of Directors Meeting No. 1/2016 on February 29, 2016 and it shall become effective from February 29, 2016 onwards.

The Company considered that Directors, management and employees will be responsible for keeping the confidential information of the Company strictly. Especially inside information that has not been disclosed to the public and impact on the business or securities price. Directors, Management including those related (Spouses and underage children of Directors and Managements) Employees will not take the opportunity of being a Director, Managements or Employees in the pursuit of personal gain and in business operation that compete or relate to the Company as well as will not take the inside information to their advantage in trading of the Company's securities and do not disclose confidential information to the competitors of the company's business, although they was terminated from Director, Managements or Employees already. The Company has process to control on the use of inside information for their own benefit or the others as follows.

- (1) Set for notification of Directors and Managements to understand the duty on reporting of securities holding of their own spouses and underage children as well as report of change in holdings in accordance with section 59 and Penalty provisions under section 275 of the Securities and Exchange Act BE 2535.
- (2) Limit acknowledgment of inside information only Director, Managements, Employees or insiders were involved as necessary and set the authority for the personnel authorized to disclose information of the Company clearly.
- (3) Send circular letter to notify suspend period for trading / transfer of the Company's securities (Backout Period) and prohibit to disclose inside information financial statements during the 1-month period before the public disclosure and within 24 hours after the disclosure of such information already, to Directors, Management including those related (Spouses and underage children of Directors and Managements) and management team for the compliance requirements in such period.
- (4) Set for Directors, Management including those related (Spouses and underage children of Directors and Managements) to inform about trading shares of the Company at least 1 day before trading to the Board of Directors or the assignment.
- (5) Set the regulations for security of computer system and information of the Company stringently.

The Company also impose penalties in case of breach on the use of inside information for their own benefit with penalties ranging from a verbal warning to leaving their job.

Performance

In the past year 2023, Directors, Executives, and Employees have strictly complied. There were no cases of violation or non-compliance with the code of conduct for Directors, Executives, and Employees regarding the use of inside information.

(3) Compliance with Code of Conduct

All Directors, Executives and Employees has the duty and responsibility to strictly adhere to the policies defined in this business ethics to achieve business goals on the basis of ethics and morality for the benefit of stakeholders, shareholders, the Company and society.

Executives at all levels in the organization must take responsibility for the employees under their supervisory line to acknowledge, understanding and is important to strictly follow the Company's Code of Conduct.

The Executive Committee who appointed by the Board of Directors, has duties to review and revise the Company's Code of Conduct to comply with the business operations of the Company as well as related laws and regulations. The Corporate Governance Committee must hold a meeting at least twice a year and report the meeting resolution to the Board of Directors acknowledge.

This Business Ethics and Code of Conduct defined, cannot be covered in every subject. Therefore, all Directors, Executives and Employees have to use discretion for considering to behave in each situation to do the right thing by most. If there are any problems or doubts in performing any work, shall consult your hierarchical supervisors or related departments such as human resources department, internal audit department etc.

Performance

In the past year 2023, Directors, Executives and Employees have strictly complied. There were no cases of violation or non-compliance with the code of conduct for Directors, Executives, and Employees regarding compliance with Code of Conduct.

(4) Anti-Corruption Policy

The Board of Directors' Meeting No. 8/2015 on August 11, 2015 approved the Company's Anti-Corruption Policy (Revised by the Board of Directors Meeting No.7/2016 on November 11, 2016). Besides, the Company expressed its intention to join the Thai Private Sector Collective Action Coalition against Corruption (CAC). The CAC committee certified WIIC Public Company Limited as a member of CAC which expired on 4 November 2021. The Company has applied for renewal and CAC has already approved the 1st renewal on April 4, 2022. The certification will be valid for 3 years. You can study the full version of the Company's anti-corruption policy at the website: <https://www.wiik.co.th/en/investor-relations/82>

Performance

In the past year 2023, Directors, Executives, and Employees have strictly complied. No clues or complaints were found regarding violations or non-compliance with the Company's anti-corruption policy.

(5) Whistleblowing

The Company appointed the Executive Committee to serve as ethics complaints handling unit and assigned to the Company Secretary to receive a complaint including complete and summarize information for propose to the Executive Committee to consider next. Every step of the process from receiving the complaint until collect, search, and judging such matters, the Executive Committee and related persons will keep confidential, both information of the complainant, defendant, subject, and witnesses etc.

Directors, Executives and Employees as well as all stakeholders can submit a complaint directly to "Company Secretary" as follows:

E-mail : wittaya@wiik.co.th
Post mail : Company Secretary
WIIC Public Company Limited
90 CW Tower A, 35th Floor, Ratchadapisek Road,
Huaykwang, Bangkok 10310

And / or Audit Committee Secretary

E-mail : chinanut@wiik.co.th
Post mail : Audit Committee Secretary
WIIC Public Company Limited
90 CW Tower A, 35th Floor, Ratchadapisek Road,
Huaykwang, Bangkok 10310

If such complaints connected to corruption offenses, the Executive Committee must inform and propose to the internal audit for co-operation and propose to the Audit Committee for further consideration.

Performance

In the past year 2023, Directors, Executives, and Employees have strictly followed the Company policy. No clues or complaints were found regarding violations or non-compliance with the Company's policies.

8.2 Report on the performance of the Audit Committee in the past year

(1) Attendance of Audit Committee Meeting

In 2023, the Company held 4 Audit Committee meetings with details of the Audit Committee's attendance as follows:

List of Audit Committee	Position	Meeting		Note
		Number of meeting	Number of attending	
POL.GEN. Chidchai Vanasatidya, Ph.D.	Chairman of the Audit Committee	4	4	-
Miss Benjawan Sinkunakorn	Audit Committee	4	4	-
Assoc. Prof. Dr. Tanit Tongthong	Audit Committee	4	4	-

(2) Performance of the Audit Committee

The Audit Committee performed its duties and responsibilities that defined in the Charter of Audit Committee and assigned by the Board of Directors which comply to the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. In the year 2023 the Audit Committee held the meeting of all 4 times by meetings with the auditor, the internal auditor and the management, including special meeting agenda, the Audit Committee meeting with the auditor. without the management 2 times, that summarized as follows.

- 1. Reviewed the quarterly financial statements and the annual financial statements 2023.** The Audit Committee reviewed quarterly financial statements and the annual financial statements 2023 of the Company and its subsidiaries including related transactions, transactions that may lead to conflicts of interest with the management and internal auditor. In consideration of quarterly and the annual financial statements, the Company invited the auditor attend meetings 2 times. The Audit Committee questioned the auditor on accuracy and completeness, updating of significant transactions which have an impact on the financial statements, adequacy and appropriateness of accounting methods and the scope of audit, information disclosure accurately and an independent of auditor to ensure that the preparation of financial statements in accordance with legal requirements and accounting standards as generally accepted accounting principles. Reliable, timeliness as well as information disclosure in financial statements sufficiently to be useful to investors and users of financial statements.
- 2. Reviewed the internal control and the internal audit.** The Audit Committee reviewed and revised the internal control system with the internal auditor including monitoring performance, audit results, suggestions and progress of implementation on a quarterly basis. Moreover, the Company assessed the adequacy of internal control system under the framework of international standard (The Committee of Sponsoring Organizations of the Treadway Commission: COSO) to achieve more confidence. Assessment results of Internal Control by the management, internal auditor and the Audit Committee commented that the internal control system of the Company adequate and reasonable.

3. **Reviewed the corporate governance.** The Audit Committee reviewed the performance of defined operational system. The Company's business operation morality and compliance with the Law on the Securities and Exchange, requirements of the Stock Exchange of Thailand as well as other laws related to the business operations of the Company. Especially, the connected transactions, transactions between the group companies to ensure that the Company follow the normal business practices sensibly. Reviewing the complaint and report process for corruption of the Company in order to comply with good corporate governance principles and the business philosophy of the Company as well as pushing for anti-corruption policy. The Audit Committee evaluated the performance of overall audit committee under the best practices of Audit Committee of the Stock Exchange of Thailand.
4. **Appointment of auditor for the year 2023.** The Audit Committee considered and agreed to appoint EY Office Limited as the auditor of the Company and its subsidiaries for the year 2023 and proposed to the Board of Directors for consideration and proposed to the Annual General Meeting of Shareholders 2023 for approval the appointment of auditor and determined audit fee.
5. **Approved the hiring of the internal auditor of the Company and its subsidiaries for the year 2023.** The Audit Committee appointed JP Tip Audit Company Limited as the Company's internal auditor from 1 January 2023 to 31 December 2023. JP Tip Audit Company Limited assigned Mr. Thanongsak Praditstarn as the main person responsible for the performance of the Company's internal auditor as well as approved the internal audit program as proposed by JP Tip Audit Company Limited.

The Audit Committee performed its duties and responsibilities that defined in the Charter of Audit Committee which was approved by the Board of Directors. By using knowledge, skill, careful, thoughtful and an independent sufficiently for benefit of all stakeholders equally. The Audit Committee commented that the Company's financial reporting is accurate and reliable in accordance with generally accepted accounting standards. The Company has sufficiently risk management with internal control system and internal audit appropriate and effective. The operations in accordance with good corporate governance systems comply with law's requirements and obligations related to the business operations.

8.3 Report on the performance of other sub-committees

8.3.1 Executive Committee

(1) Attendance of Executive Committee Meetings

In 2023, the Company held 16 Executive Committee meetings with details of the meeting attendance of the Executive Directors as follows:

List of Executive Committee	Position	Meeting		Note
		Number of meeting	Number of attending	
Mr. Wiboon Sangwithayanon	Chief Executive Officer	16	16	-
Mrs. Sumalee Ongcharit	Executive Committee	4	4	Resigned 28 Feb 2023 Appointed 14 Nov 2023
Mr. Karn Siriphatras	Executive Committee	16	16	-
Mr. Guirong Huang	Executive Committee	2	-	Appointed 14 Nov 2023
Mr. Zhe Li	Executive Committee	16	6	Appointed 27 Nov 2020
Mr. Yulong Li	Executive Committee	16	15	Appointed 27 Nov 2020
Miss Rewadee Whanchid	Executive Committee	16	16	-
Miss Chinanut Jariyarudeechai	Executive Committee	16	16	-
Mr. Rocky Kin Lau	Executive Committee	14	4	Appointed 23 Feb 2022 Resigned 14 Nov 2023

(2) Performance of the Executive Committee

The Executive Committee has performed its duties and responsibilities as defined in the Charter and as assigned by the Board of Directors. During the year 2023, the Executive Committee held 16 meetings, summarized as follows.

- (1) Approve raw materials purchasing to produce in all items which excess from authority of the management.
- (2) Make recommendations on strategic direction, Management structure, Business plan and annual budget for the Board of Directors.
- (3) Approve the investment in water management business and provide financial assistance in the amount not exceeding Baht 80 million in accordance with the investment policy of the Company.
- (4) Approve the sales under normal transactions of the Company without guarantees or collateral or not protect or exceed credit limit by insurance in excess amount of Baht 20 million (total amount per customer).
- (5) Approve procurement and investment in fixed assets, each time not exceeding 2 million Baht, total not exceeding 5 million Baht per year.
- (6) Authorized to perform in financial transaction with financial institution in account opening with bank, financial institution and request guarantee from bank, financial institution of not exceeding Baht 50 million.
- (7) Appointment, removal, transferring, considering meritorious service as well as determine compensation and benefits for employees in various levels including other working group to perform various activities in management of the Company.

8.3.2 Nomination and Remuneration Committee

(1) Attendance of the Nomination and Remuneration Committee Meeting

In 2023, the Company held 3 meetings of the Nomination and Remuneration Committee with details of the meeting attendance of the members as follows:

List of Nomination and Remuneration Committee	Position	Meeting		Note
		Number of meeting	Number of attending	
POL.GEN. Chidchai Vanasatidya, Ph.D.	Chairman of the NRC	3	3	-
Miss Benjawan Sinkunakorn	Nomination and Remuneration Committee	3	3	-
Mr. Wiboon Sangwithayanon	Nomination and Remuneration Committee	3	3	-

(2) Performance of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has performed its duties and responsibilities as defined in the Charter and as assigned by the Board of Directors. During the year 2022, the Nomination and Remuneration Committee held 3 meetings, summarized as follows.

- (1) The Nomination and Remuneration Committee are responsible for the selection of persons to replace directors and executives if the term expires, resign or other cases. This is to be in line with the good corporate governance guidelines of the Stock Exchange of Thailand and accordance with the Articles of Association of WIIC Public Company Limited, the directors and executives of the Company Must be fully qualified according to the Public Limited Companies Act 1992 and the Securities and Exchange Act 1992 and proposed to the Board of Directors to consider and approve as follows.
 - Consider the term of directors, and approve the nominations who will serve as the new directors.
 - Consider and approve the appointment of a director to replace the resigned director.
 - Consider and approve the appointment of executive directors.
- (2) The Nomination and Remuneration Committee considered the remuneration of Directors by considering the suitability of the duties, responsibility, and the Company's performance and propose to the Board of Directors to consider and approve as follows.
 - Consider and approve the remuneration of the Board of Directors for the year 2023.
 - Consider and approve the payment of the directors' bonus for the year 2023.

In summary, the Nomination and Remuneration Committee complied with the duties and responsibilities defined in the Charter which approved by the Board of Directors by using knowledge and ability, prudence and sufficient independence for the benefit of all stakeholders equally.

9. Internal Control and Related Transactions

9.1 Internal Control

The company emphasizes the importance of establishing internal control system for efficient operation reviewing by the audit committee to be more appropriate and sufficient. The Audit Committee verified and evaluated sufficiency of internal control system and suggested that the Company had adequate system of internal control, covers both financial and managerial aspects to ensure effective and efficient operations and to focus on continuous improvement which the auditor prepared in accordance with the generally accepted accounting principles and no significant defect. The company also applied the questionnaire following the SEC to make sure that internal control system is under controlled. Internal control system that covers all 5 aspects (1) organization and environment (2) risk management (3) management control activities (4) information system and (5) communication, which can be summarized as follows:

1) Organization and Environment

The Company determined objectives and business plan to ensure business stability and developed efficient work process including human resource development on a continuous basis in order to cope with business changes and manage organization structure, by internal audit department as an independent entity reporting directly to the Audit Committee to ensure transparency. The Company determined policy and work plan by considering fair treatment of employees and business partners as well as responsibility towards shareholders, society and environment. In terms of the functional organization chart, the Company clearly divided responsibilities into 3 basic functions of the internal audit system, which are approval, transaction and information recording, and asset tracking and monitoring. Such functions are specified in writing from management to employee levels based on approval and execution authority and operating procedures. The company has issued the anti-corruption policy and also created the channel to obtain issues from employees and management teams. That could be shown that the company significantly take this matter into consideration.

2) Risk Management

The Board of Directors has assigned the Audit Committee to review the Company's risk management system to ensure that it is appropriate and effective to assess business risk, analyze problem and factors which its arising from both internal and external factors. By prevented or reduced risk to acceptable level. The Company determined policies and work plan to implement risk management seriously also monitor risk management of all sections within the organization. Audit Committee also let one of representative in each department to review problems, observations, suggestions and countermeasures so that may lend to or resolve of risks. These will be included of training in risk management of organization for executives and employees to have more understanding of this subject.

3) Management Control Activities

The company issues practical guide or operating manual for employees in order to be framework based on common system and high efficiency. The mentioned general practice can enhance overall process of each department and reduce unnecessary risk in each process at the same time. The company also considers the way in decentralized structures in order to define scope of responsibility and financial approval limit of each level of the management in writing to be more balanced and still under control, determined responsibilities of each function appropriately according to the principle of decentralization to achieve efficient operation, and monitors affiliated companies regularly. Moreover, the Audit Committee reviewed and approved annual audit plan. The Audit Committee has internal audit department which is independent to response for monitoring internal control procedures and review critical system at least once a year to cover risky work processes in order to ensure that each section has sufficient supervision in terms of finance, operation, compliance with laws, regulations and rules. In case of any transaction that results in a long-term obligation, the Company required a person responsible for monitoring compliance with conditions and reporting to the Audit Committee periodically to verify appropriateness of the transaction throughout the contract period and to prevent relevant persons from exploiting company's benefits to their own advantages.

4) Information System and Communication

The Company provides important and sufficient information to the board of directors for their consideration together with supporting documents for each agenda by submitting meeting appointment notice and supporting documents to them at least 7 days in advance. The Company secretary acts as a coordinator to submit such information to the board of directors and to record minutes of meeting, questions, comments, and opinions of directors in the board of directors meeting. With regard to the storage of accounting and supporting documents, the Company keeps all items separated by category that is convenient for an audit. Moreover, the Company has developed intranet system and continual Data Systems by providing information system and channel to communicate not only in internal department but also outside company with high efficiency that can be led to the wording of complete, correct and time. Intranet system that can be linked to external entities in order to allow quick and efficient communication and data transfer between internal and external entities. And using information systems in the planning and management to link the various systems into one system to make more efficiently. Such systems have right to access information that is confidential in all departments. To allow only authorized persons to access personal data.

