

CREATING **EXCELLENCE,** INSPIRING THE **FUTURE**



Annual Report 2024
56-1 ONE REPORT

THE **FIRST** AND **ONLY**
RFID MICROCHIP **DESIGN**
AND **DEVELOPMENT** COMPANY
LISTED IN THE STOCK EXCHANGE
OF THAILAND

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Vision

"Shape the world of Secured & Connected devices
with Innovation & Intelligence"

Mission

Products and services:

Company will design and deliver outstanding and unique integrated circuit products and services.

Customers and business partners:

The Company determines to add value to customers and business partners by focusing on creation of innovation that can be achievement at global level.

Employees:

The Company will be the organization with happy working environment which determines to develop potential of its employees on creative idea and courage to encounter challenges with strong determination to success and self-development continually.



ANIMAL ID



Transforming the Business
World with Microchips:
RFID Solutions for Animal
Tracking - Better Economy
Starts with Precise
Management



ANIMAL IDENTIFICATION

Electronic animal tags are RFID devices used to record unique identification data of livestock/economic animals.



IMMOBILIZER

“
Advanced Security Through
Reliable and Trusted
Immobilizer Systems
”



IMMOBILIZER

Security-encrypted microchips for vehicle electronic backup key systems (Immobilizer)

ADVANCED NFC



Transforming the Business
World with NFC Microchips:
Bridging Digital Technology
and Security to Enhance
Efficiency Across Industries



NEAR FIELD COMMUNICATION (NFC)

Microchips for Near Field Communication (NFC), applicable across multiple industries



INDUSTRIAL IoT



Smart IoT Systems:
Supporting Precise Control
and Data Connectivity



INDUSTRIAL IoT

Microchips for Access Control Systems and Data Reading Systems (Interrogator or Reader)

Core Value

TEAMWORK & COMMUNICATION

Cooperation to work as a team in a systematic way and the ability to communicate effectively with both internal and external stakeholders with respect to achieving organizational goals.



EXCELLENCE IN EXECUTION

Seek a path to excellence by setting a goal, setting a plan, taking action, and regularly assessing results. Including attempting to find ways and practices to grow excellence all the time.



CREATIVITY

Transcend traditional ways of thinking and acting to continuously innovate products and services with excellent quality.





PROACTIVENESS

Be proactive in planning and setting a goal to maximize everyone's work performance, which also leads to achieving organizational goals.



ACCOUNTABILITY

Committed to the success of the assignment and take responsibility for the results. As well as manage team and own jobs to accomplish the goal.



DEVELOPMENT

Committed to perpetually acquiring knowledge and developing capabilities and skills for both the individual and the team in the workplace

Awards and Honors in 2024



5-Star CGR Rating 2024 & AGM Checklist 2024

The Company received an **"Excellent" rating with 5 stars** for corporate governance in the 2024 evaluation of Thai listed companies, continuing for the **third consecutive year**, from the Thai Institute of Directors Association (IOD). Additionally, the Company achieved a perfect score of 100 points in the quality assessment of the Annual General Meeting (AGM) from the Thai Investors Association.



Forbes Asia Best Under A Billion 2024

The Company has been selected for the **"Best Under A Billion 2024"** ranking, recognized as one of the top public companies in the Asia-Pacific region for 2024 by Forbes Asia magazine.



IAA Awards 2024

The Company received the **"Best Investor Relations"** award at the IAA Awards for Listed Companies 2024, organized by the Investment Analysts Association (IAA). This award reflects the Company's excellence in its investor relations activities.

ESG100 2024

Environmental • Social • Governance

ESG 100 List 2024

The Company has been selected by the Thai Pat Institute to be included in the ESG100 list for 2024, recognizing its outstanding performance in environmental, social, and governance (ESG) practices. This marks the **Company's second consecutive year being included in the ESG100 list.**



SET Award 2024

The Company received two awards in the **"Business Excellence"** category at the SET Award 2024. These include the **"Best Innovative Company Award,"** recognizing outstanding innovation development and tangible results, which the Company has won for the second consecutive year. Additionally, the Company received the **"Outstanding Investor Relations Award,"** reflecting excellence in investor relations activities, awarded for the third consecutive year.



SET ESG Rating 2024

The Company was selected by the Stock Exchange of Thailand to be included in the **2024 Thailand Sustainability Investment list (SET ESG Rating) for the third consecutive year.** The Company received an **"A"** rating in the SET ESG Ratings for 2024.

Key Activities and Events in 2024



February 6, Prof. Apinunt Thanachayanont, Ph.D., Chief Research Officer, represented the Company in signing a Memorandum of Understanding (MOU) and the Campus Tour event under the "Sandbox for Human Capital Development in Semiconductor and Advanced Electronics" project at The Berkeley Hotel Pratunam, Bangkok.

Feb



April 9-11, the Company participated in RFID Journal Live! 2024, showcasing RFID and IoT products and technologies for smart technologies at the MGM GRAND Hotel in Las Vegas, USA.



April 24, the Company held the Annual General Meeting of Shareholders for 2024 via electronic media (E-AGM), with a live broadcast from the Townhall of Silicon Craft Technology Public Company Limited.

Apr

Mar



March 5, Associate Professor Dr. Pongpan Kaewtatip, Vice President of the Thailand Development Research Institute (TSRI), along with faculty members, visited the Company. Dr. Bodin Kasemset, Chief Executive Officer, provided an overview of the semiconductor industry to exchange ideas and enhance understanding of RFID and NFC technologies.



June 17, Mr. Apinetr Unakul, the Company's director, and Mr. Karn Opasjumruskit, Senior Product-Line Manager (Security), participated in the presentation of the vision "IGNITE Thailand : Future Workforce for Future Industry," at the Santi Maitri Building, Government House which has been organized by the Office of the Ministry of Higher Education, Science, Research, and Innovation.



June 22, Mr. Kowit Nuangsuk, Chief Financial Officer, Investor relations team, Sales and Marketing team and Customer Application Engineering team participated and arranged booth in "mai FORUM 2024: Opportunity x Growth" successfully concluded at the Bangkok Convention Centre, Centara Grand at CentralWorld.

June

May



May 20-23, the Company participated in the exhibition by setting up a booth at ICAR and INTERBULL Conference 2024 in Slovenia. The Company showcased microchips for animal identification and livestock health monitoring.



June 24, Dr. Bodin Kasemset, Chief Executive Officer, and Mr. Thaweesak Thantipwan, Chief Technology Officer, jointly signed a memorandum of understanding (MOU) on collaboration in the student development, and creation of personnel related to ICs design between Chulalongkorn University, through the Faculty of Engineering, and the Company.



August 21, Professor Dr. Apinunt Thanachayanont, Chief Research Officer, attended the launch of the KMITL Academy of Innovative Semiconductor Manufacturing (KAISEM) and joined as a panel discussion on "The Role of the Academy in Producing Graduates that Meet the Needs of the Semiconductor Industry." at the Lifelong Learning Center, King Mongkut's Institute of Technology Ladkrabang (KMITL).



August 28, the Company held the SIC Open House 2024, themed "Let's Explore ICs Design World". Dr. Bodin Kasemset, Chief Executive Officer, officially opened the event and welcomed the attendees from leading institutions.

June

Aug

July

Nov



July 25, Dr. Bodin Kasemset, Chief Executive Officer, participated in the "SCI POWER FOR FUTURE THAILAND" event and participated in a discussion on the topic "Development the Hub of Talents and Hub of Knowledge in Thailand."



July 26, the Company had the honor of hosting a visit from key government agencies, led by Dr. Chalothorn Boonlua, Director of the Strategic Clusters Development Policy Division from Office of National Higher Education Science Research and Innovation Policy Council (NXPO), together with faculty members from Office of the National Economic and Social Development Council (NESDC), Thailand Science Research and Innovation (TSRI), and The Office of Industrial Economics (OIE). The purpose of the visit was to discuss strategies to drive the semiconductor industry forward in Thailand. The Company was welcomed and engaged in discussions on various topics by Dr. Naiyavudhi Wongkomet Chairman of the Executive Committee, Dr. Bodin Kasemset, Chief Executive Officer, Professor Dr. Apinunt Thanachayanont, Chief Research Officer, and the Company's team.



July 31, the Thaipat Institute presented the ESG100 Certificate to the Company which had been included in the ESG100 list for 2024. The Company was represented by Dr. Bodin Kasemset, Chief Executive Officer; Mr. Kowit Nuangsuk, Chief Financial Officer; and Ms. Katelee Krachangsaeng, Company Secretary and Investor Relations Manager, to receive the certificate.

November 11-14, the Company participated in the exhibition by setting up a booth at Medica 2024 at Messe Düsseldorf, Germany.



November 12-15, the Company participated in the exhibition by setting up a booth at Electronica 2024 at Trade Fair Center Messe München, Munich, Germany.



November 15, Mr. Manop Dhamsirianunt, Chairman of the Board of Directors served as a panelist at THE STANDARD ECONOMIC FORUM 2024: Brave New World on the topic "Semiconductor Strategy: Thailand's Path to Becoming a Technology Leader", held at Paragon Hall, Siam Paragon.



November 18-21, Dr. Amorn Jiraseree-amornkun, IT Manager, represented the Company at the IEEE Asian Solid-State Circuits Conference (A-SSCC) 2024 in Hiroshima, Japan.



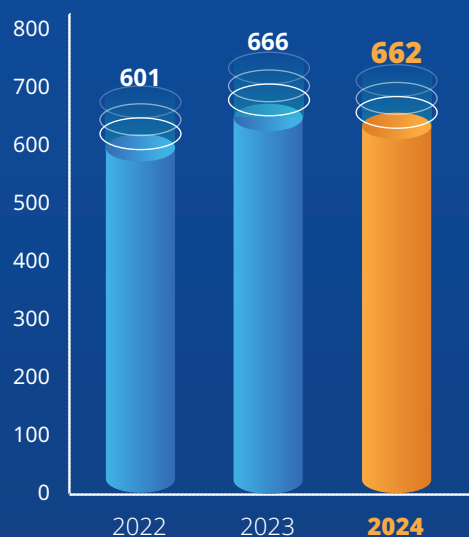
November 25, Dr. Bodin Kasemset, Chief Executive Officer, was honored to participate as a distinguished panelist at the CEO Club 2024: Building and Managing Organizational Innovation, held on Monday, November 25, 2024, at the Stock Exchange of Thailand (SET).



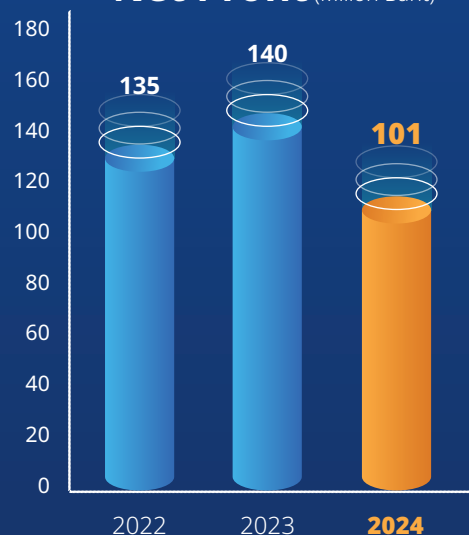
November 28, Professor Dr. Apinunt Thanachayanont, Chief Research Officer, participated in the "3rd Heat on Human Health Symposium 2024 - Extreme Heat: Beyond Morbidity and Mortality." The event was organized by Phramongkutklao College of Medicine and held at Siam@ Siam Design Hotel Bangkok.



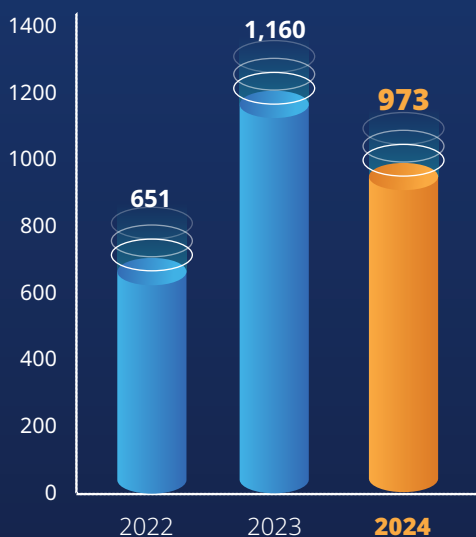
Total Revenue (Milion Baht)



Net Profit (Milion Baht)

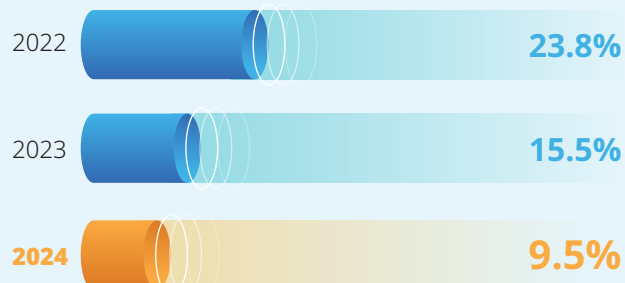


Total Assets (Milion Baht)

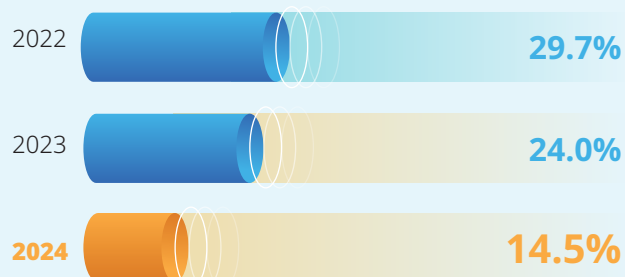


Financial Ratios

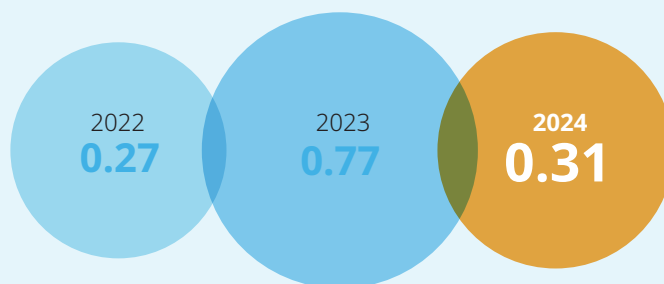
Return on Assets (ROA)



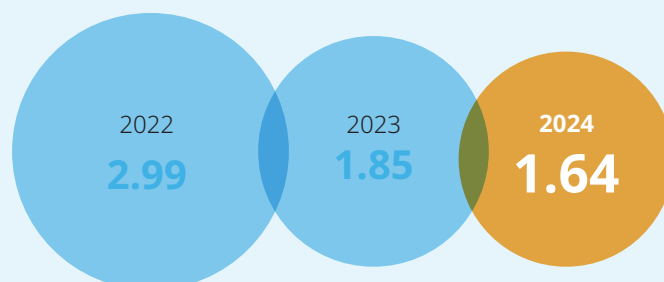
Return on Equity (ROE)



Debt to Equity Ratio (times)



Inventory Turnover (times)



Financial Highlights

	2022	2023	2024
Statement of Financial Position (THB Thousand)			
Cash and cash equivalents	114,959	133,631	62,455
Total assets	651,333	1,160,113	973,034
Total liabilities	136,464	505,246	232,593
Total shareholders' equity	514,869	654,867	740,441
Statement of Comprehensive Income (THB Thousand)			
Revenues from sales and rendering of services	601,012	666,377	661,829
Gross profit	315,576	304,404	287,232
Profit from operating	137,609	146,091	105,985
Profit for the year	135,076	140,359	101,208
Information about Common Shares			
Issued and paid up share capital (Shares)	400,000,000	479,999,884	479,999,884
Book value per share (THB)	1.29	1.36	1.54
Earnings per share (THB)	0.34	0.29	0.21
Dividend per share (THB)	0.1112	0.035	0.084*
Dividend payout ratio (%)	33**	12	40
Financial Ratios			
Gross profit margin (%)	52.5	45.7	43.4
Net profit margin (%)	22.5	21.1	15.3
Return on total assets (%)	23.8	15.5	9.5
Return on equity (%)	29.7	24.0	14.5
Debt to equity (Times)	0.27	0.77	0.31

Remarks: * In the process of being presented to the shareholders' meeting for approval.

** The company has paid dividends as stock dividends and cash from the net profit of 2022 at the rate of 0.1112 baht per share. This consists of stock dividends at the ratio of (existing shares : dividend shares) 5:1, equivalent to a dividend of 0.10 baht per share, and cash dividends at the rate of 0.0112 baht per share.