5) Monitoring System

The Company has system to track on going works or projects. Each management take action to compare performance of a process or project and reporting all related progress through the executive committee, which is arranged monthly basis, to make sure that all mission will meet the objective. In 2023, the Company conducted 4 audit committee meetings. The Audit Committee had a duty to report audit results to the board of directors on a quarterly basis. Moreover, in the implementation of work plan, the overall operation was monitored and the financial impact was analyzed continuously. However, if any significant flaw was found, it would be reported to the Audit Committee and/or the board of directors to consider giving an order for implementing corrective action. Moreover, the Company stipulated that the internal audit department had to monitor internal controls on a regular basis to ensure transparency and good corporate governance of the Company.

9.1.1 The Board of Directors' Comment regarding the internal control system

The Board of Directors' meeting No.1/2024 on 23 February 2024 by the independent directors and audit committee include 3 members attended the meeting. The Board has assessed the Company's internal control system by questioning information from the management and inspection documents from the management including the assessment of the management and preparation of the report of the Audit Committee. The conclusion after an assessment of the internal control of the company in various five components: (1) Internal organization control (2) risk assessment (3) The operational control (4) Information and Communication system, and (5) Tracking and trace back system.

The Board of Directors concluded that the Company's internal control systems are adequate and appropriate. The Company has provided sufficient personnel to implement the system effectively. The internal control system can monitor the operations of its subsidiaries to protect the Company's assets and its subsidiaries by illegally used or without authority of the directors or executives as well as sufficiently monitor the transactions with persons who may have conflicts of interest and related party. For other internal control subjects, the Board of Directors considered that the Company has sufficient internal control as well.

9.1.2 The opinion of the Audit Committee

As the assessment of the internal control systems above, the Independent Director and Audit Committee do not have any further observations from the Board of Directors. Besides, the auditor of the company, Ms. Vilailak Laohasrisakul Auditor License No. 6140 of EY Office Limited, who is the auditor of quarterly and year ended 2023 expressed the opinion in the auditor report as follows;

I have audited the accompanying consolidated financial statements of WIIK Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of WIIK Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WIIK Public Company Limited and its subsidiaries and of WIIK Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

9.1.3 Head of Internal Audit and supervisors overseeing the company's operation

The Audit Committee's meeting No.1/2023 on 16 February 2023 assigned JP Tip Audit Limited to perform the internal auditor of the Company since 1 January 2023 until 31 December 2023. The JP Tip Audit limited has appointed Mr. Thanongsak Praditsatan to be main duty of the internal auditors of the Company.

The Audit Committee has considered the qualifications of JP Tip Audit Limited, Mr. Thanongsak Praditsatan and concluded that there is sufficient and appropriate for such duties. They are independence and experienced in the field of internal audit of the industry in the same as company business for 14 years

The consideration and approval of the appointment, removal, transfer the incumbent head of internal audit of the company must be approved by the Audit Committee. The qualifications of Head of Internal Audit are shown in Attachment 3.

9.2 Related Party Transaction

9.2.1 Related transactions with related parties that may lead to conflicts in the past year

Related Parties	Relationship	Category	Separate financial statements (Million Baht)			Description
			2023	2022	2021	
WIik Water Co., Ltd.	A 94.16% holding subsidiary	▪ Sales income	0.63	0.07	2.13	Selling pipes and fittings
		▪ Service income	-	-	-	Welding service and engineering service income
		▪ Interest income	3.88	2.94	10.61	Loans on demand due
		▪ Other income	0.07	0.03	0.05	Transportation income
		▪ Trade accounts receivable	0.03	0.03	-	
		▪ Investments in subsidiaries	210.82	210.82	210.82	
		▪ Short term loans	380.00	300.00	305.00	Interest rate 1.0% per year
LIANSU GROUP COMPANY LIMITED	A controlling person of Lesso Group (Thailand) Holdings Limited., which is the Company's major shareholder of 47.75%	▪ Purchase products	67.68	94.03	0.21	Purchase PVC & PP-R pipes and pipe fittings
		▪ Advance payment for goods	-	-	0.01	
		▪ Trade accounts payable	12.00	22.30	-	
Southern Consultants and Construction Company Limited	51% of shareholding by WIik Water Company Limited	▪ Purchase products	35.20	-	-	Selling pipes and fittings
		▪ Other income	2.24	-	-	Transportation income
		▪ Trade accounts receivable	5.72	-	-	

9.2.2 Necessity and reasonableness of the transaction

The Audit Committee has provided an opinion on the reasonableness of the transactions of the Company and related companies as follows: (A copy of the opinion of the Audit Committee as attached).

The company is engaged in the manufacture of pipes and fittings made of plastic. The related companies which are operated in the same line of work. The transactions with related items such as trading goods such as pipes and fittings. Machine tool the equipment used in the production of raw material costs and installation operations. Intercompany loans Loan Guarantees and consulting, etc.

By conducting the entire transaction. The transaction is reasonable. According to the rules of business and the general price level with traded with outsource supplier. The process of approving the transaction. According to usual business Policies and procedures. As well as transactions with third parties or other activities that are not related to each other. Namely to consider the interests of its shareholders.

9.2.3 Policy and trends for transactions in the future

If a company has entered into a transaction that is in accordance with normal business operations. The Company will determine the price and conditions of the items to clear and can be compared with others. The company will provide the Audit Committee of the Company to consider and comment on the appropriateness and reasonableness of the transaction.

Transactions that may occur in the future. The Board of Directors will act in accordance with the laws and regulations of the Securities and Exchange Commission announced the order or the terms of the Stock Exchange of Thailand. As well as compliance with the disclosure of related party transactions. And the acquisition or disposal of major assets of the company or its subsidiaries. And accounting standards set by the Association of Accountants.

Part 3 Financial Statements

10. Report of the Board of Directors' Responsibility in Financial Statement

The Company's Board of Directors is responsible for financial statements of WIIC Public Company Limited and its subsidiaries, including the financial information that appears within their annual reports. The financial statements have been prepared according to generally accepted accounting standards. An appropriate accounting policy has been selected, applied and consistently adhered to under cautious consideration. In addition, an effective internal control system has been set up. Material information has been adequately disclosed in the Notes to the Financial Statements. These are implemented for benefits of shareholders and investors, with an aim to create confidence in the Company's financial statements, to take care and keep good maintenance of the Company's assets, and to prevent dishonest acts or any irregular operations of material substance.

The financial statements of the Company and its subsidiaries have been audited by Ms. Vilailak Laohasrisakul the Certified Public Accountant from EY Office Limited who has been certified by the Securities and Exchange Commission. The Company has provided information and various documents to the auditor to enable him to conduct the audit and express his opinion in accordance with generally accepted auditing standards. The auditor's opinion appears in the Report of the Certified Public Accountant within the Annual Report.

The Company's Board of Directors appointed the Audit Committee to be responsible for reviewing the Company's accounting policies, quality of financial reports, internal control system, internal audit system and risk management system. The opinion of the Audit Committee on this matter appears in the Audit Committee's Report within the Annual Report.

The Company's Board of Directors believes that the Company's overall internal control system is at satisfactory level. Financial statements of WIIC Public Company Limited and its subsidiaries as at 31 December 2023 substantially portray the Company's financial position, operating performance and cash flow in an accurate and reasonable manner and comply with generally accepted accounting principles and related laws and regulations.



(Mr. Wiboon Sangwithayanon)

Director



(Mr. Yulong Li)

Director

11. Independent Auditor's Report

To the Shareholders of WIIK Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of WIIK Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of WIIK Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WIIK Public Company Limited and its subsidiaries and of WIIK Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Recognition of revenue from sales and service

Revenue from sales and service of the Group forms a significant portion of the Group's total revenues, as at 31 December 2023, sales and service income amounted to Baht 1,315 million and directly affects the Group's profit and loss. The Group has both local and overseas sales and service transactions, with various conditions of revenue recognition. There are therefore risks with respect to the amount and the timing of revenue recognition.

I have examined the recognition of revenue from sales and service of the Group by

- Assessing and testing the Group's internal controls with respect to the revenue from sales cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks.
- Applying a sampling method to select sales and service transactions to assess whether the revenue recognition was consistent with the conditions stipulated in the sales and service documents and in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for sales and service transactions occurring during the year, with special consideration given for transactions was recorded through journal voucher.
- Reviewing credit notes that the Group issued to their customers after the period-end.
- Performing analytical procedures on correlational data of sales and service transactions occurring during the year and disaggregated data to detect possible irregularities in sales and service transactions throughout the year.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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



Vilailak Laohasrisakul

Certified Public Accountant (Thailand) No. 6140

EY Office Limited

Bangkok: 23 February 2024

12. Financial Statements and Notes

WIIC Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	7	163,301,954	247,783,914	130,766,371	225,321,949
Trade and other receivables	8	547,592,798	603,684,717	397,888,307	445,383,431
Inventories	9	383,136,955	434,396,648	314,542,863	384,391,524
Short-term loans to related party	6	-	-	380,000,000	300,000,000
Advance payment to subcontractors		4,928,872	24,020,597	2,293,192	3,458
Other current assets		45,264,492	33,463,852	17,729,231	12,554,603
Total current assets		1,144,225,071	1,343,349,728	1,243,219,964	1,367,654,965
Non-current assets					
Restricted bank deposits	10	17,212,937	17,212,937	16,250,000	16,250,000
Other non-current financial assets	15	40,769,532	39,166,736	40,769,532	39,166,736
Investments in subsidiaries	11	-	-	210,822,200	210,822,200
Property, plant and equipment	12	1,157,784,639	994,961,539	657,953,328	598,153,240
Right-of-use assets	18	36,719,269	48,114,086	8,816,352	16,800,631
Assets for production of filtrated water that must be transferred at end of agreement of subsidiary	13	63,241,338	67,768,305	-	-
Intangible assets	14	153,449,557	156,655,298	9,481,278	5,026,591
Deferred tax assets	24	30,427,905	28,420,875	18,378,719	17,242,666
Advance payment for plant and equipment		34,877,206	7,978,315	20,862,574	7,978,315
Other non-current assets		12,029,065	10,987,329	1,393,316	1,598,233
Total non-current assets		1,546,511,448	1,371,265,420	984,727,299	913,038,612
Total assets		2,690,736,519	2,714,615,148	2,227,947,263	2,280,693,577

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

WIIK Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	16	95,228,555	102,662,083	54,195,497	47,384,700
Current portion of long-term loans	17	44,271,818	44,121,434	-	-
Income tax payable		687,125	4,431,468	687,125	4,431,468
Current portion of lease liabilities	18	12,930,923	14,439,245	7,006,789	8,699,616
Advance received from customers		37,765,011	52,699,283	37,694,445	52,628,717
Accrued expenses		22,513,863	41,037,977	13,856,291	31,256,760
Other current liabilities		54,084,835	62,707,582	33,915,874	48,297,108
Total current liabilities		267,482,130	322,099,072	147,356,021	192,698,369
Non-current liabilities					
Long-term loans, net of current portion	17	173,532,749	159,909,206	-	-
Lease liabilities, net of current portion	18	26,797,946	36,991,460	2,741,434	9,477,023
Provision for long-term employee benefits	19	33,305,882	31,713,099	26,946,482	26,612,811
Deferred tax liabilities	24	49,597,283	43,024,765	48,330,324	43,024,765
Provision for decommissioning		729,131	674,954	-	-
Other non-current liabilities		100,000	100,000	100,000	100,000
Total non-current liabilities		284,062,991	272,413,484	78,118,240	79,214,599
Total liabilities		551,545,121	594,512,556	225,474,261	271,912,968

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

WIIK Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Shareholders' equity					
Share capital					
Registered					
837,683,062 ordinary shares of Baht 1 each		837,683,062	837,683,062	837,683,062	837,683,062
Issued and fully paid up					
837,683,062 ordinary shares of Baht 1 each		837,683,062	837,683,062	837,683,062	837,683,062
Share premium		859,613,073	859,613,073	859,613,073	859,613,073
Difference resulting from change in interest in subsidiary without loss of control		1,456,670	1,456,670	-	-
Retained earnings					
Appropriated - statutory reserve	20	57,561,177	56,360,468	57,561,177	56,360,468
Unappropriated		183,435,770	185,725,115	69,913,514	97,361,830
Other components of shareholders' equity		177,702,176	157,762,176	177,702,176	157,762,176
Equity attributable to owners of the company		2,117,451,928	2,098,600,564	2,002,473,002	2,008,780,609
Non-controlling interests of the subsidiaries		21,739,470	21,502,028	-	-
Total shareholders' equity		2,139,191,398	2,120,102,592	2,002,473,002	2,008,780,609
Total liabilities and shareholders' equity		2,690,736,519	2,714,615,148	2,227,947,263	2,280,693,577

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

WIIK Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Sales	25	981,025,245	1,114,205,553	906,550,071	1,007,947,414
Service income	25	334,187,757	394,118,328	150,957,967	247,721,053
Gains on investments designated at fair value through profit or loss	15	1,986,796	9,356,343	1,986,796	9,356,343
Other income		20,755,840	13,509,577	21,437,959	10,937,763
Total revenues		<u>1,337,955,638</u>	<u>1,531,189,801</u>	<u>1,080,932,793</u>	<u>1,275,962,573</u>
Expenses					
Cost of sales		859,280,509	964,491,467	813,376,026	884,016,780
Cost of services		253,451,611	287,605,098	133,071,224	191,511,042
Selling and distribution expenses		50,438,946	50,428,367	52,644,946	50,428,367
Administrative expenses		109,052,912	107,048,052	59,296,786	61,919,766
Total expenses		<u>1,272,223,978</u>	<u>1,409,572,984</u>	<u>1,058,388,982</u>	<u>1,187,875,955</u>
Operating profit		<u>65,731,660</u>	<u>121,616,817</u>	<u>22,543,811</u>	<u>88,086,618</u>
Finance income	21	2,814,111	2,375,057	6,549,307	5,248,284
Finance cost	22	(12,851,886)	(11,446,886)	(1,077,029)	(1,121,099)
Profit before income tax expenses		<u>55,693,885</u>	<u>112,544,988</u>	<u>28,016,089</u>	<u>92,213,803</u>
Income tax expenses	24	(6,284,095)	(16,763,141)	(4,002,712)	(16,955,271)
Profit for the year		<u>49,409,790</u>	<u>95,781,847</u>	<u>24,013,377</u>	<u>75,258,532</u>
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Changes in surplus on revaluation of land - net of income tax		19,940,000	-	19,940,000	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		19,940,000	-	19,940,000	-
Other comprehensive income for the year		<u>19,940,000</u>	<u>-</u>	<u>19,940,000</u>	<u>-</u>
Total comprehensive income for the year		<u>69,349,790</u>	<u>95,781,847</u>	<u>43,953,377</u>	<u>75,258,532</u>
Profit attributable to:					
Equity holders of the Company		49,172,348	95,147,971	24,013,377	75,258,532
Non-controlling interests of the subsidiary		237,442	633,876		
		<u>49,409,790</u>	<u>95,781,847</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		69,112,348	95,147,971	43,953,377	75,258,532
Non-controlling interests of the subsidiary		237,442	633,876		
		<u>69,349,790</u>	<u>95,781,847</u>		
Earnings per share	26				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.0587	0.1136	0.0287	0.0898

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

WIIC Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before tax	55,693,885	112,544,988	28,016,089	92,213,803
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities:				
Depreciation and amortisation	94,761,374	95,184,498	48,206,855	46,266,530
Reversal of impairment loss on property, plant and equipment	(45,231)	-	(45,231)	-
Impairment loss on financial assets (reversal)	7,308,697	2,830,880	(270,330)	1,697,893
Reduction of inventories to net realisable value	5,827,347	4,438,941	5,827,347	4,438,941
Write-off inventories	7,972	104,175	7,972	104,175
Losses (gains) on sale of plant and equipment	1,105	(197,799)	(1,324)	(197,799)
Write-off advance payment for plant and equipment	-	495,000	-	-
Write-off withholding income tax	28,965	102,838	-	-
Long-term employee benefits expenses	4,620,383	4,418,391	3,361,271	3,209,689
Unrealised loss on exchange	310,461	1,265,439	308,038	1,273,764
Gains on investments designated at fair value				
through profit or loss	(1,986,796)	(9,356,343)	(1,986,796)	(9,356,343)
Losses (gains) on fair value adjustment of financial instruments	(1,599,673)	1,929,131	(1,599,673)	1,929,131
Finance income	(2,814,111)	(2,375,057)	(6,549,307)	(5,248,284)
Finance cost	12,851,886	11,446,886	1,077,029	1,121,099
Profit from operating activities before				
changes in operating assets and liabilities	174,966,264	222,831,968	76,351,940	137,452,599
Operating assets (increase) decrease				
Trade and other receivables	49,269,211	(180,889,608)	48,251,442	(154,044,135)
Inventories	48,698,887	(888,424)	63,345,747	(9,695,492)
Advance payment to subcontractors	(2,289,734)	(24,015,408)	(2,289,734)	1,731
Other current assets	(11,406,219)	11,720,982	(5,175,599)	1,290,974
Other non-current assets	231,917	(3,775,261)	204,917	(243,807)
Operating liabilities increase (decrease)				
Trade and other payables	4,110,776	27,060,405	5,668,809	(5,606,144)
Advance received from customers	(14,934,272)	(9,552,703)	(14,934,272)	(9,086,465)
Accrued expenses	(18,310,877)	16,187,183	(17,276,942)	11,350,174
Other current liabilities	(7,031,133)	15,493,792	(12,789,620)	10,172,470
Employee benefit paid during the year	(3,027,600)	-	(3,027,600)	-
Cash from (used in) operating activities	220,277,220	74,172,926	138,329,088	(18,408,095)
Interest paid	(9,684,611)	(8,644,603)	(461,131)	(78,627)
Corporate income tax paid	(12,738,876)	(17,788,836)	(8,562,593)	(15,908,369)
Cash returns from withholding tax	883,000	5,002,980	-	-
Net cash from (used in) operating activities	198,736,733	52,742,467	129,305,364	(34,395,091)

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

WIIC Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Decrease in restricted bank deposits	-	35,533,385	-	35,533,385
Net cash payment for investment in subsidiary	-	(11,666,886)	-	-
Cash payment for short-term loans to related party	-	-	(110,000,000)	(30,000,000)
Cash receipt from repayment of short-term loans to related party	-	-	30,000,000	35,000,000
Acquisition of property, plant and equipment	(192,557,121)	(64,469,274)	(64,487,609)	(41,048,092)
Proceeds from sales of plant and equipment	1,333	272,453	1,333	272,453
Acquisition of assets for production of filtrated water that must be transferred at end of agreement of subsidiary	(1,187,257)	(163,323)	-	-
Acquisition of intangible assets	(5,748,600)	(1,496,319)	(5,725,900)	(1,496,319)
Increase in cash payment in advance for plant and equipment	(34,877,206)	(7,978,315)	(20,862,574)	(7,978,315)
Dividend income	384,000	-	384,000	-
Interest received	4,361,218	2,369,119	6,538,002	5,242,693
Net cash used in investing activities	(229,623,633)	(47,599,160)	(164,152,748)	(4,474,195)
Cash flows from financing activities				
Cash receipt from long-term loans	54,000,000	-	-	-
Repayment of long-term loans	(40,226,073)	(29,996,699)	-	-
Payment of principal portion of lease liabilities	(16,724,702)	(17,056,998)	(9,066,333)	(9,219,594)
Dividend paid	(50,252,925)	(75,365,879)	(50,252,925)	(75,365,879)
Net cash used in financing activities	(53,203,700)	(122,419,576)	(59,319,258)	(84,585,473)
Net decrease in cash and cash equivalents	(84,090,600)	(117,276,269)	(94,166,642)	(123,454,759)
Unrealised loss on exchange for cash and cash equivalents	(391,360)	(1,199,090)	(388,936)	(1,207,415)
Cash and cash equivalents at beginning of year	247,783,914	366,259,273	225,321,949	349,984,123
Cash and cash equivalents at end of year	163,301,954	247,783,914	130,766,371	225,321,949
Supplemental disclosure of cashflow information				
Non-cash transactions				
Surplus on revaluation of land	24,925,000	-	24,925,000	-
Increase in other payables from acquisition of equipment	6,299,165	1,088,180	647,710	1,088,180
Increase in right-of-use assets from lease liabilities	2,887,949	2,816,042	-	2,816,042
Transferred cash payment in advance for plant and equipment to plant and equipment	7,978,315	1,993,289	7,978,315	1,993,289
Provision for decommissioning of plant and equipment	54,177	50,164	-	-
Share subscription for investment in subsidiary	-	12,712,800	-	-

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

WIIK Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements									
Note	Issued and paid-up share capital	Share premium	Difference resulting from change in interest in subsidiary without loss of control	Retained earnings		Other components of equity	Total shareholders' equity	Non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated	Unappropriated				
Balance as at 1 January 2022	837,683,062	859,613,073	1,456,670	52,597,372	169,731,715	157,762,176	2,078,844,068	17,629,375	2,096,473,443
Profit for the year	-	-	-	-	95,147,971	-	95,147,971	633,876	95,781,847
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	95,147,971	-	95,147,971	633,876	95,781,847
Dividend paid	-	-	-	-	(75,391,475)	-	(75,391,475)	-	(75,391,475)
Increase in non-controlling interests of the subsidiary	11	-	-	-	-	-	-	3,238,777	3,238,777
Transferred unappropriated retained earnings to statutory reserve	20	-	-	-	3,763,096	(3,763,096)	-	-	-
Balance as at 31 December 2022	<u>837,683,062</u>	<u>859,613,073</u>	<u>1,456,670</u>	<u>56,360,468</u>	<u>185,725,115</u>	<u>157,762,176</u>	<u>2,098,600,564</u>	<u>21,502,028</u>	<u>2,120,102,592</u>
Balance as at 1 January 2023	837,683,062	859,613,073	1,456,670	56,360,468	185,725,115	157,762,176	2,098,600,564	21,502,028	2,120,102,592
Profit for the year	-	-	-	-	49,172,348	-	49,172,348	237,442	49,409,790
Other comprehensive income for the year	-	-	-	-	-	19,940,000	19,940,000	-	19,940,000
Total comprehensive income for the year	-	-	-	-	49,172,348	19,940,000	69,112,348	237,442	69,349,790
Dividend paid	29	-	-	-	(50,260,984)	-	(50,260,984)	-	(50,260,984)
Transferred unappropriated retained earnings to statutory reserve	20	-	-	-	1,200,709	(1,200,709)	-	-	-
Balance as at 31 December 2023	<u>837,683,062</u>	<u>859,613,073</u>	<u>1,456,670</u>	<u>57,561,177</u>	<u>183,435,770</u>	<u>177,702,176</u>	<u>2,117,451,928</u>	<u>21,739,470</u>	<u>2,139,191,398</u>

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

WIik Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2023

(Unit: Baht)

Separate financial statements

	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity	Total shareholders' equity
				Appropriated	Unappropriated	Other comprehensive income Surplus on revaluation of assets	
Balance as at 1 January 2022		837,683,062	859,613,073	52,597,372	101,257,869	157,762,176	2,008,913,552
Profit for the year		-	-	-	75,258,532	-	75,258,532
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	75,258,532	-	75,258,532
Dividend paid		-	-	-	(75,391,475)	-	(75,391,475)
Transferred unappropriated retained earnings to statutory reserve	20	-	-	3,763,096	(3,763,096)	-	-
Balance as at 31 December 2022		837,683,062	859,613,073	56,360,468	97,361,830	157,762,176	2,008,780,609
Balance as at 1 January 2023		837,683,062	859,613,073	56,360,468	97,361,830	157,762,176	2,008,780,609
Profit for the year		-	-	-	24,013,377	-	24,013,377
Other comprehensive income for the year		-	-	-	-	19,940,000	19,940,000
Total comprehensive income for the year		-	-	-	24,013,377	19,940,000	43,953,377
Dividend paid	29	-	-	-	(50,260,984)	-	(50,260,984)
Transferred unappropriated retained earnings to statutory reserve	20	-	-	1,200,709	(1,200,709)	-	-
Balance as at 31 December 2023		837,683,062	859,613,073	57,561,177	69,913,514	177,702,176	2,002,473,002

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

WIIC Public Company Limited and its subsidiaries**Notes to consolidated financial statements****For the year ended 31 December 2023****1. General information**

WIIC Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Lesso (Thailand) Investment Limited, which was incorporated in Hong Kong Special Administrative Region of the People’s Republic of China. The parent company of the Group is China Lesso Group Holdings Limited. The Company is principally engaged in the manufacture and distribution of High-Density Polyethylene (HDPE) pipe and related certain fittings, Low Density Polyethylene (LDPE) pipe, Polypropylene (PP) pipe, Polybutylene (PB) pipe, Weholite Spiro pipe, Polyvinylchloride (PVC) and Polypropylene (PP-R) pipe and related certain fittings. The registered office of the Company is as follows:

Factory:	7/214 Moo 6 Amata City Industrial Estate, Tambol Mabyangporn, Amphur Pluakdaeng, Rayong 21140
Head Office:	90 CW Tower A 35 th Floor, Ratchadapisek Road, Huaykwang, Bangkok 10310
Branch:	C.M. Enriquez Street, Suba, Danao City, Cebu, Republic of the Philippines 6004

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u> Percent	<u>2022</u> Percent
<u>Investments in subsidiaries</u>				
Wiik Water Company Limited	Pipe installation services and water management	Thailand	94.16	94.16
WIIC PT Company Limited (100 percent held by Wiik Water Company Limited)	Water production with Ultra filtration and Reverse Osmosis systems	Thailand	94.16	94.16
Southern Consultant and Construction Company Limited (51 percent held by Wiik Water Company Limited)	Water production with Ultra filtration	Thailand	48.02	48.02

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

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

- 2.4 The Company has joint arrangements which assessed as joint operations between the Company and other joint operators. The Company recognises its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, to the separate financial statements, the details as follows:

Name of entity	Nature of Business	Country of incorporation	Interest in joint operations	
			<u>2023</u>	<u>2022</u>
			Percent	Percent
P.S.I - WIIC Joint Venture	Construction	Thailand	99.00	99.00

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

Rendering of services

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

The recognised revenue which is not yet due per the contracts has been presented as “Unbilled receivables” under the caption of trade and other receivables in the statement of financial position. The amount recognised as contract assets are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Advances received from customers” in the statement of financial position. Advances received from customers are recognised as revenue when the Group performs under the contract.

Interest income

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

Finance cost

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

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

4.3 Inventories

Finished goods and work in process are valued at the lower of cost and net realisable value. The cost of inventories is measures using standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiaries

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

4.5 Property, plant and equipment/Depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Lands are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

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

Land improvements	-	5	years
Building and improvements	-	5 - 40	years
Machinery and equipment	-	5 - 24	years
Furniture, fixtures and office equipment	-	5	years
Motor vehicles	-	5 - 10	years
Leasehold improvements	-	5	years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction and installation.

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

4.6 Borrowing costs

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

4.7 Assets for production of filtrated water that must be transferred at end of agreement of subsidiary

Assets for production of filtrated water that must be transferred at end of agreement of subsidiary are carried at cost less any accumulated amortisation and any provision for impairment losses (if any).

Assets for production of filtrated water that must be transferred at end of agreement of subsidiary has estimated useful lives 5 - 23 years.

Amortisation of assets from production of filtrated water is included in determining income.

4.8 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

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

	<u>Useful lives</u>
Computer software	5 - 10 years
License for the products under WEHOLITE trademark	5 years
License for use of water supply system	20 years
Right to manage the water production plant with Ultra filtration and Reverse Osmosis	24 years
Leasehold	24 years
License for use of HDPE fitting under Provincial Waterworks Authority	5 years
Product certificate	10 years
Innovation patent	8 years
Right to operate the water selling	30 years

In 2022, intangible assets with indefinite useful lives (right to be a distributor) were not subject to amortisation. Instead, they underwent annual impairment testing. However, in 2023, the Group has reassessed the useful life of the intangible asset and adjusted it to a remaining useful life of 5 years as at 31 December 2023 in order to reflect the future economic benefits.

4.9 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Land	18 - 23	years
Buildings	4 - 7	years
Machinery and equipment	4 - 16	years
Furniture, fixtures and office equipment	2 - 4	years
Motor vehicles	2 - 5	years

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

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term.

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

Short-term leases and leases of low-value assets

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

4.10 Related party transactions

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

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

4.11 Foreign currencies

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

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction.

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

Gains and losses on exchange are included in determining income.

4.12 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 other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.13 Employee benefits***Short-term employee benefits***

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

Post-employment benefits***Defined contribution plans***

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

Defined benefit plans

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

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

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

4.14 Provisions

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

4.15 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.16 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVTPL

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

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

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

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

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

Impairment of financial assets

For trade receivables and unbilled receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

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

4.17 Derivatives

The Group uses derivatives, such as forward currency contracts, to hedge its foreign currency risks.

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

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.18 Fair value measurement

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

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

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

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

5. Significant accounting judgements and estimates

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

Allowance for diminution in value of inventories

In determining an allowance for diminution in the value of inventories, the management is required to make estimates of the loss on damage and slow-moving stock, and the net realisable value of inventories based on the amount the inventories are expected to realise.

6. Related party transactions

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

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
Transactions with subsidiaries company					
(eliminated from the consolidated financial statements)					
Sales	-	-	36	-	Market price
Interest income	-	-	4	3	1.0 - 2.9 percent per annum (2022: 0.1 percent per annum)
Other income	-	-	2	-	Agree price

As at 31 December 2023 and 2022, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade and other receivables - related party (Note 8)				
Trade receivables				
Subsidiary	-	-	5,752	33
Total trade receivables - related party	-	-	5,752	33
Total trade and other receivables - related party	-	-	5,752	33

Short-term loans to related party

As at 31 December 2023 and 2022, the balances of short-term loans between the Company and its subsidiary and the movements are as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
	31 December 2022	during the year	during the year	31 December 2023
Subsidiary				
Wiik Water Company Limited	300,000	110,000	(30,000)	380,000
Total	300,000	110,000	(30,000)	380,000

Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefits expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	42,924	42,035	32,082	31,893
Post-employment benefits	2,734	2,657	2,002	1,915
Total directors and managements remuneration	<u>45,658</u>	<u>44,692</u>	<u>34,084</u>	<u>33,808</u>

Guarantee obligations with related parties

The Company had outstanding guarantee obligations with its subsidiaries, as described in Note 30.4 to the financial statements. No guaranteed fee was charged for those guarantees. In addition, the Company has mortgaged its land and construction thereon with net book value as at 31 December 2023 of Baht 129 million (2022: Baht 120 million) as collateral against long-term loan of its subsidiary.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	157	187	95	95
Bank deposits	163,145	247,597	130,671	225,227
Total	<u>163,302</u>	<u>247,784</u>	<u>130,766</u>	<u>225,322</u>

As at 31 December 2023, bank deposits in saving accounts and current account carried interests between 0.05 and 0.90 percent per annum (2022: between 0.05 and 0.35 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Trade receivables - related party (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	-	-	4,011	33
Past due				
Up to 3 months	-	-	1,741	-
Total trade receivables - related party	-	-	5,752	33
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	124,131	285,436	106,471	246,557
Past due				
Up to 3 months	92,660	77,830	82,260	69,311
3 - 6 months	50,083	33,370	50,083	30,227
Over 6 - 12 months	32,571	64,175	13,351	35,151
Over 12 months	108,726	72,293	59,786	44,501
Total	408,171	533,104	311,951	425,747
Less: Allowance for expected credit losses	(35,713)	(28,405)	(27,001)	(27,272)
Total trade receivables - unrelated parties - net	372,458	504,699	284,950	398,475
Retention receivables as per contract	14,817	20,085	14,817	20,085
Total	387,275	524,784	299,767	418,560
Total trade receivables - net	387,275	524,784	305,519	418,593
<u>Unbilled revenue</u>				
Unbilled receivables - unrelated parties	146,840	67,172	92,334	26,790
Accrued income	13,420	11,695	-	-
Total unbilled revenue	160,260	78,867	92,334	26,790
<u>Other receivables</u>				
Other receivables - unrelated parties	58	34	35	-
Total other receivables	58	34	35	-
Total trade and other receivables - net	547,593	603,685	397,888	445,383

The normal credit term is 30 to 180 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	28,405	25,574	27,272	25,574
Provision for expected credit losses (reversal)	7,308	3,407	(271)	2,274
Amount recovered	-	(576)	-	(576)
Ending balance	35,713	28,405	27,001	27,272

Part of the above overdue receivables aged over 90 days are secured by assignment to get payment from the customer, bank guarantees or guaranteed by the customer's directors and the Company is able to collect interest on overdue balances of certain delinquent receivables. Accordingly, the management believes that the allowance is adequate to cover the possible losses that may arise from the uncollectibility of the existing receivables.