Net Profit Margin

15.3%



Dividend Payout Ratio

40%



Earning Per Share

0.21 Baht



Message from Chairman of the Board

As the Chairman of the Board of Silicon Craft Technology Public Company Limited, I would like to thank everyone for your continued support and cooperation with the Company over the past year. I extend my gratitude to all shareholders and stakeholders who have contributed to enhancing the stability and sustainable growth of the organization.

Over the past year, the Company has operated under strict and transparent corporate governance practices to ensure that our operations meet the highest standards. This approach has also supported our management team in working effectively and achieving successful outcomes in various areas, including research and development of technology, supply chain management, expanding our customer base both domestically and internationally, and enhancing capabilities in areas that drive the organization's progress and growth.

The semiconductor and electronics industry in Thailand plays a crucial role in the country's economy. The value of Thailand's electronic exports accounts for more than 15% of the total export value. This reflects the importance of the industry in driving the economy and fostering sustainable growth for the country.

I have always believed that Thailand can compete in the high-value semiconductor industry. Silicon Craft Technology is an example of a company at the upstream level. We design microchips, and our business model requires relatively low capital investment but generates a high economic impact. I believe we must accelerate the strengthening of the country's value chain at the upstream level as quickly as possible. Government support will be a key factor in making this happen.

I would like to see a strong focus on research and development investment. If we aim for significant growth, we must foster collaboration between

the government and the private sector. A clear roadmap is essential to build an ecosystem and tap into the potential of the country's people. Additionally, there should be mechanisms in place to attract skilled chip designers from around the world to significantly improve the upstream industry.

Silicon Craft Technology will remain committed to being one of Thailand's representatives in creating and exporting semiconductor technology. We seek support from the government and relevant agencies to drive the growth of this industry sustainably, enabling it to compete effectively in the global market.

I would like to express my sincere thanks to everyone for their cooperation in helping our company achieve success over the past year. I sincerely hope that we will continue to earn your trust and support as we move forward together to achieve even greater success in the future.



The Company is committed to semiconductor development as an upstream microchip designer creating high economic impact, and believes public-private collaboration will enable Thailand's semiconductor industry to compete sustainably globally



Manop Dhamsirianunt

Chairman of the Board of Directors
Silicon Craft Technology PLC

Dr. Bodin Kasemset

Chief Executive Officer
Silicon Craft Technology PLC



Despite facing challenges in the semiconductor industry in 2024, the Company maintained revenue at 662 million baht with a gross profit margin of 43% and net profit margin of 15%. In 2025, the Company will launch several microchip products in the Animal Identification and Industrial IoT segments to achieve its **"Roadmap to 1,000 million baht"** goal.



Message from Chief Executive Officer

Every year, our organization faces new challenges. The past year has been no exception, with challenges related to macroeconomics, geopolitics, and trade wars, as well as currency fluctuations and the adoption of new technologies. Additionally, the semiconductor industry has been in a downturn since 2023 due to high inventory levels and intensified market competition. However, these obstacles and challenges also present important opportunities for preparing for growth during the next upturn.

In 2024, the Company maintained its revenue level, achieving 662 million baht, and continued to sustain a high gross profit margin of 43%. The net profit margin stood at 15%. Overall, the Company's financial position remains strong, with key indicators such as a low debt-to-equity ratio of 0.3 times and an improved liquidity ratio of 3.45 times compared to the previous year. From a sustainability perspective, a key mission is to invest in and drive more than 30 research and development projects for products and technologies, which are being continuously carried out to ensure stable growth in the next phase towards the goal of the "Roadmap to 1,000 million baht."

Recently, we have dedicated both time and resources to laying the technological foundation of the Company, which is a key factor in developing products that can meet the growing market demand more quickly and efficiently than before. Starting in 2025, the Company will launch a wide range of microchip products in the market, including those in the Animal Identification and Industrial IoT sectors. Both of these areas have high growth potential, driven by the increasing demand for electronic animal identification tags mandated by governments in various countries and the advent of Industry 4.0, which integrates technologies like the Internet of Things (IoT) into manufacturing and industrial processes. In 2026, we anticipate that it will be a year for reaping the rewards of the technological investments and efforts the Company has made, positioning us to achieve even greater goals.

In 2024, the government and various agencies in Thailand placed a growing emphasis on advancing the country's semiconductor industry to become a new engine driving the national economy. Notable initiatives included the establishment of the Semiconductor Board of Thailand, the formation of the Thai Semiconductor Industry Association in the private sector, efforts to enhance cooperation in developing skilled semiconductor professionals, and the

reform of higher education through the Higher Education Sandbox to focus on semiconductor manufacturing. These developments represent a significant step forward for Thailand in pushing the semiconductor industry's ecosystem to grow and compete effectively on the global stage.

The Company would like to express its gratitude to all relevant organizations and agencies, both domestic and international, for their trust in the Company and for awarding various honors throughout 2024, including:

- Best Under A Billion 2024: Recognized as the top public company in the Asia-Pacific region by Forbes Asia.
- SET Awards 2024: Awarded Best Innovative Company for the second consecutive year, and Outstanding Investor Relations, awarded for the third consecutive year.
- SET ESG Rating: Received an A rating from the Stock Exchange of Thailand.
- ESG100 Universe: Listed in the ESG100 Universe by the Thai Institute of Directors.
- Best Investor Relations: Awarded at the IAA Awards for Listed Companies 2024 by the Investment Analysts Association.
-

For Corporate Governance aspect, the Company received a 5-star rating (Excellent) for Corporate Governance Report of Thai Listed Companies 2024 (CGR) from the Thai Institute of Directors, for the third consecutive year. Also, for Annual General Meeting (AGM) Quality Evaluation, the Company has been scored a perfect 100 points in the evaluation of AGM quality by the Thai Investors Association.

Finally, I, along with the executive team and all employees, remain committed to the Company's core mission. The first part of our mission is to drive this Thai semiconductor company, which is at the upstream of the semiconductor sector, focusing on the design of complex circuits with proprietary intellectual property that can succeed on a global scale. The second part is to support both public and private sectors in driving investments to promote the long-term growth of Thailand's semiconductor industry.

I would like to express my sincere gratitude to all those who have continuously supported the Company, and I look forward to receiving your continued cooperation and support moving forward.

Board of Directors



01 Mr. Manop Dhamsirianunt

- Chairman of the Board of Directors
- Non-executive director

02 Mrs. Monluedee Sookpantararat

- Director
- Independent Director
- Chairman of the Audit Committee
- Member of the Risk Management Committee

03 Mr. Wuthipong Suponthana

- Director
- Independent Director
- Member of the Audit Committee
- Chairman of the Risk Management Committee
- Member of the Nomination, Remuneration and Corporate Governance Committee



04 Mr. Sarote Phornprapha

- Director
- Independent Director
- Member of the Audit Committee
- Chairman of the Nomination, Remuneration and Corporate Governance Committee

05 Mr. Naiyavudhi Wongkomet

- Director
- Non-executive director
- Member of the Risk Management Committee
- Member of the Nomination, Remuneration and Corporate Governance Committee
- Chairman of the Executive Committee

06 Mr. Apinetr Unakul

- Director
- Non-executive director



07 Mr. Bodin Kasemset

- Director
- Executive Director
- Member of the Risk Management Committee/
- Member of the Executive Committee
- Chief Executive Officer

08 Mr. Apinunt Thanachayanont

- Director
- Executive Director
- Member of the Executive Committee
- Chief Research Officer

Management Team



01 Mr. Bodin Kasemset

- Director
- Executive Director
- Member of the Risk Management Committee/
- Member of the Executive Committee
- Chief Executive Officer



02 Mr. Kowit Nuangsuk

- Member of the Executive Committee
- Chief Financial Officer



03 Mr. Sarun Polachart

- Member of the Executive Committee
- Chief Operating Officer



04 Mr. Thaweesak Thantipwan

- Member of the Executive Committee
- Chief Technology Officer



05 Mr. Apinunt Thanachayanont

- Director
- Executive Director
- Member of the Executive Committee
- Chief Research Officer



01

Business Operations and Results

1. Structure and Operations of the Company

1.1 Policy and Business Overview

Silicon Craft Technology PLC (“The Company”) is in the business of research and development, in-house design, and Integrated Circuit (IC) and microchip products marketing to customers. The Company outsources the manufacturing process and will oversee the quality control throughout the entire production process to ensure it aligns with the design specifications and deliver finished products under the Company’s trademark “SIC”. Our designed microchips are one of the essential components in Radio Frequency Identification (RFID) application, which are used to store and identify data about objects or animals registered using radio frequency waves. These systems are widely used around the world in applications such as small tags or capsules attached to or implanted in animals to record their histories, car keys, access cards for entry to various locations, or labels on packaging to track goods in and out of inventory, among other uses.