9. Inventories

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	281,451	304,889	(46,730)	(40,811)	234,721	264,078
Work in process	37,094	38,341	-	-	37,094	38,341
Raw materials	81,647	115,586	(30)	(207)	81,617	115,379
Spare parts and factory supplies	30,229	17,038	(524)	(439)	29,705	16,599
Total	430,421	475,854	(47,284)	(41,457)	383,137	434,397

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	253,288	280,668	(46,730)	(40,811)	206,558	239,857
Work in process	17,571	19,987	-	-	17,571	19,987
Raw materials	79,932	114,097	(30)	(207)	79,902	113,890
Spare parts and factory supplies	11,036	11,097	(524)	(439)	10,512	10,658
Total	361,827	425,849	(47,284)	(41,457)	314,543	384,392

During the current year, the Group reduced cost of inventories by Baht 6 million (2022: Baht 4 million) (The Company only: Baht 6 million (2022: Baht 4 million)), to reflect the net realisable value. This was included in cost of sales.

10. Restricted bank deposits

These represent fixed deposits and saving deposit pledged with bank to secure credit facilities.

11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	2023	2022	2023 (%)	2022 (%)	2023	2022	2023	2022
Wiik Water Co., Ltd.	192,500	192,500	94.16	94.16	218,337	218,337	384	-
Less: Allowance for impairment loss					(7,515)	(7,515)	-	-
Net					210,822	210,822	384	-

2022

On 10 May 2022, Wiik Water Company Limited (the subsidiary) signed a Memorandum of Understanding with 3 existing shareholders of Southern Consultant and Construction Company Limited ("SC&C"), to jointly invest in a project to produce and sell tap water in Phuket Province area. The subsidiary agreed to acquire SC&C's shares and become SC&C's business management, subject to the following conditions.

- 1) The subsidiary agreed to purchase 52,970 ordinary shares of SC&C, accounting for 51 percent of the total paid-up capital, at Baht 480 per share, or a total of Baht 25,425,600. The subsidiary paid 50 percent of the shares, or a total of Baht 12,712,800 to the existing shareholders and became the major shareholder holding 51 percent interest in SC&C as at the date of the agreement.

The remaining 50 percent of ordinary shares, totaling Baht 12,712,800, will be paid after SC&C enters into an agreement to produce and sell tap water in Phuket area.

- 2) After SC&C enters into an agreement to produce and sell tap water in Phuket area, a shareholders' meeting will be held to consider and approve the capital increase of Baht 7,000,000, consisting of 70,000 ordinary shares with a par value of Baht 100 per share, to be offered to the existing shareholders at an offering price of Baht 550 per share. Both parties agreed that the Subsidiary exercised the oversubscription right to hold 65 percent of SC&C's shares.

The acquisition above resulted in the subsidiary having control over and directing the major activities of SC&C. The subsidiary therefore analyses the acquisition transactions in accordance with Thai Financial Reporting Standard No.3 Business Combinations and determined that the acquisition of these investments is qualified as an asset acquisition. The financial statements of SC&C were included in the consolidated financial statements from 10 May 2022.

The book values of the acquired assets and liabilities of SC&C as at the acquisition date are summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalent	1,046
Property, plant and equipment	4,407
Other current assets	2,269
Other non-current assets	73
Trade and other payables	(855)
Other current liabilities	(330)
Net assets	6,610
Shareholding percentage	51 percent
Net assets in proportion to shareholding	3,371
Purchase price of investment	25,426
Right to operate the water selling	22,055
Cash paid (50 percent)	12,713
Less: Cash and cash equivalents of the subsidiary	(1,046)
Net cash paid for acquisition of subsidiary	11,667

12. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements

	Revaluation basis	Cost basis							Total
	Land	Land improvement	Building and improvements	Leasehold improvement	Machinery and equipment	Motor vehicles	Furniture, fixtures and office equipment	Assets under construction and installation	
Cost/Revaluation									
1 January 2022	332,333	10,790	222,767	5,200	1,052,364	9,458	31,840	2,169	1,666,921
Additions	18,000	-	3,044	-	33,354	23	2,317	10,813	67,551
Increased from new subsidiary acquisition (Note 11)	-	-	-	-	-	-	110	4,297	4,407
Transferred from inventories	-	-	-	-	840	-	-	-	840
Transfers to inventories	-	-	-	-	(20,859)	-	-	-	(20,859)
Disposals and write-off	-	-	-	-	(5,744)	-	(526)	-	(6,270)
Transfer in (out)	-	-	-	41	874	-	106	(1,021)	-
31 December 2022	350,333	10,790	225,811	5,241	1,060,829	9,481	33,847	16,258	1,712,590
Additions	386	118	514	-	78,209	26	1,767	125,919	206,939
Revaluations	24,925	-	-	-	-	-	-	-	24,925
Transferred from inventories	-	-	-	-	668	-	-	-	668
Transfers to inventories	-	-	-	-	(4,660)	-	-	-	(4,660)
Transferred from intangible assets	-	-	-	-	3	-	86	-	89
Disposals and write-off	-	-	-	-	(1,998)	-	(134)	-	(2,132)
Transfer in (out)	-	-	-	-	8,248	-	69	(8,317)	-
31 December 2023	375,644	10,908	226,325	5,241	1,141,299	9,507	35,635	133,860	1,938,419

Consolidated financial statements (continued)

	Revaluation basis	Cost basis							
		Land	Building and improvements	Leasehold improvement	Machinery and equipment	Motor vehicles	Furniture, fixtures and office equipment	Assets under construction and installation	Total
	Land	improvement	improvements	improvement	equipment	vehicles	equipment	installation	
Accumulated depreciation									
1 January 2022	-	9,670	83,798	5,157	527,841	3,057	26,165	-	655,688
Depreciation for the year	-	352	7,727	18	54,495	1,017	2,553	-	66,162
Depreciation for transfers to inventories	-	-	-	-	(1,917)	-	-	-	(1,917)
Depreciation on disposals and write-off	-	-	-	-	(5,669)	-	(526)	-	(6,195)
31 December 2022	-	10,022	91,525	5,175	574,750	4,074	28,192	-	713,738
Depreciation for the year	-	231	7,918	18	54,377	1,011	2,346	-	65,901
Depreciation for transfers to inventories	-	-	-	-	(718)	-	-	-	(718)
Depreciation on disposals and write-off	-	-	-	-	(1,998)	-	(134)	-	(2,132)
31 December 2023	-	10,253	99,443	5,193	626,411	5,085	30,404	-	776,789
Allowance for diminution in value									
31 December 2022	-	-	-	-	3,890	-	-	-	3,890
Decrease during the year	-	-	-	-	(45)	-	-	-	(45)
31 December 2023	-	-	-	-	3,845	-	-	-	3,845
Net book value									
31 December 2022	350,333	768	134,286	66	482,189	5,407	5,655	16,258	994,962
31 December 2023	375,644	655	126,882	48	511,043	4,422	5,231	133,860	1,157,785
Depreciation for the year									
2022 (Baht 57 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)									66,162
2023 (Baht 59 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)									65,901

Separate financial statements

	Revaluation basis		Cost basis						Total
	Land	Land improvement	Building and improvements	Leasehold improvement	Machinery and equipment	Motor vehicles	Furniture, fixtures and office equipment	Assets under construction and installation	
Cost/Revaluation									
1 January 2022	332,333	9,100	181,456	4,623	570,111	8,815	26,722	1,580	1,134,740
Additions	-	-	2,910	-	31,741	24	2,054	7,400	44,129
Transferred from inventories	-	-	-	-	840	-	-	-	840
Transfers to inventories	-	-	-	-	(31)	-	-	-	(31)
Disposals and write-off	-	-	-	-	(5,744)	-	(526)	-	(6,270)
Transfer in (out)	-	-	-	-	874	-	-	(874)	-
31 December 2022	332,333	9,100	184,366	4,623	597,791	8,839	28,250	8,106	1,173,408
Additions	-	118	246	-	66,706	26	1,340	4,677	73,113
Revaluations	24,925	-	-	-	-	-	-	-	24,925
Transferred from inventories	-	-	-	-	668	-	-	-	668
Transferred from intangible assets	-	-	-	-	3	-	86	-	89
Disposals and write-off	-	-	-	-	-	-	(35)	-	(35)
Transfer in (out)	-	-	-	-	3,793	-	-	(3,793)	-
31 December 2023	357,258	9,218	184,612	4,623	668,961	8,865	29,641	8,990	1,272,168
Accumulated depreciation									
1 January 2022	-	8,095	77,703	4,623	424,506	2,985	22,545	-	540,457
Depreciation for the year	-	237	5,865	-	28,186	1,046	1,772	-	37,106
Depreciation for transfers to inventories	-	-	-	-	(3)	-	-	-	(3)
Depreciation on disposals and write-off	-	-	-	-	(5,669)	-	(526)	-	(6,195)
31 December 2022	-	8,332	83,568	4,623	447,020	4,031	23,791	-	571,365
Depreciation for the year	-	231	6,042	-	30,115	936	1,716	-	39,040
Depreciation on disposals and write-off	-	-	-	-	-	-	(35)	-	(35)
31 December 2023	-	8,563	89,610	4,623	477,135	4,967	25,472	-	610,370

Separate financial statements (continued)

	Revaluation basis	Cost basis							
	Land	Land improvement	Building and improvements	Leasehold improvement	Machinery and equipment	Motor vehicles	Furniture, fixtures and office equipment	Assets under construction and installation	Total
Allowance for diminution in value									
31 December 2022	-	-	-	-	3,890	-	-	-	3,890
Decrease during the year	-	-	-	-	(45)	-	-	-	(45)
31 December 2023	-	-	-	-	3,845	-	-	-	3,845
Net book value									
31 December 2022	332,333	768	100,798	-	146,881	4,808	4,459	8,106	598,153
31 December 2023	357,258	655	95,002	-	187,981	3,898	4,169	8,990	657,953
Depreciation for the year									
2022 (Baht 34 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)									37,106
2023 (Baht 35 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)									39,040

The Group arranged for an independent professional valuer to appraise the value of its land during the year 2023 by using the market approach.

Key assumptions used in the valuation are summarised below.

	Consolidated and Separate financial statements	Result to fair value where as an increase in assumption value
Price per rai (Baht)	4,300,000	Increase in fair value

Had the land been carried in the financial statements on historical cost basis, its net book value as of 31 December 2023 and 2022 would have been as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Land	135,130	135,130

As at 31 December 2023, the Group certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 489 million (2022: Baht 433 million) (The Company only: Baht 446 million (2022: Baht 413 million)).

The Group has mortgaged its land and construction thereon and machinery with net book value as at 31 December 2023 of Baht 454 million (2022: Baht 436 million) as collateral against the Group's credit facilities received from financial institutions.

13. Assets for production of filtrated water that must be transferred at end of agreement of subsidiary

(Unit: Thousand Baht)

	Consolidated financial statements			
	Building and improvements	Machinery and equipment	Furniture and office equipment	Total
Cost				
31 December 2022	15,793	63,716	161	79,670
Additions	-	1,150	37	1,187
Amortisation	-	(4)	-	(4)
31 December 2023	15,793	64,862	198	80,853
Accumulated amortisation				
31 December 2022	1,244	10,595	63	11,902
Amortisation for the year	715	4,961	36	5,712
Amortisation for disposals	-	(2)	-	(2)
31 December 2023	1,959	15,554	99	17,612
Net book value				
31 December 2022	14,549	53,121	98	67,768
31 December 2023	13,834	49,308	99	63,241
Amortisation for the year				
2022				5,632
2023				5,712

Amortisation of such assets for production of treated water has been included as part of cost of sales of treated water.

Assets for production of treated water of the subsidiary will be transferred after the end of the 10 years agreement to produce and sell treated water and the 23 years agreement to operate water system and water distribution, which will expire in 2029 and 2042, respectively.

14. Intangible assets

The net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements											
	Product certificate	License for use of water supply system	Right to be a distributor	License for the products under WEHOLITE Trademark	Right to manage the water production plant with Ultra filtration and Reverse Osmosis	Right to operate the water selling *	License for use of HDPE fitting under Provincial Waterworks Authority	Leasehold	Innovation patent	Computer software	software under development	Total
As at 31 December 2023												
Cost	386	110,000	12,257	3,720	38,746	22,055	3,417	13,391	1,993	16,372	5,600	227,937
<u>Less</u> Accumulated amortisation	(83)	(41,711)	-	(3,720)	(8,039)	-	(2,702)	(2,750)	(353)	(15,129)	-	(74,487)
Net book value	303	68,289	12,257	-	30,707	22,055	715	10,641	1,640	1,243	5,600	153,450
As at 31 December 2022												
Cost	386	110,000	12,257	3,720	38,746	22,055	3,417	13,391	1,993	16,323	-	222,288
<u>Less</u> Accumulated amortisation	(44)	(36,215)	-	(3,720)	(6,429)	-	(2,019)	(2,188)	(105)	(14,913)	-	(65,633)
Net book value	342	73,785	12,257	-	32,317	22,055	1,398	11,203	1,888	1,410	-	156,655

* No amortisation is provided on right to operate the water selling which has not yet started operations.

(Unit: Thousand Baht)

Separate financial statements

	Product certificate	License for the products under WEHOLITE trademark	License for use of HDPE fitting under Provincial Waterworks Authority	Innovation patent	Computer software	software under development	Total
As at 31 December 2023							
Cost	386	3,720	3,417	1,993	16,041	5,600	31,157
<u>Less</u> Accumulated amortisation	(83)	(3,720)	(2,702)	(353)	(14,817)	-	(21,675)
Net book value	<u>303</u>	<u>-</u>	<u>715</u>	<u>1,640</u>	<u>1,224</u>	<u>5,600</u>	<u>9,482</u>
As at 31 December 2022							
Cost	386	3,720	3,417	1,993	16,015	-	25,531
<u>Less</u> Accumulated amortisation	(44)	(3,720)	(2,019)	(105)	(14,616)	-	(20,504)
Net book value	<u>342</u>	<u>-</u>	<u>1,398</u>	<u>1,888</u>	<u>1,399</u>	<u>-</u>	<u>5,027</u>

A reconciliation of the net book value of intangible assets for the years ended 31 December 2023 and 2022 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	156,655	141,156	5,027	3,853
Acquisition of computer software	149	261	126	261
Acquisition of software under development	5,600	-	5,600	-
Acquisition of innovation patent	-	1,993	-	1,993
Acquisition of right to operate the water selling (Note 11)	-	22,055	-	-
Transfers to equipment	(89)	-	(89)	-
Amortisation for the year	<u>(8,865)</u>	<u>(8,810)</u>	<u>(1,182)</u>	<u>(1,080)</u>
Net book value at end of year	<u>153,450</u>	<u>156,655</u>	<u>9,482</u>	<u>5,027</u>

15. Other non-current financial assets

		(Unit: Thousand Baht)	
		Consolidated and Separate financial statements	
		<u>2023</u>	<u>2022</u>
<u>Financial assets at FVTPL</u>			
Nakhonluang Capital Public Co., Ltd.		40,770	39,167
K-Tech Construction Public Co., Ltd.		-	-
Total financial assets at FVTPL		40,770	39,167
Total other non-current financial assets - net		40,770	39,167

16. Trade and other payables

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - unrelated parties		84,548	89,251	47,388	36,945
Other payables - unrelated parties		10,681	13,411	6,807	10,440
Total trade and other payables		95,229	102,662	54,195	47,385

17. Long-term loans

		(Unit: Thousand Baht)	
		Consolidated financial statements	
Interest rate (% per year)	Repayment schedule	<u>2023</u>	<u>2022</u>
MLR - 1.75	Monthly installments as from November 2016 - July 2024	7,348	19,837
MLR - 1.75	Monthly installments as from November 2017 - August 2025	21,844	34,781
MLR - 1.75	Monthly installments as from March 2020 - October 2027	21,590	26,398
MLR - 1.75	Monthly installments as from March 2020 - August 2027	113,022	123,014
MLR - 2.35	Monthly installments as from November 2023 - October 2029	54,000	-
Total		217,804	204,030
Less: Current portion		(44,272)	(44,121)
Long-term loans, net of current portion		173,532	159,909

Movement of the long-term loan account during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Beginning balance	204,030	234,027
Additional borrowings	54,000	-
Repayments	(40,226)	(29,997)
Ending balance	<u>217,804</u>	<u>204,030</u>

The loans of its subsidiaries are secured by the Company and a subsidiary and the mortgage of the Company's land including the transfer of rights of claim under the agreement granting a license for operate a water supply system, the agreement granting to design, construct and operate a potable water production system, the agreement of production and/or supply of good water (RO) and the agreement granting to design, construct and operate an extension portable water production system that its subsidiaries had received from counterparties.

Under the loan agreements, its subsidiary is required to follow certain conditions stated in the agreement which, among other things, require to maintain debt-to-equity ratio at the rate prescribed in the agreements.

As at 31 December 2023, the long-term credit facilities of the subsidiary which have not yet been drawn down amounted to Baht 108 million (2022: Baht 108 million).

18. Leases

18.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 30 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Total
1 January 2022	9,366	24,345	18,597	37	7,533	59,878
Additions	-	-	-	227	2,589	2,816
Depreciation for the year	(557)	(7,606)	(3,371)	(64)	(2,982)	(14,580)
31 December 2022	8,809	16,739	15,226	200	7,140	48,114
Additions	-	-	-	-	2,888	2,888
Depreciation for the year	(557)	(7,606)	(3,371)	(64)	(2,685)	(14,283)
31 December 2023	8,252	9,133	11,855	136	7,343	36,719

(Unit: Thousand Baht)

	Separate financial statements				
	Buildings	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Total
1 January 2022	10,634	6,469	37	4,925	22,065
Additions	-	-	227	2,589	2,816
Depreciation for the year	(3,753)	(2,530)	(64)	(1,733)	(8,080)
31 December 2022	6,881	3,939	200	5,781	16,801
Depreciation for the year	(3,753)	(2,530)	(64)	(1,638)	(7,985)
31 December 2023	3,128	1,409	136	4,143	8,816

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Lease payments	46,762	60,225	10,009	19,075
Less: Deferred interest expenses	(7,033)	(8,795)	(261)	(899)
Total	39,729	51,430	9,748	18,176
Less: Portion due within one year	(12,931)	(14,439)	(7,007)	(8,699)
Lease liabilities - net of current portion	26,798	36,991	2,741	9,477

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	51,430	62,942	18,176	23,517
Additions	2,888	2,816	-	2,816
Accretion of interest	2,136	2,729	638	1,063
Repayments	(16,725)	(17,057)	(9,066)	(9,220)
Balance at end of year	<u>39,729</u>	<u>51,430</u>	<u>9,748</u>	<u>18,176</u>

A maturity analysis of lease payments is disclosed in Note 32.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	14,283	14,580	7,985	8,080
Interest expense on lease liabilities	2,136	2,729	638	1,063
Expense relating to short-term leases	6,849	9,092	6,753	8,900
Expense relating to leases of low-value assets	357	254	146	165

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 24 million (2022: Baht 26 million) (Separate financial statements: Baht 16 million (2022: Baht 18 million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 3 million (2022: Baht 3 million) (Separate financial statements: Nil (2022: 3 million)).

19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits at beginning of year	31,713	27,295	26,613	23,403
Included in profit or loss:				
Current service cost	4,180	4,021	3,016	2,887
Interest cost	441	397	345	323
Benefits paid during the year	<u>(3,028)</u>	<u>-</u>	<u>(3,028)</u>	<u>-</u>
Provision for long-term employee benefits at end of year	<u>33,306</u>	<u>31,713</u>	<u>26,946</u>	<u>26,613</u>

The Group will expect to pay Baht 4.9 million of long-term employee benefits during the next year (2022: Baht 3.1 million) and the Company only amounting to Baht 4.9 million (2022: Baht 3.1 million).

As at 31 December 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefit is 6.04 - 9.52 years and the Company only is 6.04 years.

Significant actuarial assumptions are summarised below.

	(Unit: percent per annum)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	1.4 - 1.9	1.4 - 1.9	1.4	1.4
Future salary increase rate	3.0	3.0	3.0	3.0
Turnover rate	0.0 - 31.0	0.0 - 31.0	0.0 - 31.0	0.0 - 31.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below.

	(Unit: Million Baht)			
	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(1.9)	2.0	(1.4)	1.5
Salary increase rate	2.8	(2.5)	2.1	(1.9)
Turnover rate	(1.9)	0.4	(1.4)	0.3

(Unit: Million Baht)

As at 31 December 2022

	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1.8)	2.0	(1.3)	1.5
Salary increase rate	2.3	(2.1)	1.8	(1.6)
Turnover rate	(1.8)	0.4	(1.4)	0.3

20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

21. Finance income

(Unit: Thousand Baht)

	Consolidated	financial	Separate	
	statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest income on bank deposits	942	766	795	703
Interest income on loans	1,872	1,609	5,754	4,545
Total	<u>2,814</u>	<u>2,375</u>	<u>6,549</u>	<u>5,248</u>

22. Finance cost

(Unit: Thousand Baht)

	Consolidated	financial	Separate	financial
	statements		statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest expenses on borrowings	10,663	8,667	439	58
Interest expenses on lease liabilities	2,136	2,730	638	1,063
Interest expense on others	53	50	-	-
Total	<u>12,852</u>	<u>11,447</u>	<u>1,077</u>	<u>1,121</u>

23. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salaries and wages and other employee benefits	184,796	183,362	148,835	148,939
Depreciation and amortization	94,761	95,184	48,207	46,266
Rental expenses from operating lease agreements	7,206	9,346	6,899	9,065
Raw materials and consumables used	578,890	700,983	564,238	686,814
Changes in inventories of finished goods and work in progress	27,634	(22,341)	26,464	(17,092)

24. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Current income tax charge	6,622	16,806	4,819	16,806
Deferred tax:				
Relating to origination and reversal of temporary differences	(338)	(43)	(816)	149
Income tax expenses reported in profit or loss	<u>6,284</u>	<u>16,763</u>	<u>4,003</u>	<u>16,955</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax on gain from revaluation of land	(4,985)	-	(4,985)	-
Total	<u>(4,985)</u>	<u>-</u>	<u>(4,985)</u>	<u>-</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	55,694	112,545	28,016	92,214
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	11,139	22,509	5,603	18,443
Decrease (increase) of temporary differences on deferred tax for the year	(77)	130	(77)	21
Effects of:				
Promotional privileges (Note 25)	(4,799)	(5,360)	-	-
Non-deductible expenses	1,615	1,613	180	269
Additional expense deductions allowed	(2,229)	(1,870)	(1,703)	(1,778)
Other	635	(259)	-	-
Total	(4,778)	(5,876)	(1,523)	(1,509)
Income tax expenses reported in profit or loss	6,284	16,763	4,003	16,955

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statement of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax assets				
Allowance for expected credit losses	2,282	2,105	1,824	1,878
Allowance for diminution in value of inventories	9,457	8,291	9,457	8,291
Allowance for asset impairment	769	778	769	778
Provision for long-term employee benefits	6,661	6,343	5,389	5,323
Other provision	1,743	1,213	940	973
Unused tax loss	9,516	9,691	-	-
Total	30,428	28,421	18,379	17,243
Deferred tax liabilities				
Revaluation surplus of land	44,426	39,441	44,426	39,441
Fair value of other non-current financial assets	3,904	3,584	3,904	3,584
Other	1,267	-	-	-
Total	49,597	43,025	48,330	43,025

As at 31 December 2023, the Group has an unused tax losses amounting to Baht 48 million will expire within 2028.

25. Promotional privileges

The subsidiary has received promotional privileges from the Board of Investment. Subject to certain conditions, the significant privileges are as follows:

Details	Promotional certificate no. 60-0780- 1-00-1-0	Promotional certificate no. 65- 0399-1-00-1-0
1. Promotional privileges for the manufacture of the Company	Water supply for industry type 7.1.2 Industrial water supply/stream business	Water supply for industry type 7.1.2 Industrial water supply/stream business
2. Promotional privileges		
2.1 Exemption of corporate income tax for net earnings from promotional activities of not exceeding 100% of investment, exclusive of land and working capital, and exemption of income tax on dividends paid from the profit of the operations throughout the period in which the corporate income tax is exempted.	6 years from the date the promoted operations commenced generating (For exemption corporate income tax which not exceed Baht 139,167,435.22)	5 years from the date the promoted operations commenced generating (For exemption corporate income tax which not exceed Baht 59,900,000)
2.2 A fifty percent reduction of the normal rate of corporate income tax on net earnings derived from the promoted activity for a period of five years after the expiration of the above corporate income tax exemption period.	Granted	-
2.3 Exemption from import duties on machinery as permitted by the BOI	Granted	Granted
3. Date of first earning operating income	22 June 2017	16 August 2021

The Group's operating revenues for the years ended 31 December 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2023	2022	2023	2022	2023	2022
Sales and service income						
Domestic sales and service income	72,460	68,853	1,177,490	1,381,062	1,249,950	1,449,915
Export sales and service income	-	-	65,263	58,409	65,263	58,409
Total sales and service income	72,460	68,853	1,242,753	1,439,471	1,315,213	1,508,324

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Sales and service income						
Domestic sales and service income	-	-	992,245	1,197,259	992,245	1,197,259
Export sales and service income	-	-	65,263	58,409	65,263	58,409
Total sales and service income	-	-	1,057,508	1,255,668	1,057,508	1,255,668

26. Earnings per share

Basic earnings per share is calculated by dividing profits for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit for the year (Thousand Baht)	49,172	95,148	24,103	75,259
Weighted average number of ordinary shares				
(Thousand shares)	837,683	837,683	837,683	837,683
Earnings per share (Baht per share)	0.0587	0.1136	0.0287	0.0898

27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows:

- The production distribution and pipe installation services segment is a part manufacture distribution and provide welding services for the product of high density polyethylene pipe and fittings, Low Density Polyethylene pipe, Polypropylene pipe, Polybutylene pipe, Weholite Spiro pipe, Polyvinylchloride and Polypropylene pipe and fitting.
- The water management segment is a part which is water management, water distribution and water supply system, design construction and operation of water supply system.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022 as follows:

(Unit: Thousand Baht)

	For the year ended 31 December							
	The production and installation of the pipeline		The water management		Eliminations and adjustments		Consolidated financial statements	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue								
Revenue from external customers	1,021,675	1,255,598	293,538	252,726	-	-	1,315,213	1,508,324
Inter-segment revenue	35,833	70	-	-	(35,833)	(70)	-	-
Total revenue	<u>1,057,508</u>	<u>1,255,668</u>	<u>293,538</u>	<u>252,726</u>	<u>(35,833)</u>	<u>(70)</u>	<u>1,315,213</u>	<u>1,508,324</u>
Segment operating profit	111,061	180,141	94,567	75,754	(3,147)	332	202,481	256,227
Gains on investments designated at fair value through profit or loss							1,987	9,356
Other income							20,756	13,510
Finance income							2,814	2,375
Selling and distribution expenses							(50,439)	(50,428)
Administrative expenses							(109,053)	(107,048)
Finance cost							(12,852)	(11,447)
Profit before income tax expenses							<u>55,694</u>	<u>112,545</u>
Income tax expenses							(6,284)	(16,763)
Profit for the year							<u>49,410</u>	<u>95,782</u>

Major customers

For the year 2023, the Group has revenue from two major customers in amount of Baht 95 million and Baht 91 million, arising from sales by the production and installation of the pipeline and water management (2022: two major customers in amount of Baht 244 million and Baht 121 million, arising from sales by the production and installation of the pipeline).

28. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 5 million (2022: Baht 4 million) (The Company only: Baht 3 million 2022: Baht 3 million) to the fund.

29. Dividend payment

On 28 April 2023, the Annual General Meeting of the Company's Shareholders approved the allocation of profits from operating result for the year 2022 to a statutory reserve of Baht 3,763,096.37, which was recorded in the financial statements for the year 2022. In addition, the meeting approved the dividend payment of Baht 0.06 per share, representing a total dividend of Baht 50,260,983.72, which was made to the shareholders on 26 May 2023.

30. Commitments and contingent liabilities

30.1 Capital commitments

As at 31 December 2023 and 31 December 2022, the Group had capital commitments relating to the acquisition of machinery and building under installation as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	(Million)	(Million)	(Million)	(Million)
Baht	57.3	10.8	1.8	10.8
US dollar	1.4	2.4	1.4	2.4

30.2 Raw material purchase commitments

As at 31 December 2023, the Group had raw material purchase commitments amounting to Baht 71.3 million (2022: Baht 125.4 million) (The Company only: Baht 71.3 million (2022: Baht 125.4 million)).

30.3 Long-term service commitments

- (a) The Company entered into Licensing Agreement with Uponor Infra Ltd. for the products under WEHOLITE trademarked for a period of 5 years. The Licensing Agreement is for Licensing Fee and Royalty Fee. For the year ended 31 December 2023, the Licensing Fee and Royalty Fee was approximately Baht 2.3 million (2022: Baht 1.4 million).
- (b) On 17 May 2016, the subsidiary signed an agreement with a company (the Licensor) granting it a license to manage a water supply system, whereby the subsidiary is to manage operation of the water supply distributed to Siam Eastern Industrial Park for a period of 20 years from the first day the water supply system is operational (1 June 2016). The subsidiary has to pay to the Licensor compensation amounting to Baht 110 million and compensation for rental as stipulated in the agreement at Baht 1.2 million per annum for 20 years. The subsidiary is required to maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. The Licensor agrees to purchase treated water that the subsidiary produces in a volume sufficient to meet the demand of its users at the price stipulated in the agreement, with minimum guaranteed purchases of 12,000 cubic meters per day and the subsidiary has to purchase raw water only from the licensor at the price stipulated in the agreement. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement.
- (c) On 21 October 2016, the subsidiary signed an agreement with a company (Employer) to design, construct and operate a potable water production system for Wellgrow Industrial Estate for a period of 20 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for the acquisition of machinery and equipment used in the production of potable water, including installation of potable water system and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement. Employer agrees to purchase treated water that the subsidiary produces in a volume to meet the demand of Employer at the price stipulated in the agreement, with minimum guaranteed purchases of 17,500 cubic meters per day.

On 1 October 2018, the subsidiary signed an amendment to the above the agreement, with minimum guaranteed purchases of 17,000 cubic meters per day which will be effective from 1 October 2018.

Subsequently, on 21 July 2020, the subsidiary signed an amendment to the above the agreement, with minimum guaranteed purchases of 10,500 cubic meters per day and increase the selling price per cubic meters.

- (d) On 31 March 2019, the subsidiary signed the water recycling agreement with a company (Buyer) in Wellgrow Industrial Estate for a period of 10 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for design, construct and install the water recycling system with standard stipulated in the agreement, including acquisition of machinery and equipment used in the production of filtrated water and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement, including deliver and transfer ownership of machines, equipment and relevant items, in relation to the entire water recycling system to Buyer when that agreement terms have been expired. Buyer agrees to purchase filtrated water that the subsidiary produces in a volume to meet the demand of Buyer at the price stipulated in the agreement, with minimum guaranteed purchases of 475 cubic meters per day.
- (e) On 25 December 2019, the subsidiary signed the water supply agreement with a company (Buyer) for a period of 23 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for design, construct and install the water supply system with standard stipulated in the agreement, including acquisition of machinery and equipment used in the production of filtrated water and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement, including deliver and transfer ownership of machines, equipment and relevant items, in relation to the entire water treatment system to Buyer when that agreement terms have been expired. Buyer agrees to purchase filtrated water that the subsidiary produces in a volume to meet the demand of Buyer at the price stipulated in the agreement, with minimum guaranteed purchases of 10,500 cubic meters per day.

- (f) On 4 January 2020, the subsidiary purchased ordinary shares of WIik PT Company Limited (“WPT”) (Formerly known as “WOG ITR Water Solution Company Limited (“WOG ITR”)”), the subsidiary of Wiik Water Co., Ltd., with an objective of acquiring the right to manage the water production plant with Ultra filtration and Reverse Osmosis systems to provide services in accordance with the agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province (client) dated 16 July 2012 with a term of 30 years. Under the agreement, WPT is responsible for providing engineers, technicians and person who has knowledge and specialty in design, procurement and installation of Reverse Osmosis systems including the acquisition of machinery and equipment used in the production of RO, and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at WPT own expense. Moreover, WPT is also obliged to comply with certain provisions and conditions stipulated in the agreement.
- (g) On 31 March 2023, the subsidiary signed a contract of purchasing tap water with specified standards from a tap water production company (the Seller) to prepare tap water for distribution to customer in some area in Phuket, contract period is 30 years from the first date of water delivery or until expired date of water supply business concession of any party before the contract expiry date. (Currently, not yet delivered).

Under the mentioned contract, the parties have defined the water delivered point. The subsidiary would invest for construction of the water distribution system starting from connection point of water meter at the delivered points to reach capable per agreed volume. The contract define minimum volume of tap water that the seller must provide, and the subsidiary must purchase by 12,000 to 20,000 cubic meters per day depend on each period as defined in the contract, and define maximum of sale-purchase volume 30,000 cubic meters per day.

30.4 Guarantees

- (a) As at 31 December 2023, the Company has guaranteed bank credit facilities of its subsidiaries amounting to US dollar 1 million and Baht 649 million (2022: US dollar 1 million and Baht 625 million).