Nature of Business

Fabless chip design, Expert in RFID



1.1.1 Overview of Vision, Objective, Target and Strategy of Operation of the Company

Silicon Craft Technology Public Company Limited (“the Company”) has specified business operations guidelines which focused on creating new innovation, presentation of product innovation to build difference and respond to demand of the trade partners and users, as well as to become one of the leaders in design, development and supply of RFID microchip and related technology. The Company has cultivated corporate culture which emphasis on becoming the innovation organization and fostering sustainable growth through operations of the management to employees at all levels under transparent management with governance principle. Such guidelines are clear, concrete and can be practiced with details as follows:

1.1.2 History and Major Activities of the Company



Silicon Craft Technology Public Company Limited ("the Company") was founded in 2002 by a group of Thai researchers and electronic engineering experts with a registered capital of 5 million baht under the leadership of Mr. Manop Dhamsirianunt, a former IC design specialist in the Reverse Brain Drain Project who needed to transfer knowledge and working experiences in Integrated Circuit (IC) design from overseas for more than 10 years to develop and prove that research works and knowledge on integrated circuit can add very high economic values. Hence, he joined hands with a group of researchers and specialists who have the same concept to establish a private company because it is agility and can closely cooperate with the public agencies on concretely development of body of knowledge on integrated circuit design in Thailand. Those founders who are currently the Company's shareholders are Mr. Naiyavudhi Wongkomet, Mr. Apinunt Thanachayanont and Mr. Apinetr Unakul.

With the expertise and dedication of its personnel, combined with the continuous support from the government, which wanted to jointly create a truly integrated circuit design industry in Thailand, the Company was able to successfully develop its first and only RFID Animal Identification microchip in Thailand. The Company has also been continuously successful in designing and developing other RFID products, such as microchips for Industrial IoT systems, microchips for electronic vehicle immobilizers and microchips for near-field wireless high-frequency (NFC) applications. The Company also develops products in the sensor group for measuring electrical, physical and chemical parameters.

The Company is the first and only Thai operator in South East Asia which engages in business of a complete research and development of integrated circuit, beginning from research & development, chip production, test, marketing and supply, just like the top companies in the United States of America's Silicon Valley. Consequently, the Company can develop new products to respond to the trade partners' requirements by presenting products with different qualifications in the competitive prices with the competitors in the world's market. The Company's products have been increasingly and continually accepted by the customers in many countries worldwide, such as in European countries, Australia, People's Republic of China and the United States of America, under operations of the professional management and teams of engineers who have experiences in such industry and technology for a long time.

Key Changes and Developments



2002

Silicon Craft Technology Company Limited has been established with initial registered capital of 5.00 million Baht, by dividing into 50,000 ordinary shares at par value of 100.00 Baht per share to engage in business of design, research & development and supply of integrated circuit (IC) products.

2004

- The Company has entered into a joint venture agreement with the Mutual Fund for joint investment in Small & Medium Enterprises (SMEs). The Company increased its registered capital by 0.60 million Baht to be 5.60 million Baht to participate in the “5 Year Strategy to Build-up Thai Entrepreneur Society” and par value has also been changed from 100.00 Baht per share to 10.00 Baht per share. Consequently, the Company has 560,000 ordinary shares at par value of 10.00 Baht per share.
- The Company has relocated its head office from Pakkred District, Nonthaburi Province to Don Muang District, Bangkok for convenience on business operations.
- The Company started to develop integrated circuit (IC) for RFID Animal Identification with the support from the National Electronics and Computer Technology Center (NECTEC).

2005

The Company became the first and only company in Thailand and in South-east Asia that can successfully develop integrated circuit (IC) or chip for RFID Animal Identification and the product has been launched in such year.

2006

The Company together with the partner in South Korea can successfully design and develop the Interrogator.

2007

- The Company increased its registered capital by 11.28 million Baht to 16.88 million Baht, dividing into 1,688,000 ordinary shares at par value of 10.00 Baht per shares to be used as working capital for business operations.
- The Company received Asia Pacific Business Development Strategy Leadership Award on RFID Animal Tagging Market from Frost & Sullivan, a global research and consulting firm.
- The Company has been granted investment promotion from the Office of Board of Investment for integrated circuit design and RFID devices design including continuous product from design activities.

2009

- The Company increased its registered capital by 8.12 million Baht to 25.00 million Baht, dividing into 2,500,000 ordinary shares at par value of 10.00 Baht per shares to be used as working capital for business operations.
- The Company's shareholders purchased shares back from the Mutual Fund for jointly investment in the Small & Medium Enterprises (SMEs) pursuant to condition in the joint venture agreement. Total 249,305 shares have been purchased back.
- The Company received Thailand Embedded Product Awards (TEPA) for its outstanding products under category of Ear Tag and Inlay.
- The Company received the honorable mention under category of Telecom Product for 13.56 MHz Multi Standard RFID Reader IC from Telecom Innovation Award 2009 arranged by the Telecommunications Research and Industrial Development Institute (TRIDI).

2008

The Company can achieve development of integrated circuit (IC) or microchip to be used with Immobilizer and this product has been launched in the market in same year.

2010

- The Company increased its registered capital by 5.00 million Baht to 30.00 million Baht, dividing into 3,000,000 ordinary shares at par value of 10.00 Baht per shares to be used as working capital for business operations.
- The Company enrolled to become the corporate member of the Thai Chamber of Commerce, registration number T5300184.

2011

- The Company increased its registered capital by 20.00 million Baht to 50.00 million Baht, dividing into 5,000,000 ordinary shares at par value of 10.00 Baht per shares to be used as working capital for business operations.

2012

- The Company increased its registered capital by 30.00 million Baht to 80.00 million Baht, dividing into 8,000,000 ordinary shares at par value of 10.00 Baht per shares to be used as working capital for business operations.
- The Company relocated its head office from Don Muang District, Bangkok to Soi Senanikom, Bangkok to support for its expansion and for increased efficiency on management.

2013

- The Company has been accredited for ISO9001: 2008 on Quality Management System Standard of product and services on design, research & development and distribution of integrated circuit (IC) and RFID device from Bureau Veritas (UK Branch).
- The Company commenced for registration for an establishment of Silicon Technology (Shenzhen) Company Limited, as its subsidiary company in Shenzhen, People's Republic of China on September 19, 2014 with registered capital of 1.00 million yuan to support for its business expansion into China.

2014

- The Company increased its registered capital by 20.00 million Baht to 100.00 million Baht, dividing into 10,000,000 ordinary shares at par value of 10.00 Baht per shares to be used as working capital for business operations.
- The Company relocated its head office from Soi Senanikom, Bangkok to Chatuchak District, Bangkok to support for its business expansion.

2018

- The Company has entered into a Memorandum of Understanding (MOU) with Thailand's leading cement, petrochemical and chemicals company for joint collaboration on research and development of microchip products for chemicals detection.

2017

- The Company has entered into a Memorandum of Understanding (MOU) with the leading RFID device manufacturing company in Germany for joint collaboration on development of new model of immobilizer and also entered into a Memorandum of Understanding (MOU) with the immobilizer manufacturing company in Spain for collaboration on development of Cloud system for such company.

2016

- The Company increased its registered capital by 50.00 million Baht to 150.00 million Baht, dividing into 15,000,000 ordinary shares at par value of 10.00 Baht per shares to be used as working capital for business operations.
- The Company closed down Silicon Technology (Shenzhen) Company Limited, its subsidiary in People's Republic of China, to restructure its organization for preparation to be listed in mai.
- The Company has entered into a Memorandum of Understanding (MOU) with one of the world's leading electric appliances manufacturing company in South Korea for collaboration on research and development of microchip products for sensor system.

2019

- The Company registered to transform from a company limited to a public company limited and changed its name to Silicon Craft Technology Public Company Limited.
- During the Annual General Meeting of Shareholders No. 1/2019 dated February 21, 2019, the Meeting resolved to change value of par value from 10.00 Baht per share to 0.50 Baht per share. As a result, the Company has total 300,000,000 ordinary shares, at par value of 0.50 Baht per share. The Meeting also resolved and approved for capital increase for additional 50.00 million Baht to 200.00 million Baht, dividing into 400,000,000 shares, at par value of 0.50 Baht to support for the initial public offering (IPO) amounting to 100,000,000 shares. Consequently, the Company has total 400,000,000 ordinary shares, at par value of 0.50 Baht per share, dividing into 300,000,000 ordinary shares of the existing shareholders and 100,000,000 new ordinary shares for initial public offering (IPO).

2021

- On May 13, 2021, the Company's Board of Directors approved the Employee Joint Investment (EJIP) project.
- On August 11, 2021, the Company's Board of Directors passed a motion to appoint Dr. Bodin Kasemset as CEO.
- On August 11, 2021, the Company's Board of Director pass a motion to appoint Mr. Manop Dhamsirianunt as Chairman of the Board.
- On August 11, 2021, the Company's Board of Directors approved the second round of the Employee Joint Investment (EJIP) project.

2020

- The Company signed a Memorandum of Understanding (MOU) with Chulalongkorn University by the Center of Excellence on Petrochemical and Materials Technology to jointly develop intelligent blood transport box temperature sensors to control the quality of blood bags during transportation.
- The Company receives R&D subsidies from the Office of the National Digital Economy and Society Commission, Ministry of Digital Economy and Society, for portable residual toxin monitoring systems that work with smartphones, and shrimp farming optimization projects with wireless sensor networking and artificial intelligence.
- On July 30, 2020, marked the first day for Silicon Craft Technology PLC to list and begin trading its shares on the Market for Alternative Investment (mai) of The Stock Exchange of Thailand under the ticker "SICT", raising funds for microchip business development, new technological developments, and future joint-venture projects. The Company issued 100,000,000 ordinary shares, which corresponded to 25% of all issued and fully paid ordinary shares.

2022

- In the first quarter, the Company launched a new immobilizer product under the name "Ultimate X (ULTX)", which is a microchip for automotive key backup systems which could support 99% of the car models on the market.
- In the second quarter, the Company revised its product classification, that is, the change from the group of microchips set used for on-site access system to the IoT group in the industrial sector to be in line with the Company's current business and market. At present, the Company's product groups include animal registration system, automotive electronic key system, industrial IoT, NFC, and others.
- On June 1, 2022, the Company signed a Memorandum of Understanding (MOU) with Smooth and Sharp Corporation (S&S), Taiwan, to cooperate in the development of Green RFID projects and create innovations in Digital Healthcare Sensor.
- On August 10, 2022, the Company's Board of Directors' meeting resolved to approve the project of Employee Joint Investment (EJIP) Group 3.

2023

- On April 27, 2023, the Annual General Meeting of Shareholders approved the issuance of 80,000,000 new ordinary shares with a par value of THB 0.50 per share to support the payment of dividends. The meeting also approved the issuance of up to 240,000,000 new ordinary shares under the General Mandate with a par value of THB 0.50 per share.
- On May 12, 2023, the Board of Directors approved the Employee Joint Investment (EJIP) Program for Group 4.
- In the second quarter, the Company launched a new Industrial IoT product, the SIC73F1, which is a microchip for use in automated wafer manufacturing systems.
- On August 9, 2023, the Company signed a Memorandum of Understanding (MOU) with King Mongkut's University of Technology North Bangkok (KMUTNB) to collaborate on developing the capabilities of Thailand's semiconductor industry workforce to meet global standards.
- On December 14, 2023, the Board of Directors approved the establishment of a joint venture company named Adaptrix Co., Ltd., in which Silicon Craft Technology Public Company Limited will hold a 25% stake. The joint venture will support the growth of the RFID business in Thailand.

2024

- On April 24, 2024, at the Annual General Meeting of Shareholders in 2024, a resolution was passed to reduce the registered capital by canceling 240,000,116 unissued common shares that were allocated for dividend distribution and general mandate capital increase. Additionally, a resolution was passed to approve the issuance of new common shares for a general mandate capital increase, not exceeding 47,999,988 shares, with a par value of 0.50 baht per share.
- On May 13, 2024, the Board of Directors approved the Employee Joint Investment (EJIP) Program for Group 5.
- In the first quarter, the Company announced a new product under the name SIC73WR, a low-frequency microchip that can be used for container tracking in heavy industries.
- On June 24, 2024, the Company signed a memorandum of understanding (MOU) with the Faculty of Engineering, Chulalongkorn University, in the area of development, promotion, and the creation of personnel related to integrated circuit (IC) design.

1.1.3 IPO Spending Progress

According to Silicon Craft Technology Public Company Limited (“the Company”)’s Initial Public Offering (IPO), in which the Company has offered 100 million new ordinary shares at the offering price of 1.38 baht per share on July 21-23, 2020 and registered such IPO with the Market of Alternative Investment on July 30, 2020. The Company has received the net proceeds of 129.26 million baht (after deducting underwriting fee and other expenses involved in the IPO).

The Company would like to report the utilization of proceeds (9th round) ending 31 December 2024 as follows:

(Unit: MN THB)

Utilization of Proceeds	Budget Plan (Approximately)	Amount Used accumulated until 31 Dec 24	Outstanding Balance as at 31 Dec 24
1. To invest in tools, equipment and software on microchip design and test, including intellectual property, such as patent	45.24	45.24	-
2. To invest or joint invest in other company engaging in business of integrated circuit design and development or having innovation which can enhance the Company’s business operations	38.78	38.78	-
3. To use as working capital for business operations	45.24	45.24	-
Total	129.26	129.26	-

1.2 Nature of Business

Silicon Craft Technology Public Company Limited is a designer, researcher and developer of integrated circuits (ICs) or microchips for RFID systems. The Company focuses on the development, design and qualification of application-specific integrated circuits (ASICs), which are either customized to meet the specific needs of customers (Exclusive Product) or developed by the Company for various customer groups to apply in their business expansion (Standard Product).

The Company does not have its own factory or production line (Fabless/Factoryless Company). Instead, it hires manufacturing partners to produce its designs, including wafer fabrication, microchip testing and sorting and microchip cutting and packaging in various forms and shapes. The Company is involved in monitoring and controlling the manufacturing process to ensure that the microchips meet its requirements. The microchips are then sold by the Company under its own "SIC" trademark, both in the form of microchips and integrated into various materials in different forms and shapes (IC packaging, Form Factor) according to their applications, such as wire-bonded, plastic stick or glass stick. This allows customers to use the Company's microchips in their RFID tags or readers as needed.

Summary of Characteristic of Business Operations of the Company



silicon craft®

Design Reserch and
Development of
Integrated Circuit (IC)



Outsourcing



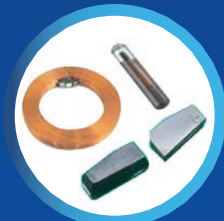
Mask Production Factory +



Wafer Foundry +

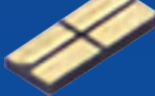
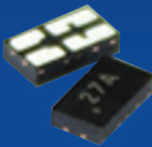
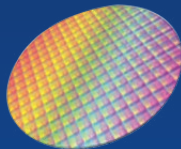


Wafer Dicing and IC
Packaging +



Form-Factor
Assembly House

Integrated
Circuit: IC



Electronic Component /
Product Manufacture



Animal ID



Advanced NFC



Immobilizers



Industrial IoT

1.2.1 Revenue Structure

At present, the Company's revenues are derived from 4 product groups: 1) Microchip for Animal Identification, 2) Microchip for Immobilizer, 3) Microchip for Industrial IoT, and 4) NFC and others.