- (b) As at 31 December 2023 and 2022, there were outstanding bank guarantees issued by banks on behalf of the Group as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	31 December 2023	31 December 2022
Guarantee payment due to suppliers	35.0	35.0
Guarantee contractual performance	34.0	33.3
Guarantee electricity use among others	6.9	6.5
Guarantee cash received from customers and retention	21.9	18.1
Guarantee bid bond	-	24.9

31. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that was measured at fair value, as follows:

	(Unit: Million Baht)			
	Consolidated and Separate financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Other non-current financial assets	-	-	40.77	40.77
Land	-	-	375.64	375.64
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.37	-	0.37

	(Unit: Million Baht)			
	Consolidated and Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Other non-current financial assets	-	-	39.17	39.17
Land	-	-	350.33	350.33
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	1.97	-	1.97

32. Financial instruments

32.1 Derivatives

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2023	2022
Derivative liability		
Derivatives liabilities not designated as hedging instruments		
Foreign exchange forward contracts	0.37	1.97
Total derivative liability	<u>0.37</u>	<u>1.97</u>

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 6 months.

32.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, short-term loans to related party, deposits at bank with restrictions, other non-current financial assets, short-term loans, trade and other payables, long-term loans and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, short-term loans to related party, deposits with banks and financial institutions and other financial instruments. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Group also has a policy to obtain bank guarantees from its customers to secure the partial amounts of receivable balances and have exercised the letters of guarantee to reduce the overdue receivable balances and has implemented the credit risk insurance for some receivables since July 2014 to reduce more credit risk. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables and contract assets

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are 2 types of market risk comprising interest rate risk and foreign currency risk.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated and Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.7	0.4	0.5	0.7	34.2233	34.5624
Philippine peso	12.2	49.9	8.6	33.3	0.6138	0.6190

Foreign currency sensitivity

There is no significant impact on the Group's profit before tax arising from the change in the fair value of monetary assets and liabilities due to the possible change in exchange rates of assets and liabilities that are denominated in foreign currencies.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its short-term and long-term loans. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December

Consolidated financial statements

	Fixed interest rates				Floating		Non-interest		Effective			
	Within 1 year		1 - 5 years		interest rate		bearing		Total		interest rate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(% per annum)											
Financial assets												
Cash and cash equivalents	-	-	-	-	163	248	-	-	163	248	0.05 to 0.90	0.05 to 0.35
Trade and other receivables	-	-	-	-	-	-	548	604	548	604	-	-
Deposits at bank with restrictions	17	17	-	-	-	-	-	-	17	17	0.03 to 1.13	0.10 to 0.45
Other non-current financial assets	-	-	-	-	-	-	41	39	41	39	-	-
	<u>17</u>	<u>17</u>	<u>-</u>	<u>-</u>	<u>163</u>	<u>248</u>	<u>589</u>	<u>643</u>	<u>769</u>	<u>908</u>		
Financial liabilities												
Trade and other payables	-	-	-	-	-	-	95	103	95	103	-	-
Long-term loans	-	-	-	-	218	204	-	-	218	204	4.93 to 5.53	4.33
Lease liabilities	<u>13</u>	<u>14</u>	<u>27</u>	<u>37</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40</u>	<u>51</u>	0.75 to 11.51	0.75 to 11.51
	13	14	27	37	218	204	95	103	353	358		

(Unit: Million Baht)

As at 31 December

Separate financial statements

	Fixed interest rates				Floating		Non-interest		Effective			
	Within 1 year		1 - 5 years		interest rate		bearing		Total		interest rate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(% per annum)											
Financial assets												
Cash and cash equivalents	-	-	-	-	131	225	-	-	131	225	0.05 to 0.90	0.05 to 0.35
Trade and other receivables	-	-	-	-	-	-	398	445	398	445	-	-
Short-term loans to related party	380	300	-	-	-	-	-	-	380	300	1.00	1.00
Deposits at bank with restrictions	16	16	-	-	-	-	-	-	16	16	0.60 to 1.00	0.35 to 0.45
Other non-current financial assets	-	-	-	-	-	-	41	39	41	39	-	-
	<u>396</u>	<u>316</u>	<u>-</u>	<u>-</u>	<u>131</u>	<u>225</u>	<u>439</u>	<u>484</u>	<u>966</u>	<u>1,025</u>		
Financial liabilities												
Trade and other payables	-	-	-	-	-	-	54	47	54	47	-	-
Lease liabilities	<u>7</u>	<u>9</u>	<u>3</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>18</u>	0.75 to 11.51	0.75 to 11.51
	<u>7</u>	<u>9</u>	<u>3</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>54</u>	<u>47</u>	<u>64</u>	<u>65</u>		

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of current ratio. The Group's policy is that not less than 0.9 times over a period of 2 quarters. As at 31 December 2023, the Group has a current ratio of 4.3 times (2022: 4.2 times) (The Company only: 8.4 times, 2022: 7.1 times). The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2023			
	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	94,779	450	-	95,229
Lease liabilities	14,330	16,024	16,408	46,762
Long-term loans	54,934	183,719	9,337	247,990
Total non-derivatives	164,043	200,193	25,745	389,981

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2022			
	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Trade and other payables	102,212	450	-	102,662
Lease liabilities	16,468	25,388	18,369	60,225
Long-term loans	52,184	130,866	46,203	229,253
Total non-derivatives	170,864	156,704	64,572	392,140

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2023			
	Less than	1 to 5	Over	Total
	1 year	years	5 years	
Non-derivatives				
Trade and other payables	54,160	35	-	54,195
Lease liabilities	7,205	2,804	-	10,009
Total non-derivatives	61,365	2,839	-	64,204

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2022			
	Less than	1 to 5	Over	Total
	1 year	years	5 years	
Non-derivatives				
Trade and other payables	47,350	35	-	47,385
Lease liabilities	9,337	9,738	-	19,075
Total non-derivatives	56,687	9,773	-	66,460

32.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

32.4 Reconciliation of recurring fair value measurements of financial assets categorised within Level 3 of the fair value hierarchy.

(Unit: Thousand Baht)

	Consolidated and Separate financial statements
	Financial assets at FVTPL
Balance as of 1 January 2022	29,810
Net gains recognised in gains on investments designated at fair value through profit or loss	9,357
Balance as of 31 December 2022	39,167
Net gains recognised in gains on investments designated at fair value through profit or loss	1,603
Balance as of 31 December 2023	40,770

33. Capital management

The primary objective of the Group's capital management are to ensure that it has appropriate capital structure in order to support their businesses and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.26 :1 (2022: 0.28:1) and the Company's was 0.11 :1 (2022: 0.14:1).

34. Events after the reporting period

On 23 February 2024, a meeting of the Company's Board of Directors passed the following resolutions, which will be proposed to the Annual General Meeting of the Company's Shareholders for approval.

1. Approve the appropriation from the 2023 net operating profit of Baht 1,200,708.85 to the statutory reserve and the dividend payment at the rate of Baht 0.06 per share (the Company has a total of 837,683,062 ordinary shares entitled to receive dividends), for a total of Baht 50,260,983.72. The record date for the entitlement to receive dividends was scheduled for 3 May 2024. The dividend payment will be made to the shareholders on 20 May 2024.
2. Approve the issuance and allocation of warrants to purchase ordinary shares of the Company No.3 (WIIC-W3). The total number of warrants to be issued shall not exceed 279,227,687 units and will be allocated free of charge to the existing shareholders at the ratio of 3 existing ordinary shares for 1 warrant unit. Any fraction of the warrants resulting from such calculation shall be discarded. Each unit of warrant entitles the holder to purchase 1 ordinary share at the exercise price of Baht 4.00 per share.
3. Approve the increase in the registered capital of Baht 279,227,687, from Baht 837,683,062 to Baht 1,116,910,749 by issuing 279,227,687 ordinary shares at a par value of Baht 1.00 per share, and approve the allocation of such shares to accommodate the exercise of warrants No.3 (WIIC-W3) to purchase the Company's 279,227,687 ordinary shares.

35. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2024.

Attachment

Attachment 1 Details of Directors, Executives, and Controlling Person, A person assigned the highest responsibility in accounting and finance, A person assigned to be directly responsible for overseeing accounting, the company secretary and coordinating agent in case of foreign company

The Board of Directors



Pol.Gen. Chidchai Vanasatidya, Ph.D.
Independent Director /
Chairman of the Board /
Chairman of the Audit Committee



Mr. Wiboon Sangwithayanon
Director / Chief Executive Officer



Mrs. Sumalee Ongcharit
Director



Dr. Shaoquan Lin
Director



Mr. Guirong Huang
Director



Mr. Zhe Li
Director



Mr. Yulong Li
Director



Miss Benjawan Sinkunakorn
Independent Director /
Audit Committee



Associate Professor Dr. Tanit Tongthong
Independent Director /
Audit Committee


Name-Surname
Police General Chidchai Vanasatidya, Ph.D.

Position in the company	Independent Director / Chairman of the Board of Directors / Chairman of the Audit Committee	
Appointment date	27 October 2020	
Age	78 years old	
Nationality	Thai	
Education Background	<ul style="list-style-type: none"> Bachelor of Public Administration (Police Science) Royal Police Academy, Thailand Master Degree in Police Management, Eastern Kentucky University U.S.A. Ph.D. (Justice Administration) University of Louisville, Kentucky, U.S.A. Diploma, National Defense College, The Joint State-private Sector Course (Class 1), National Defense College of Thailand Thai-Chinese Leadership Studies Class 2/2019, Huachiew Chalermprakiet University 	
Training Course from Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> Director Accreditation Program (DAP), Class 75/2008 Thai Institute of Directors Association (IOD) Capital Market Academy (CMA) Class 10/2010 	
Working Experience	Oct 2020 – present	Independent Director / Chairman of the Board of Directors / Chairman of the Audit Committee, WIIC PLC
	Present	Independent Director, Merchant Partners Securities Public Company Limited
	Present	Director, Merchant Partners Asset Management Limited
	Present	Director, Merchant Partners Limited
	Present	Chairman of the Board of Directors, Erawan Sugar Co., Ltd.
Holding position of directors and executives in other companies.		
<ul style="list-style-type: none"> Listed Companies 	-None-	
<ul style="list-style-type: none"> Non-Listed Companies 	4 companies such as (1)	Independent Director, Merchant Partners Securities PLC (2) Director, Merchant Partners Asset Management Limited (3) Director, Merchant Partners Limited (4) Chairman of the Board of Directors, Erawan Sugar Co., Ltd.
<ul style="list-style-type: none"> Other business that causes conflict of interest. 	-None-	
Years as the Director	3 years 2 months (Oct. 2020 – Dec. 2023)	
Attendance in meetings during Year 2023	<ul style="list-style-type: none"> Attended the Board of Directors' Meeting of 5 times from total 5 times. Attended the Audit Committee's Meeting of 4 times from total 4 times. Attended the Nomination and Remuneration Committee's Meeting of 3 times from total 3 times. 	
Relations with the Company		
<ul style="list-style-type: none"> Shares holding in Company 	1,055,100 shares or 0.13% of paid-up capital (Including shares of spouse and minor children)	
<ul style="list-style-type: none"> A close relative to the executives / major shareholders / subsidiaries. 	-None-	
<ul style="list-style-type: none"> Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years. 	<ul style="list-style-type: none"> Director who is involved in management, employee, or consultant that receive salaries Professional service provider Business relations 	: -None- : -None- : -None-


Name-Surname
Mr.Wiboon Sangwithayanon

Position in the company	Director / Authorized Director / Chief Executive Officer		
Appointment date	3 June 2015		
Age	59 years old		
Nationality	Thai		
Education Background	<ul style="list-style-type: none"> Master of Business Administration (MBA), Major in Marketing Management, National Institute of Development Administration Bachelor of Engineering (BE), Major in Civil Engineering, Chulalongkorn University 		
Training Course from Thai Institute of Directors Association (IOD)	Director Accreditation Program (DAP) class 120/2015		
Working Experience	<div>Feb 2023 – Present</div> <div>Director, Southern Consultants and Construction Co., Ltd.</div> <div>Jan 2019 – Present</div> <div>Director, WIik PT Co.,Ltd.</div> <div>June 2015 – Present</div> <div>Director, WIik Water Co.,Ltd.</div> <div>June 2015 – Present</div> <div>Chief Executive Officer, WIik PLC</div> <div>2012 – May 2015</div> <div>Vice President – Sales & Marketing, WIik PLC</div> <div>2007 – 2012</div> <div>Business Development Manager / Project Manager, Vi-Va Limited Partnership</div> <div>2005 – 2007</div> <div>Managing Director, Phetsiam PE Pipe Co.,Ltd.</div> <div>2002 – 2005</div> <div>Business Development Manager, Matech International Limited Partnership</div> <div>1989 – 2002</div> <div>Marketing Manager, WIik PLC</div>		
Holding position of directors and executives in other companies.			
<ul style="list-style-type: none"> Listed Companies 	-None-		
<ul style="list-style-type: none"> Non-Listed Companies 	-None-		
<ul style="list-style-type: none"> Other business that causes conflict of interest. 	-None-		
Years as the Director	8 years 6 months (Jun. 2015 – Dec. 2023)		
Attendance in meetings during Year 2023	<ul style="list-style-type: none"> Attended the Board of Directors' Meeting of 5 times from total 5 times. Attended the Executive Committee's Meeting of 16 times from total 16 times. Attended the Nomination and Remuneration Committee's Meeting of 3 times from total 3 times 		
Relations with the Company			
<ul style="list-style-type: none"> Shares holding in Company 	410,000 shares or 0.05% of paid-up capital (Including shares of spouse and minor children)		
<ul style="list-style-type: none"> A close relative to the executives / major shareholders / subsidiaries. 	-None-		
<ul style="list-style-type: none"> Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years. 	<ul style="list-style-type: none"> Director who is involved in management, employee, or consultant that receive salaries : -None- Professional service provider : -None- Business relations : -None- 		

**Name-Surname****Mrs. Sumalee Ongcharit**

Position in the company	Director / Authorized Director / Executive Committee		
Appointment date	26 January 2024		
Age	61 years old		
Nationality	Thai		
Education Background	<ul style="list-style-type: none"> Master's Degree in Business Administration (Finance), Thammasat University Bachelor in Marketing Ramkhamhaeng University Bachelor of Science (Biotechnology) Kasetsart University 		
Training Course from Thai Institute of Directors Association (IOD)	Director Certification Program (DCP) 2004		
Working Experience	<div>Nov 2023 – Present</div> <div>Director, Southern Consultants and Construction Co., Ltd.</div> <div>Nov 2023 – Present</div> <div>Director / Executive Committee, WIik Water Co., Ltd.</div> <div>Nov 2023 – Present</div> <div>Executive Committee, WIik PLC</div> <div>Jun 2022 – Feb 2023</div> <div>Director, Southern Consultants and Construction Co., Ltd.</div> <div>Nov 2020 – Feb 2023</div> <div>Executive Committee, WIik PLC</div> <div>Nov 2020 – Feb 2023</div> <div>Director / Executive Committee, WIik Water Co., Ltd.</div> <div>Present</div> <div>Director, Capital Alliance Co., Ltd.</div> <div>Present</div> <div>Director, Seashell Siam Co., Ltd.</div> <div>Present</div> <div>Director, Keeree Tara Co., Ltd.</div> <div>2012 – 2020</div> <div>Vice President, Lifeprep Foundation</div>		
Holding position of directors and executives in other companies.			
<ul style="list-style-type: none"> Listed Companies 	-None-		
<ul style="list-style-type: none"> Non-Listed Companies 	3 companies such as <div>1) Director, Capital Alliance Co., Ltd.</div> <div>2) Director, Seashell Siam Co., Ltd.</div> <div>3) Director, Keeree Tara Co., Ltd.</div>		
<ul style="list-style-type: none"> Other business that causes conflict of interest. 	-None-		
Years as the Director	Jan 2024 - Present		
Attendance in meetings during Year 2023	<ul style="list-style-type: none"> Attended the Executive Committee's Meeting of 4 times from total 4 times. 		
Relations with the Company			
<ul style="list-style-type: none"> Shares holding in Company 	81,910,950 shares or 9.78% (Included shares of spouse and minor children)		
<ul style="list-style-type: none"> A close relative to the executives / major shareholders / subsidiaries. 	-None-		
<ul style="list-style-type: none"> Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years. 	<ul style="list-style-type: none"> Director who is involved in management, employee, or consultant that receive salaries : -None- Professional service provider : -None- Business relations : -None- 		