The revenue structure from 2022 to 2024 is as follows:

Revenue Structure	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from Animal Identification group	221.6	36.9	303.3	45.5	379.2	57.3
2. Revenue from Immobilizer group	176.6	29.4	136.6	20.5	79.4	12.0
3. Revenue from Industrial IoT group	189.0	31.4	211.0	31.7	200.5	30.3
4. Revenue from NFC and others group	13.8	2.3	15.4	2.3	2.7	0.4
Total revenues	601.0	100.0	666.4	100.0	661.8	100.0



1.2.2 Information of Product & Service

The Company's main products are integrated circuits (ICs) for radio frequency identification (RFID) systems. RFID systems consist of tags and readers that communicate data wirelessly. This technology allows for faster data transfer, increased data storage capacity, and enhanced data security. As a result, RFID systems can be used in various industries. Currently, the Company's products are divided into four main groups:

1. Microchips for tags in animal identification system (Animal Identification Tags):

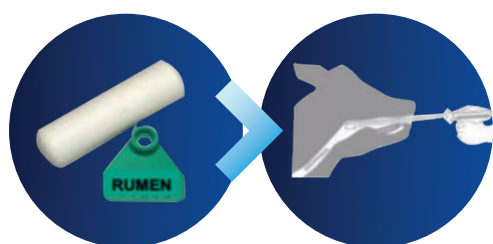
Animal identification tags are one of the RFID applications that are used to record data of individual livestock such as beef cattle, dairy cattle, sheep as well as pets e.g. dogs and cats. In many countries that produce livestock and export livestock-derived products, for instance, Australia and nations in the South Africa region, there are laws and regulations in place that require livestock or animals to be tagged with microchips. Australia is one of these countries that demands tagging of all beef cattle and dairy cattle and it has also made progress in the enforcement of electronic identification tags for sheep and goats for the purpose of food traceability and safety.

At present, the Company provides several models including plastic tags that can be fitted in animal's ears or small glass cylinders suitable for implantation (for pets). These devices are capable of recording and reading individual animals' data swiftly and accurately. Examples of digital data are species, feeding, vaccination, etc. In animal identification system, interrogator transmits radio signals continuously or periodically. When a tag with the microchip comes into close proximity of the interrogator, the tag receives the signal and activates internal circuits by means of electromagnetic wave induction which converts the wave into electricity. The tag utilises the generated electricity to transmit data back to the interrogator in radio waves. Once the interrogator receives the returned signal, it will analyse the data and relay commands and results to display on the interrogator's built-in screen or a computer or store them in a database. As the system works automatically, users benefit from convenience, greater data accuracy, and reduced human errors which may come from manual data record as well as fewer sets of information that can be handled by human compared to the digitalised system. As the result, animal identification system enables data from the entire process to be recorded accurately and forms the basis for food traceability in livestock-derived product value chain.

Example of RFID device's technical requirement in animal identification application.



Example of Ear Tags



Example of Rumen Bolus

Currently, the Company supplies tags which do not require batteries to operate (passive operation) and utilise radio signals in low frequency (LF) region according to ISO 11784, ISO11875, and ICAR (The International Committee of Animal Recording) standards. The Company's customers incorporate the supplied microchips into finished products for selling to livestock business. The Company's products' advantages are greater communication range compared to competitors and product quality that satisfies minimum standards. A combination which allows us to offer outstanding product quality at costs that compete on a global market.

Source: Silicon Craft Technology PLC, and Accredited Devices April 2017 document, National Livestock Identification System Cattle.

Example of application in animal identification system



Source: Silicon Craft Technology PLC

In fiscal year 2024, the microchips for animal identification system generate revenues for the Company at 379.2 million Baht.

2. Cryptography microchip for replacement car key's immobilizer system (Immobilizer):

Automotive electronic key (or “electronic key”) is an RFID device that provides car security by encrypting and decrypting data transmitted between car and microchip. The system comprises of a code reader installed in the vehicle and chips which are embedded in a key fob. Automotive makers designate the Electronic Control Unit (ECU) which controls car's electronic systems to communicate with RFID device and only allow car engine to operate upon receiving a valid authentication from the RFID reader. The engine will not start in a case of cloned key or by-passing ignition interlock (or “hot-wiring”). The immobilizer system is mandatory as standard or may provide the manufacturers certain manufacturing exemptions should the system is included with the car in many countries, for instance, European Union countries, Canada, and the United States.

Examples of usage in replacement automotive electronic key (immobilizer) application.

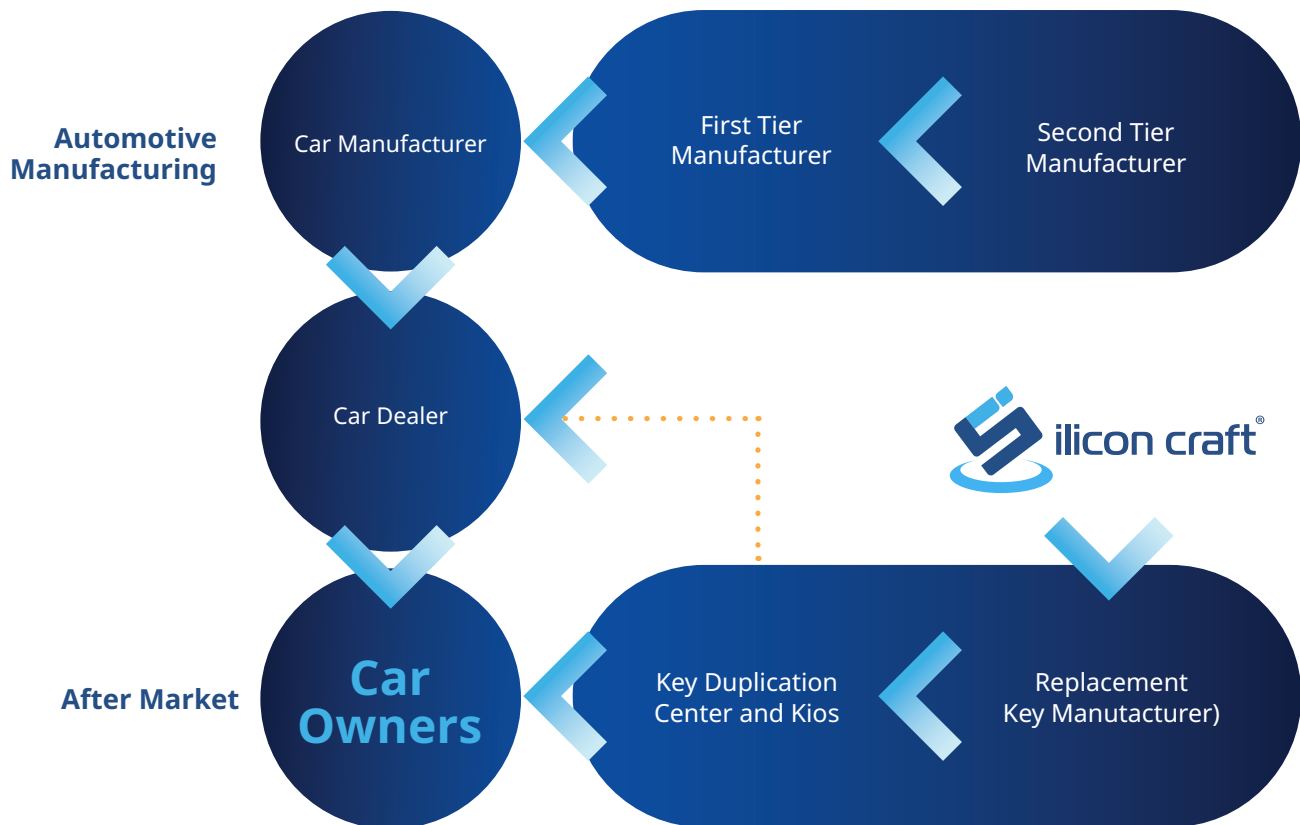


Source: Silicon Craft Technology PLC

The Company is a leader in microchip R&D and has gained worldwide reputation from both automobile manufacturers and replacement electronic key manufacturers for providing microchips in various forms and form factors for the industry. Replacement electronic key is one of the After-Market businesses in automotive industry. The Company's microchips for replacement electronic key utilise low frequency (LF) RFID technology which allows key fob to operate without additional power supplied by battery (Passive Tag). Additionally, some business partners entrust the Company to develop code reader device to decrypt codes from pilot electronic keys to fabricate replacement

electronic keys. As the result, the Company can provide microchips for both replacement electronic key and code reader. The Company offers outstanding products for both quality and innovation. For example, the Ultimate X (ULTX) products with universal replacement keys cover 99% of the car models in the market. This then eliminates the need for multiple replacement keys among the providers. So, it's considered as an added convenience to enable customers for better management of their inventory.

Structure of players in replacement key for automotive market



Source: Silicon Craft Technology PLC

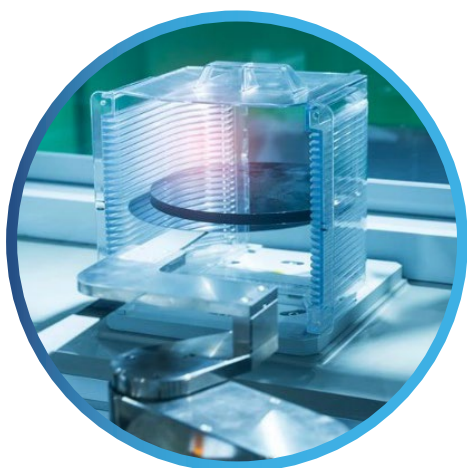
For the year 2024, the Company's revenue from microchip for automotive immobilizer key system accounted for 79.4 million Baht.

3. Microchips for Industrial IoT systems (Industrial IoT):

These are RFID technology microchips applied in industrial processes. For example, RFID system devices used for access control, consisting of cards for carrying and readers installed at various entry points. The reader reads data from the card to record information about entry and exit and it can be linked to a security system, unlocking doors only when receiving a confirmed identity command. Another application is in Factory Automation systems, where RFID tags are placed on products, and readers are installed at each station in the production line. The reader reads the tag's information, processes it through various systems, allowing manufacturers

to automatically search, track, and obtain detailed information about each product. For instance, the product SIC73F1 has an RFID tag in the packaging box, a crucial component of the microchip and a high-value raw material. This product aids in automatically tracking information about the wafer sheets in the manufacturing process, enhancing security and reducing errors caused by human intervention in the production process. Additionally, RFID systems are used in Waste Bin Management, with RFID tags on bins and readers on waste collection vehicles. The reader reads information on the tag to automatically determine the type and weight of the waste in the bin, facilitating efficient waste management. Furthermore, RFID technology is applied in various other purposes, such as Smart Toys and Educational Toys, connecting toys to display screens for interactive engagement with the players.

Example of usage in access control and in factory automation systems



Source: Silicon Craft Technology PLC

The Company is a developer of microchips for industrial IoT system of low frequency (LF) to be used in the cards with an access system and tags of industrial factories. Also, high frequency (HF) microchips are developed for readers attached to various locations of the access system. Meanwhile, others frequency microchips are still in development process for future use in other systems.

In fiscal year 2024, the microchips for Industrial IoT generate revenues for the Company at 200.5 million Baht.

4. Microchips for NFC and Others

Microchips for Near Field Communication (NFC) systems, a short-range wireless communication system that can be used in conjunction with smartphones or newer mobile phones. The company develops microchips for NFC systems to be utilized in various industries. For example, they can be used for smart labels to prevent product counterfeiting (Anti-counterfeiting) with the ability to detect tampering or destruction (Tamper Detection) and unique encoding. They can also be connected to various types of sensors (Smart Sensor) to make measurements and readings of various components more convenient and rapid. This enables readings to be obtained through mobile phones, allowing the development of various preliminary analysis devices. For instance, detecting suspended solids in water or measuring blood sugar levels without the need for batteries. Additionally, the company generates revenue by designing and manufacturing products, offering services, and selling various related equipment, providing additional services to customers such as selling study kits, testers, and form factor devices.

Example of usage in Smart Label and Smart Sensors



Source: Silicon Craft Technology PLC

In fiscal year 2024, the Company recognised revenues from NFC & Others group at 2.7 million Baht.

Summary Table of Company Products

Type of Use	Usage	Standard	Example Form-Factors for Sales	Example Products	Customer Segment
1. Cryptography microchip for replacement car key's immobilizer system	Microchip in replacement keys and cryptographic readers to create spare keys for the anti-theft immobilizer system (Low-frequency band 125KHz - 134.2KHz)	Proprietary encryption	Microchip in Glass transponder, wedge transponder	SIC61 Family, SIC61AU (ULTX)	Electronic replacement car key manufacturers
2. Microchips for tags in animal identification system	Microchip in animal identification tags (Low-frequency band 125KHz - 134.2KHz)	ISO11784/11785 FDX, HDX	Glass transponder, wedge transponder, microchip attached to rod antenna.	SIC 7888, SIC279, SIC278	Animal registration system tag manufacturers
3. Microchips for access control system and interrogator	Microchip in cards and readers for access control, microchip for industrial factories, data readers for toys, etc. (High-frequency band 13.56 MHz for readers and Low-frequency band 125KHz - 134.2KHz for tags)	Reader: ISO14443 A,B and ISO15693 Tag: ISO11784/11785 and SEMI E144	Microchip in IC package	Reader: RA10, RE31, RE41, RA12 Tag: SIC 5777, SIC73F1, SIC73WR	Access-control card manufacturers, industrial buildings, warehouses, manufacturers of interactive toys
4. Microchips for other systems	Microchip in smart label systems, for preventing counterfeiting, for sensing, etc. (High-frequency band 13.56 MHz with NFC (Near field Communication) technology)	ISO 14443 A, 14443 Type 2	Microchip in IC package	SIC4310, SIC4311, SIC43S1, SIC43NT, SIC43NTG2, SIC4340, SIC4341, SIC4343	Industrial factories, warehouses, smart-label manufacturers, anti-counterfeiting product manufacturers, libraries, water contamination smart label makers.

1.2.3 Marketing and Competitiveness

Business Strategy



As the Company specializes in designing and developing microchips for RFID applications, the Company recognizes the importance of being a driving force in the process of promoting efficient growth for businesses in the digital era. Through the development of chips that enable its customers to produce quality products and services, the Company aims to foster continuous and sustainable growth together. The Company's main competitive strategies are as follows:

Maintaining the Company's Position as a Leader in Innovation

The Company positions itself in the market as a chip developer focused on continuous research and development to seek out innovations. It strives to offer products that efficiently meet customer needs while always ensuring the best cost. This has led the Company to earn the trust of major global enterprises, continuously developing chips for use in their products. Over the past 22 years, the Company has successfully developed various types of chips that meet the diverse needs of its customer base in terms of technology, design, and functionality (Full-range RFID IC). To maintain its leadership in innovation, the Company has established an Innovation Committee, composed of experts from various departments including business development, design, and engineering. The Innovation Committee studies research works from abroad, as well as market trends and opportunities across different product categories, to define the research and development direction in both technology (Technology Roadmap) and products (Product Roadmap) for the Company.

Organizational Learning by Retention of Knowledge and High-Skill Staff

Being a leader in innovation requires knowledge, experience, and expertise factors that take years to cultivate in areas such as integrated circuit (IC) design for RFID devices. As the first private Company in Thailand focused on designing and developing chips for RFID systems, combined with the knowledge and expertise of the founding group and the experience gained over 22 years in business, it has become difficult for new competitors to enter this industry, particularly in Thailand, where there is a limited pool of qualified professionals in this field.

To continuously develop skilled personnel, the Company has partnered with various universities in Thailand to provide training and knowledge to engineering students in fields related to the Company's business. The goal is to recruit potential graduates to work with the Company in the future. Additionally, the Company fosters a corporate culture of knowledge sharing across different levels of staff, ensuring the transfer of expertise from senior to junior employees. This helps to enhance the know-how and expertise of engineers at all levels, ensuring continuous growth and development. Furthermore, the Company regularly organizes training sessions, knowledge-sharing programs, and overseas study tours for its engineers. This ensures that the Company's engineers stay up-to-date with global technological advancements and developments. As a result, the Company's engineering team possesses the knowledge, skills, and expertise in IC design for RFID devices, enabling them to compete effectively with major multinational companies such as Texas Instruments and NXP.

Operating Business at Low Fixed Cost but High Flexibility

The Company operates as a fabless business, outsourcing production and assembly to its trade partners. The Company evaluates the performance of its partners annually to maintain product quality and manufacturing standards. Since the Company does not own its own manufacturing facility, it does not incur fixed costs and can continuously seek new partners to compare production costs, maximizing efficiency and minimizing risks associated with relying on a single production line. Moreover, the Company can adjust production volumes based on competitive conditions at different times. In cases of new product development, the Company has the flexibility to adapt its production methods by sourcing new partners capable of producing the required products, which enables the Company to maintain production agility and meet customer delivery timelines.

To ensure that products are delivered to customers on schedule, the Company works closely with major factory partners to plan and secure production capacity. In cases where new products are being developed, the Company holds meetings with partners to assess production methods and agree on acceptable costs.