**Name-Surname****Dr. Shaoquan Lin**

Position in the company	Director		
Appointment date	27 November 2020		
Age	49 years old		
Nationality	Chinese		
Education Background	Doctorate degree in polymer chemical and physics, Sun Yat-sen University, People's Republic of China		
Training Course from Thai Institute of Directors Association (IOD)	Director Accreditation Program (DAP) class 193/2022		
Working Experience	Nov 2020 – Present	Director, WIJK Public Company Limited	
	Present	Vice president and Executive Director, China Lesso Group Holdings Limited	
	Jan 2013 – Present	President, Lesso America Incorporation	
	Jan 2010 – Present	Executive Director, China Lesso Group Company Limited	
Holding position of directors and executives in other companies.			
▪ Listed Companies	-None-		
▪ Non-Listed Companies	3 companies such as	1)	Vice president and Executive Director, China Lesso Group Holdings Ltd
		2)	President, Lesso America Incorporation
		3)	Executive Director, China Lesso Group Co., Ltd.
▪ Other business that causes conflict of interest.	-None-		
Years as the Director	3 years 1 month (Nov. 2020 – Dec. 2023)		
Attendance in meetings during Year 2023	▪ Attended the Board of Directors' Meeting of 3 times from total 5 times.		
Relations with the Company			
▪ Shares holding in Company	-None- (Including shares of spouse and minor children)		
▪ A close relative to the executives / major shareholders / subsidiaries.	-None-		
▪ Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years.	▪ Director who is involved in management, employee, or consultant that receive salaries	:	-None-
	▪ Professional service provider	:	-None-
	▪ Business relations	:	-None-



Name-Surname

Mr. Guirong Huang

Position in the company	Director / Authorized Director / Executive Committee	
Appointment date	14 November 2023	
Age	49 years old	
Nationality	Chinese	
Education Background	Bachelor degree in marketing, Hubei University of Technology, China	
Training Course from Thai Institute of Directors Association (IOD)	-None-	
Working Experience	<div>Nov 2023 – Now</div> <div>Director / Executive Committee, WIIK PLC</div> <div>Jan 2001 – Now</div> <div>Director and Vice President, China Lesso Group Holdings Limited</div> <div>General Manager, Lesso Technology Development (Wuhan) Co., LTD.</div> <div>Feb 1999 – Jan 2001</div> <div>Plastic department deputy manager, Guangdong Liansu Technology Industrial Co., LTD.</div> <div>Jun 1996 – Feb 1999</div> <div>Director, Foshan Dongjian Group, Dongjian Plastic Factory Branch 2</div> <div>May 2012- May 2022</div> <div>The 8th and 9th CPPCC Standing Committee, Wuhan Dongxihu District,</div> <div>May 2015</div> <div>Vice Chairman, Wuhan Dongxihu District Enterprise Association</div> <div>Jan 2013</div> <div>Deputy to the 12th National People's Congress, Henan Province</div> <div>Oct 2021– Oct 2023</div> <div>The enterprise tutor, the Master's Research Institute of Materials and Chemical Engineering, School of Materials Science and Engineering, Zhengzhou University</div> <div>Sep 2021</div> <div>Won the honor of Hubei Province outstanding socialist builders with Chinese characteristics</div> <div>Jun 2022</div> <div>Professional manager qualification evaluation certificate, China Professional Managers Association</div>	
Holding position of directors and executives in other companies.		
<div>▪ Listed Companies</div>	-None-	
<div>▪ Non-Listed Companies</div>	2 companies such as 1) Director and Vice President, China Lesso Group Holdings Limited 2) General Manager, Lesso Technology Development (Wuhan) Co., LTD.	
<div>▪ Other business that causes conflict of interest.</div>	-None-	
Years as the Director	Nov 2023 - Present	
Attendance in meetings during Year 2023	-None-	
Relations with the Company		
<div>▪ Shares holding in Company</div>	-None- (Including shares of spouse and minor children)	
<div>▪ A close relative to the executives / major shareholders / subsidiaries.</div>	-None-	
<div>▪ Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years.</div>	<div> <div>▪ Director who is involved in management, employee, or consultant that receive salaries</div> <div>:</div> <div>-None-</div> </div> <div> <div>▪ Professional service provider</div> <div>:</div> <div>-None-</div> </div> <div> <div>▪ Business relations</div> <div>:</div> <div>-None-</div> </div>	

**Name-Surname****Mr. Zhe Li**

Position in the company	Director / Authorized Director / Executive Committee		
Appointment date	27 November 2020		
Age	42 years old		
Nationality	Chinese		
Education Background	<div><div></div> Bachelor of Accountancy, Zhongnan University of Economics and Law, China</div> <div><div></div> Semi-senior Accountant Certification</div>		
Training Course from Thai Institute of Directors Association (IOD)	Director Accreditation Program (DAP) class 193/2022		
Working Experience	Nov 2020 – Present	Director / Executive Committee, WIIC PLC	
	Oct 2012 – Present	Director of Financial department, China Lesso Group Company Limited	
	Jul 2005 – Oct 2012	Financial Manager of Indonesia & Vietnam, Midea Group Company Limited	
Holding position of directors and executives in other companies.			
<div><div></div> Listed Companies</div>	-None-		
<div><div></div> Non-Listed Companies</div>	1 company such as Director of Financial department, China Lesso Group Company Limited		
<div><div></div> Other business that causes conflict of interest.</div>	-None-		
Years as the Director	3 years 1 month (Nov. 2020 – Dec. 2023)		
Attendance in meetings during Year 2023	<div><div></div> Attended the Board of Directors’ Meeting of 4 times from total 5 times.</div> <div><div></div> Attended the Executive Committee’s Meeting of 6 times from total 16 times.</div>		
Relations with the Company			
<div><div></div> Shares holding in Company</div>	-None- (Including shares of spouse and minor children)		
<div><div></div> A close relative to the executives / major shareholders / subsidiaries.</div>	-None-		
<div><div></div> Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years.</div>	<div><div></div> Director who is involved in management, employee, or consultant that receive salaries</div> <div><div></div> Professional service provider</div> <div><div></div> Business relations</div>	:	-None- -None- -None-



Name-Surname

Mr.Yulong Li

Position in the company	Director / Authorized Director / Executive Committee / Vice President – Sales & Marketing PVC & PP-R Business		
Appointment date	27 November 2020		
Age	37 years old		
Nationality	Chinese		
Education Background	Bachelor of Communication Engineering, Northeast Dianli University		
Training Course from Thai Institute of Directors Association (IOD)	Director Accreditation Program (DAP) class 193/2022		
Working Experience	<div>Nov 2020 – Present Director, WIJK PT Co.,Ltd.</div> <div>Nov 2020 – Present Director, WIJK Water Co.,Ltd.</div> <div>Oct 2020 – Present Director / Executive Committee, WIJK PLC</div> <div>Sep 2019 – Sep 2020 Deputy General Manager, Samanea Bangna Ltd</div> <div>Aug 2014 – Sep 2019 Thailand Business Development Manager, China Lesso Group Holdings Ltd</div>		
Holding position of directors and executives in other companies.			
▪ Listed Companies	-None-		
▪ Non-Listed Companies	1 company such as Director, Samanea Bangna Ltd		
▪ Other business that causes conflict of interest.	-None-		
Years as the Director	3 years 1 month (Nov. 2020 – Dec. 2023)		
Attendance in meetings during Year 2023	<div>▪ Attended the Board of Directors' Meeting of 5 times from total 5 times.</div> <div>▪ Attended the Executive Committee's Meeting of 15 times from total 16 times.</div>		
Relations with the Company			
▪ Shares holding in Company	-None- (Including shares of spouse and minor children)		
▪ A close relative to the executives / major shareholders / subsidiaries.	-None-		
▪ Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years.	<div>▪ Director who is involved in management, employee, or consultant that receive salaries : -None-</div> <div>▪ Professional service provider : -None-</div> <div>▪ Business relations : -None-</div>		

**Name-Surname****Ms. Benjawan Sinkunakorn**

Position in the company	Independent Director / Audit Committee		
Appointment date	11 May 2020		
Age	66 years old		
Nationality	Thai		
Education Background	<ul style="list-style-type: none"> ▪ MBA, Thammasat University ▪ Bachelor of Law, Thammasat University ▪ Bachelor of Accounting, Thammasat University ▪ Certified Public Accountant (CPA) 		
Training Course from Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> ▪ Director Accreditation Program (DAP class 24/2004) ▪ Director Certification Program (DCP class 79/2006) ▪ Audit Committee Program (ACP class 12/2006) ▪ Role of the Compensation Committee (class 7/2008) ▪ IOD-Detection of Accounting Irregularities in Fast growing Business ▪ IOD-Leadership Amidst Volatility and Distrust ▪ IOD- Whose role prevents corruption in the organization? 		
Working Experience	2021 – 2022 Audit Committee, Wealth Magik Securities Co., Ltd. 2020 – Present Independent Director / Audit Committee, WIIC PLC 2016 - 2022 Audit Committee, Wealth Magik Mutual Fund Brokerage Co., Ltd. 2008 - Present Audit Committee, Multibax PLC 2004 - Present Audit Committee, Syntec Construction PLC 1998 - Present Associate, Prospect Consulting Co., Ltd.		
Holding position of directors and executives in other companies.			
<ul style="list-style-type: none"> ▪ Listed Companies 	2 companies such as	(1)	Audit Committee, Multibax PLC
		(2)	Audit Committee, Syntec Construction PLC
<ul style="list-style-type: none"> ▪ Non-Listed Companies 	1 company such as	(1)	Associate, Prospect Consulting Co., Ltd.
<ul style="list-style-type: none"> ▪ Other business that causes conflict of interest. 	-None-		
Years as the Director	3 years 8 months (May 2020 - Dec 2023)		
Attendance in meetings during Year 2023	<ul style="list-style-type: none"> ▪ Attended the Board of Directors' Meeting of 5 times from total 5 times. ▪ Attended the Audit Committee's Meeting of 4 times from total 4 times. ▪ Attended the Nomination and Remuneration Committee's Meeting of 3 times from total 3 times. 		
Relations with the Company			
<ul style="list-style-type: none"> ▪ Shares holding in Company 	-None- (Including shares of spouse and minor children)		
<ul style="list-style-type: none"> ▪ A close relative to the executives / major shareholders / subsidiaries. 	-None-		
<ul style="list-style-type: none"> ▪ Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years. 	<ul style="list-style-type: none"> ▪ Director who is involved in management, employee, or consultant that receive salaries ▪ Professional service provider ▪ Business relations 	:	-None- -None- -None-

**Name-Surname****Associate Professor Dr. Tanit Tongthong**

Position in the company	Independent Director / Audit Committee		
Appointment date	11 August 2022		
Age	61 years old		
Nationality	Thai		
Education Background	<div><div></div>Ph.D. Civil Engineering (Construction and Project Management), University of Maryland, U.S.A.</div> <div><div></div>M.Eng. Civil Engineering, University of Missouri, U.S.A.</div> <div><div></div>B.Eng. Civil Engineering, Chulalongkorn University</div>		
Training Course from Thai Institute of Directors Association (IOD)	<div><div></div>Director Accreditation Program (DAP) class 11/2004</div> <div><div></div>Advanced Audit Committee Program (AACP) class 29/2018</div>		
Working Experience	Oct 2022 – Present	Director, Pre-Built PLC	
	2022 – Present	Independent Director / Audit Committee, WIJK PLC	
	2004 – Sep 2022	Independent Director and Audit Committee, Pre-Built PLC	
	2021 – Present	Director, Civil Engineering PLC	
	2018 – 2021	Independent Director and Audit Committee, PPS Project Planning Services PLC	
Holding position of directors and executives in other companies.			
<div><div></div>Listed Companies</div>	2 companies such as	(1) Director, Pre-Built PLC	
		(2) Director, Civil Engineering PLC	
<div><div></div>Non-Listed Companies</div>	-None-		
<div><div></div>Other business that causes conflict of interest.</div>	-None-		
Years as the Director	1 year 5 months (Aug. 2022 - Dec. 2023)		
Attendance in meetings during Year 2023	<div><div></div>Attended the Board of Directors' Meeting of 5 times from total 5 times.</div> <div><div></div>Attended the Audit Committee's Meeting of 4 times from total 4 times.</div>		
Relations with the Company			
<div><div></div>Shares holding in Company</div>	-None-		
	(Including shares of spouse and minor children)		
<div><div></div>A close relative to the executives / major shareholders / subsidiaries.</div>	-None-		
<div><div></div>Relation with Company /Subsidiary/ Affiliated Company or Legal Entities that cause conflict of interest at present or during the past 2 years.</div>	<div><div></div>Director who is involved in management, employee, or consultant that receive salaries</div>	:	-None-
	<div><div></div>Professional service provider</div>	:	-None-
	<div><div></div>Business relations</div>	:	-None-

Qualification list of Executives and Company secretary as at 31 December 2023.

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
1. Miss Rewadee Whanchid Executive Committee Appointed on 11 Aug 2015	55	<ul style="list-style-type: none"> Master of Business Administration, Kasetsart University Bachelor of Business Administration, Ramkhamhaeng University Director Accreditation Program (DAP) class 79/2009 	None	None	May 2022 – Present Jan 2019 – present Feb 2015 – present Feb 2015 – Aug 2019 Feb 2015 – present 2014- present 2012- present 2008- present 1994- present	Director Director Executive Committee Director Director Director Director Director Assistant Managing Director	Southern Consultants and Construction Co., Ltd. WIIC PT Co., Ltd. WIIC PLC WIIC PLC WIIC Water Co., Ltd. Thai Consumer Distribution Centre Co., Ltd. Mantra Assets Co., Ltd. Aqua Ad PLC Aqua Corporation PLC
2. Miss Chinanut Jariyarudeechai Executive Committee / Chief financial controller/ Secretary of the Audit Committee Appointed on 12 May 2015	46	Bachelor of Accounting, Chiangmai University	None	None	May 2015 – present Dec 2014 – Apr 2015 2011-2014	Executive Committee / Chief financial controller Accounting Manager Accounting Manager	WIIC PLC WIIC PLC Real Move Co., Ltd.
3. Mr. Yanlong Yang Deputy General Manager of PVC / PP-R Business Appointed on 5 July 2022	41	Bachelor degree, Chemical Engineering, Nanchang University, China	None	None	2022 – Present 2010 - Present	Deputy General Manager of PVC / PP-R Business Employee	WIIC PLC China Lesso Group Holdings Ltd
4. Mr. Young Zhang PVC Technical Manager Appointed on 5 July 2022	40	Bachelor degree, Polymer Material Processing Engineering, South China University of Technology, China	None	None	2022 – Present 2021 – Present 2011 – 2021 2007 – 2010 2006 - 2007	PVC Technical Manager Technical Manager Engineer Workshop Director Operation Trainee	WIIC PLC China Lesso Group Holdings Ltd China Lesso Group Holdings Ltd China Lesso Group Holdings Ltd Midea Group

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
5. Mr. Peerapon Thantranon Domestic Sales Manager	56	<ul style="list-style-type: none"> St. Joan Of Arc Commercial School 	None	None	Jul 2015 – present Mar 2013 – Jun 2015 Jan 2008 – Sep 2009 Jan 2006 – Jan 2007 Sep 1993 – Jan 2006	Domestic Sales Manager Assistant Sales Manager Sales & Marketing Executive Assistant Sales Manager Senior Executive Officer	WIIC PLC WIIC PLC Texcom Export Co., Ltd. Phetsiam PE Pipe Co., Ltd. WIIC PLC
6. Mrs. Sasiwimon Wirojchewan Administrative & Procurement Manager	57	<ul style="list-style-type: none"> Master of arts in Economic Law, Faculty of Law, Chulalongkorn University Bachelor of Science in Social Psychology, Faculty of Education, Ramkhamhaeng university 	None	None	2005 - present	Administrative & Procurement Manager	WIIC PLC
7. Miss Jarunee Anansuksakun Technical & Product Manager	50	<ul style="list-style-type: none"> Master of Business Administration National Institute of Development Administration Bachelor of Environmental Engineering, Chulalongkorn University 	None	None	2000- present	Technical & Product Manager	WIIC PLC
8. Mr. Krisnat Busapavanij Export Sales Manager	53	<ul style="list-style-type: none"> Master of Business Administration: International Management Emphasis, Bellevue University, USA. Bachelor of Business Administration, Bangkok University 	None	None	2010 - present	Export Sales Manager	WIIC PLC
9. Miss Parichart Wongwiwat Business Development Manager	54	<ul style="list-style-type: none"> Bachelor of Business Administration, General Administration, Ramkhamhaeng university Master of Public Administration, Public and Private Management, National Institute of Development Administration 	None	None	Jun 2015 – present May 2010- May 2015 Oct 1998 – Feb 2010	Business Development Manager Assistant Managing Director Assistant Manager of Sales and Marketing	WIIC PLC Thai Gow Gai Group Co., Ltd. WIIC PLC

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
10. Mr. Panao Intraphan Project Manager	61	<ul style="list-style-type: none"> Bachelor of Architecture, University of San Carlos, Talamban Campus, Cebu City, Philippines Survey & Land Development Training Course, University of the Visayas, Cebu City, Philippines 	None	None	May 2017 – present 2008 – 2017 2004 – 2008 1997 - 2004	Project Manager Project Manager Project Executive Project Supervisor	WIIC PLC WIIC Water Co., Ltd. WH Pipe (Thailand) Co., Ltd. WH Pipe (Thailand) Co., Ltd.
11. Mrs. Aphitchaya Hemtanon Accounting Manager Appointed on 1 January 2020	41	<ul style="list-style-type: none"> Master in Finance and Banking, Ramkhamhaeng University Bachelor of Accounting, Ramkhamhaeng University 	None	None	Jan 2020 - Present Mar 2016 - 2019 May 2015 - Feb 2016 2012 - Apr 2015	Accounting Manager Assistant Account Manager Head of General Accounting Account specialist	WIIC PLC WIIC PLC WIIC PLC Real Move Co., Ltd.
12. Mr. Wittaya Janta-ummao Company Secretary Appointed on 12 May 2015	39	<ul style="list-style-type: none"> Bachelor of Economics, Chiangmai University Company Secretary Program (CSP) class 125/2022 	None	None	May 2015 - present Oct 2014 – Apr 2015 2011 – Sep 2014 2008 - 2011	Company Secretary / Investor Relations Company Secretary / Investor Relations Company Secretary / Investor Relations Research Assistant / Transport economist	WIIC PLC Asset Bright PLC General Engineering PLC Smart Plan Consultant Co., Ltd.

Note Shareholding in the Company includes shares of spouse and underage children.

Tenure as Directors and Executives in Subsidiaries, Associates and related companies

Information on the tenure as Directors and Executives in Subsidiaries, Associates and related companies as of 26 January 2024.

No.	List of Directors	The Company	Subsidiaries		
			WIik Water Co., Ltd.	WIik PT Co., Ltd.	Southern Consultants & Construction Co., Ltd.
1.	Police General Chidchai Vanasatidya, Ph.D.	X			
2.	Mr. Wiboon Sangwithayanon	//	/	/	/
3.	Mrs. Sumalee Ongcharit	//	/		/
4.	Dr. Shaoquan Lin	/			
5.	Mr. Guirong Huang	//	/		
6.	Mr. Yulong Li	//	/	/	
7.	Mr. Zhe Li	//			
8.	Miss Benjawan Sinkunakorn	/			
9.	Associate Professor Dr. Tanit Tongthong	/			

Notes

- (1) / = Director X = Chairman of the board // = Executive Director
- (2) Related Companies shall mean juristic person definition of the person who may have a conflict of this announcement.

Attachment 2 Details of Directors in subsidiaries

Directors of subsidiaries as at 31 December 2023 are as follows:

List of directors	WIik Water Co., Ltd.	WIik PT Co., Ltd.	Southern Consultants and Construction Co., Ltd.
1. Mr. Wiboon Sangwithayanon	/	/	/
2. Mrs. Sumalee Ongcharit	/	-	/
3. Mr. Karn Siriphatras	/	/	-
4. Mr. Yulong Li	/	/	-
5. Mr. Guirong Huang	/	-	-
6. Mr. Attakorn Khunpisitwong	-	-	/
7. Miss Rewadee Whanchid	-	-	/

Note

/ = Director

X = Chairman

// = Executive Director

Attachment 3 Details of the Head of Internal Audit and Compliance
1) Head of Internal Audit

The Audit Committee's meeting No.1/2023 on 16 February 2023 assigned JP Tip Audit Limited to perform the internal auditor of the Company since 1 January 2023 until 31 December 2023. The JP Tip Audit limited has appointed Mr. Thanongsak Praditsatan to be main duty of the internal auditors of the Company. The details of the Company's Head of Internal Audit as of 31 December 2023 are as follows:

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Work experience		
			Period	Position	Company / Corporate
Mr. Thanongsak Praditsatan Internal Audit Controller 16 February 2023	43	<ul style="list-style-type: none"> Bachelor of Business Administration in Accounting, Ramkhamhaeng University Certified Public Accountant of Thailand 	2013 – Present	Managing Director	JP Tip Audit Co., Ltd.
			2004	Senior Audit Manager	ANS Audit Co., Ltd. (SEC License)
			2002	Assistant Auditor	Office of Pitisevi Co., Ltd. (SEC License)

Service scope

- (1) Study the process of working for each system. And the authority to approve transactions according to the Company's management structure
- (2) Review and assess the adequacy of internal controls of important work systems under the guidelines of COSO 2013 (The Committee of Sponsoring Organization of the Treadway Commission), which are covered as follows:
 - Control Environment
 - Risk Assessment
 - Control Activities
 - Information and Communication
 - Monitoring
- (3) Review the transactions related to the important work system that is it complies with the regulations set by the company and is it correct as it should.
- (4) Report to the company the facts detected and provide suggestions for improvements in important work systems.
- (5) The office will review the internal control system of important work systems of the company by using the standard criteria from the Company's operating manual, which is set by the management, including the criteria for good performance following the COSO guidelines, as well as use other audit methods considered necessary, to obtain a summary of the Company's internal control system according to a standardized audit program.

Report

- (1) Report to the company the facts detected from the audit of the said internal control system.
- (2) Follow up on the results of the review of the system for systems already been reviewed and report the results continuously.
- (3) Attends the Audit Committee meeting to report issues and observations from internal control audit over time. However, the office will report the results of the internal control system directly to the Audit Committee on the issues about the top management. However, issues will be discussed with the people involved until the end which may be resolved on various issues or not.

2) Compliance

-None-

Attachment 4 Business assets and details on asset valuation

On 15 August 2023, the Company had a land appraisal by CPM Capital Company Limited, an independent appraiser, and record such assets at revised price. The details of the appraisal of the property are as follows:

Assessment Objectives	To record book value
Asset type	Land with buildings (appraised only the part of the land)
Asset location	Within Amata City Rayong Industrial Estate, Chachoengsao-Sattahip Road (Thor Lor.331), Mapyangphon Sub-district, Pluakdaeng District, Rayong Province.
Coordinates	LAT: 12.979790 LONG: 101.110406
Land title document	Two title deeds no. 2027 and 9963 Total land area 83-0-33.3 rai or 33,233.3 square wa
Owner of the land	Title Deed No. 2027, WIIC Public Company Limited Title Deed No. 9963, WIIC Public Company Limited
Mortgage obligations	Title deed no. 2027, mortgage as collateral with Bank of Ayudhya Public Company Limited Title deed no. 9963, mortgage as collateral with Bangkok Bank Public Company Limited
Assessment criteria	To determine market value
Assessment method	Market Approach
Appraised asset value	357,258,000 Baht (Three hundred fifty-seven million, two hundred fifty-eight thousand Baht only)
Assessment date	15 August 2023

Appraisal method chosen for the property

In choosing the method of valuing this property, CPM Capital Company Limited has examined and considered various factors. related to the appraised property such as nature of legal rights, property characteristics, suitability for use or development, general market conditions with various restrictions, and additional/special assumptions, or special conditions for assessment to select an appropriate valuation method, and following the purpose for which it was hired. This is an important condition that will lead to a systematic opinion and summarize the final property value of the appraisal to determine the market value.

In this appraisal, CPM Capital Company Limited chooses a valuation method that is suitable for the nature of the assets, as follows;

Market Approach and Cost Approach

Because the property is land with buildings that are used for commercial purposes. There is a specific building style that cannot find similar market information to compare, so the Market Approach method cannot be used to assess the value of all assets. But using the Market Approach method only in the part of the land. As for the buildings, the Cost Approach method is used. Then add the two parts to the market value of the appraised property.

Comparative market data in property valuation

From the price survey, rental fee, or the bid price of various assets near the location of the appraised property found that there are other assets that can be compared for the valuation with the details summarized as follows:

No.	Property type	Location	Land area (Rai)	Offer price (Baht/square wa)
Data 1	Empty land	Inside the Amata City Rayong Industrial Estate	6-3-43.9 rai (2,743.9 square wa)	11,250
Data 2	Empty land	Inside the Amata City Rayong Industrial Estate	21-3-20.0 rai (8,720.0 square wa)	12,000
Data 3	Empty land	Inside the Amata City Rayong Industrial Estate	36-0-00.0 rai (14,400.0 square wa)	10,000
Data 4	Empty land	Inside the Eastern Industrial Park Rayong	13-0-00.0 rai (5,200.0 square wa)	15,000

Attachment 5 Full version of Corporate Governance Policy and Practice and business ethics

5.1 CODE OF CONDUCT) for Directors, Management and Employees

https://www.wiik.co.th/wp-content/uploads/2021/11/Code-of-Conduct-WIik-2020_EN.pdf

5.2 Purchasing Code of Conduct

https://www.wiik.co.th/wp-content/uploads/2021/11/03_Purchasing-Code-of-Conduct-Policy_TH.pdf

5.3 Anti-Corruption Policy

<https://www.wiik.co.th/en/investor-relations/corporate-governance/anti-corruption-policy/>

5.4 Charter of Board of Directors

<https://www.wiik.co.th/en/about-us/board-of-directors/>

5.5 Charter of Audit Committee

<https://www.wiik.co.th/en/about-us/audit-committee/>

5.6 Charter of Executive Committee

<https://www.wiik.co.th/en/about-us/executive-committee/>

5.7 Charter of Nomination and Remuneration Committee

<https://www.wiik.co.th/en/about-us/nomination-and-remuneration-committee/>

Attachment 6 Sub-Committee Report**6.1 Report of Audit Committee**

The Audit Committee of WIIC Public Company Limited consists of 3 independent directors such as Police General Chidchai Vanasatidya, Ph.D. is a Chairman of Audit Committee, Miss Benjawan Sinkunakorn and Associate Professor Dr. Tanit Tongthong are members of Audit Committee and Miss Chinanut Jariyarudeechai, Chief Financial Controller is a Secretary of Audit Committee.

The Audit Committee performed its duties and responsibilities that defined in the Charter of Audit Committee and assigned by the Board of Directors which comply to the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. In the year 2023 the Audit Committee held the meeting of all 4 times by meetings with the auditor, the internal auditor and the management, including the special meeting agenda; the Audit Committee meeting with the auditor without the Management of 2 times, that summarized as follows.

- 1. Reviewed the quarterly financial statements and the annual financial statements 2023.** The Audit Committee reviewed quarterly financial statements and the annual financial statements 2023 of the Company and its subsidiaries including related transactions, transactions that may lead to conflicts of interest with the management and internal auditor. In consideration of quarterly and the annual financial statements, the Company invited the auditor attend meetings 2 times. The Audit Committee questioned the auditor on accuracy and completeness, updating of significant transactions which have an impact on the financial statements, adequacy and appropriateness of accounting methods and the scope of audit, information disclosure accurately and an independent of auditor to ensure that the preparation of financial statements in accordance with legal requirements and accounting standards as generally accepted accounting principles. Reliable, timeliness as well as information disclosure in financial statements sufficiently to be useful to investors and users of financial statements.
- 2. Reviewed the internal control and the internal audit.** The Audit Committee reviewed and revised the internal control system with the internal auditor including monitoring performance, audit results, suggestions and progress of implementation on a quarterly basis. Moreover, the Company assessed the adequacy of internal control system under the framework of international standard (The Committee of Sponsoring Organizations of the Treadway Commission: COSO) to achieve more confidence. Assessment results of Internal Control by the management, internal auditor and the Audit Committee commented that the internal control system of the Company adequate and reasonable.

3. **Reviewed the corporate governance.** The Audit Committee reviewed the performance of defined operational system. The Company's business operation morality and compliance with the Law on the Securities and Exchange, requirements of the Stock Exchange of Thailand as well as other laws related to the business operations of the Company. Especially, the connected transactions, transactions between the group companies to ensure that the Company follow the normal business practices sensibly. Reviewing the complaint and report process for corruption of the Company in order to comply with good corporate governance principles and the business philosophy of the Company as well as pushing for anti-corruption policy. The Audit Committee evaluated the performance of overall audit committee under the best practices of Audit Committee of the Stock Exchange of Thailand.
4. **Appointment of auditor for the year 2023.** The Audit Committee considered and agreed to appoint EY Office Limited as the auditor of the Company and its subsidiaries for the year 2023 and proposed to the Board of Directors for consideration and proposed to the Annual General Meeting of Shareholders 2021 for approval the appointment of auditor and determined audit fee.
5. **Approved the hiring of the internal auditor of the Company and its subsidiaries for the year 2023.** The Audit Committee appointed JP Tip Audit Company Limited as the Company's internal auditor from 1 January 2023 to 31 December 2023. JP Tip Audit Company Limited assigned Mr. Thanongsak Praditstarn as the main person responsible for the performance of the Company's internal auditor as well as approved the internal audit program as proposed by JP Tip Audit Company Limited.

The Audit Committee performed its duties and responsibilities that defined in the Charter of Audit Committee which was approved by the Board of Directors. By using knowledge, skill, careful, thoughtful and an independent sufficiently for benefit of all stakeholders equally. The Audit Committee commented that the Company's financial reporting is accurate and reliable in accordance with generally accepted accounting standards. The Company has sufficiently risk management with internal control system and internal audit appropriate and effective. The operations in accordance with good corporate governance systems comply with law's requirements and obligations related to the business operations.



(Police General Chidchai Vanasatidya, Ph.D.)

Chairman of the Audit Committee

23 February 2024

6.2 Report of Executive Committee

The Executive Committee of WIIK Public Company Limited consists of 8 executives such as (1) Mr. Wiboon Sangwithayanon as a Chief Executive Officer, (2) Mrs. Sumalee Ongcharit, (3) Mr. Guirong Huang, (4) Mr. Karn Siriphatras, (5) Mr. Yulong Li, (6) Mr. Zhe Li, (7) Miss Rewadee Whanchid, and (8) Miss Chinanut Jariyarudeechai as members of Executive Committee and Mr. Wittaya Janta-ummao is a secretary of Executive Committee.

The Executive Committee has performed its duties and responsibilities as defined in the Charter and as assigned by the Board of Directors. During the year 2023, the Executive Committee held 16 meetings, summarized as follows.

- (1) Approve raw materials purchasing to produce in all items which excess from authority of the management.
- (2) Make recommendations on strategic direction, Management structure, Business plan and annual budget for the Board of Directors.
- (3) Approve the investment in water management business and provide financial assistance in the amount not exceeding Baht 80 million in accordance with the investment policy of the Company.
- (4) Approve the sales under normal transactions of the Company without guarantees or collateral or not protect or exceed credit limit by insurance in excess amount of Baht 20 million (total amount per customer).
- (5) Approve procurement and investment in fixed assets, each time not exceeding 2 million Baht, total not exceeding 5 million Baht per year.
- (6) Authorized to perform in financial transaction with financial institution in account opening with bank, financial institution and request guarantee from bank, financial institution of not exceeding Baht 50 million.
- (7) Appointment, removal, transferring, considering meritorious service as well as determine compensation and benefits for employees in various levels including other working group to perform various activities in management of the Company.

In summary, the Executive Committee complied with the duties and responsibilities defined in the Charter which approved by the Board of Directors by using the knowledge and caution careful adequately to benefit equally the stakeholders.



(Mr. Wiboon Sangwithayanon)

Chief Executive Officer

23 February 2024

6.3 Report of Nomination and Remuneration Committee

The Nomination and Remuneration Committee of WIik Public Company Limited consists of 2 independent directors and 1 Executive such as Police General Chidchai Vanasatidya, Ph.D. as a Chairman of the Nomination and Remuneration Committee, Miss Benjawan Sinkunakorn, and Mr. Wiboon Sangwithayanon as members of the Nomination and Remuneration Committee and Mr. Wittaya Janta-ummao is secretary of Nomination and Remuneration Committee.

The Nomination and Remuneration Committee has performed its duties and responsibilities as defined in the Charter and as assigned by the Board of Directors. During the year 2023, the Nomination and Remuneration Committee held 3 meetings, summarized as follows.

- (1) The Nomination and Remuneration Committee are responsible for the selection of persons to replace directors and executives if the term expires, resign or other cases. This is to be in line with the good corporate governance guidelines of the Stock Exchange of Thailand and accordance with the Articles of Association of WIik Public Company Limited, the directors and executives of the Company Must be fully qualified according to the Public Limited Companies Act 1992 and the Securities and Exchange Act 1992 and proposed to the Board of Directors to consider and approve as follows.
 - Consider the term of directors, and approve the nominations who will serve as the new directors.
 - Consider and approve the appointment of a director to replace the resigned director.
 - Consider and approve the appointment of executive directors.
- (2) The Nomination and Remuneration Committee considered the remuneration of Directors by considering the suitability of the duties, responsibility, and the Company's performance and propose to the Board of Directors to consider and approve as follows.
 - Consider and approve the remuneration of the Board of Directors for the year 2023.
 - Consider and approve the payment of the directors' bonus for the year 2023.

In summary, the Nomination and Remuneration Committee complied with the duties and responsibilities defined in the Charter which approved by the Board of Directors by using knowledge and ability, prudence and sufficient independence for the benefit of all stakeholders equally.



(Police General Chidchai Vanasatidya, Ph.D.)

Chairman of the Nomination and Remuneration Committee

23 February 2024