Maintaining Excellence in Products and Services Quality

The development of efficient chips at an acceptable cost is one of the key factors that help the Company's customers grow sustainably in an era where technology is continuously evolving and becoming an increasingly integral part of daily life. The microchips developed by the Company have proven their ability to perform on par with or even exceed those developed by major global manufacturers, all while maintaining competitive costs. To ensure the quality of products and services stands out and gains customer trust, the Company places great emphasis on quality control throughout the entire process. This includes design, sourcing and selecting raw materials, choosing partners with standardized production processes, quality control of products, storage, transportation, and distribution. The Company ensures that every product customers receive meets the quality and specifications presented to them. Furthermore, the Company takes into account all the conditions or requirements that its customers must comply with to ensure that when customers integrate the Company's chips into their products, they can maintain the desired quality standards. As a result, the Company's products and services are trusted and reliable, gaining continued customer confidence over time.

Strong Relationship with Business Partners for Sustainable Mutual Growth

The Company focuses on seeking strong partnerships in areas such as innovation and technology research and development (R&D), production, and distribution channels. This is to ensure that the Company can offer products and services that meet the needs of its target customer groups. The Company adheres to ethical business practices and aims to create sustainable growth for all partners along the supply chain. In its operations, the Company works closely with both customers and partners to exchange academic and market insights, as well as collaborate on research and development. This collaborative approach helps plan joint sustainable growth for all parties, ensuring that the Company consistently develops products that meet the needs of its target customers and the end customers of its clients. Furthermore, the Company values partnerships with organizations to advance RFID knowledge in Thailand, such as educational institutions, the National Electronics and Computer Technology Center (NECTEC), National Science Technology and Innovation Policy Office (STI),

and the National Innovation Agency (NIA). The Company contributes by sending personnel to give lectures and provide training opportunities for students, allowing them to learn and gain hands-on experience. This approach has fostered strong relationships with various agencies involved in RFID technology in Thailand, as well as academic institutions, enabling ongoing collaboration in the development of knowledge and the training of RFID professionals.

The Company also ensures that product pricing is competitive in the market, whether for standard products or customized projects, to achieve the Company's set goals.

Factors driving the Company's business growth

Since the Company's core business is in the research and development of microchips for RFID systems, it focuses on designing chips that can be tailored to meet specific customer requirements or Application Specification Integrated Circuits (ASICs). The Company also develops innovative products to offer to its customers. As a result, the Company's products are unique and continue to grow, both from existing target business sectors and from new target business sectors. Furthermore, the Company sees business opportunities in developing chips with different bandwidths compared to the chips currently in use, to be applied in RFID systems. These chips will align with the growing Internet of Things (IoT) systems globally, such as in the transportation and healthcare sectors. Key factors that foster the growth of the Company are summarized in the following section.

Multiple Capabilities Beyond Barcode System

RFID systems are a technology that uses radio frequency waves to identify the details of objects or their owners that have RFID tags attached. RFID technology has been developed from barcode systems but offers several advantages. Moreover, the technology related to RFID systems is continuously evolving, leading to a reduction in the cost of developing RFID devices while increasing their efficiency compared to barcode systems. Additionally, RFID systems can easily connect data to databases via cloud computing, making them more convenient to use. This has led to a growing trend of replacing barcode systems with RFID systems, both in large and small businesses. In addition to replacing barcode systems, RFID technology is now being applied in a variety of

ways, depending on the specific objectives of use. Some examples include using RFID devices for security purposes, such as access cards or electronic backup keys for vehicles; increasing productivity and safety in the food industry, such as embedding small capsules in animals to record their history and for traceability (Food Safety and Traceability); applying RFID for production planning or quality control in manufacturing industries; using RFID for goods transportation or tracking the status of products and transport vehicles; and managing warehouse inventories in the logistics and transportation industries. Due to the versatility of RFID systems and their ability to be developed for use across various industries, the RFID market is expected to continue to grow alongside the expansion of these industries.

Changes in Consumer Behavior

Originally, the idea of enhancing communication capabilities for devices or objects using RFID technology was primarily applied to improve business operations, such as in transportation systems, inventory management (tracking), or traceability in the livestock industry. However, in today's world, as consumers increasingly seek convenience, speed, and modern solutions for their daily lives, the concept of enabling communication between devices has shifted to focus on improving consumer convenience and speed in various activities. This trend is evident in the rise of the Internet of Things (IoT), which has grown rapidly and widely in recent years. The changing consumer behavior and the widespread adoption of IoT have become key drivers for the development of products that can communicate with one another using RFID systems, expanding beyond business management applications, as seen in the past. Due to the versatility of RFID systems, which can be designed and applied to a wide range of activities, RFID technology enables product and service owners to better respond to changing consumer behavior in an easy and convenient way. RFID can be used across various product and service categories, including linking payment systems to electronic payment machines in stores or mobile phones (E-payment), using smart labels to prevent product counterfeiting in businesses like bags or wine (Smart Labels), controlling the operation of amenities in vehicles or homes (Smart Home or Smart Car), and using devices to track patient data and location in healthcare (Smart Healthcare). As a result, RFID devices are expected to continue to grow, expanding into everyday consumer applications across various products and services.

Supports from local public and private sectors

Integrated circuit design (IC Design) is considered as one of the intelligent electronics industry which is in a high-potential existing industry group (First S-Curve) in accordance with the 20-year Thai Industrial 4.0 Development Strategy (2017- 2036). According to the strategic plan, the first S-Curve industry group is an industrial group with potential to create high economic and trade value. In addition, the intelligent electronic technology has been assigned a major role as technology and innovation group to drive traditional industries into value-added industry group. This group also becomes an important component in the development of the new high-potential industrial group (New S-Curve), which is a new industry group that relies a lot of technology and innovation as well. Therefore, both the public and private sectors have continuously given focus on developing knowledge about the RFID system through various agencies such as National Electronics and Computer Technology Center (NECTEC), Software Industry Promotion Agency (Public Organization) (SIPA), Thai Embedded System Association (TESA), RFID Institute of Thailand, GS1 Thailand, The Federation of Thai Industries, also including various academic institutions to develop and promote electronic knowledge in Thailand.

Driving factors for business growth and competitive strategy



Customer Profiles and Target Customer Groups

Animal Identification Tag Manufacturers Group

Animal identification tag manufacturer group represented approximately 57% of the Company's total revenue in 2024. These customers purchased the Company's microchips and installed them in identification tags made by themselves. They then marketed the assembled animal identification products under their brand names to various end-users, for instance, farm owners and livestock breeders.

Replacement Car Key Manufacturers Group

Replacement car key manufacturers group accounted for 12% of the Company's total revenue in 2024. This group of customers are some of the largest replacement immobilizer manufacturers that purchased our microchips and assembled them into their key blanks. Afterwards, they distributed replacement car keys as finished goods to replacement car key service centers across the globe. A large portion of products was shipped to European countries and the United States, where laws and regulations on automobile safety were first adopted and enforced.

Industrial IoT Customer Group

In 2024, Industrial IoT customer groups accounted for 30% of the Company's total revenue. These customers purchased and directly distributed the Company's products to manufacturers or end-users in various industries. Due to the versatility of products in this group, the Company has a broad customers based from many industry sectors.

Customer Group for NFC Products and Others: Innovative product development businesses

NFC and other products were marketed to the product innovation customer group. The sales represented approximately 0.4% of the Company's total revenue in 2024. These customers are innovative product development businesses seeking to add value to their products, protect them, and enhance security. Examples include businesses related to Luxury Brands, where products in the Smart Packaging or Anti-Counterfeiting categories effectively address their needs. The Company also develops products in the Digital Healthcare Sensor category to meet the increasing consumer interest in health.

Product Presentation and Distribution Channels

The Company's main objective is to offer products and services through its network, both directly and indirectly. This includes direct product sales, sales through distributors, and sales through agents. The Company focuses on building trust with customers and fostering long-term relationships by working closely with them to develop products that meet their needs more effectively. The Company's Sales & Business Development Division is responsible for contacting customers and presenting the company's products, while the Embedded System and Engineering Support Department provides product and service information to support sales and customer service. Channels and protocols for customer engagement are detailed as follow.

Direct Sale: Since the Company's products are those which require specialized knowledge and expertise, the Company therefore uses a method of creates brand awareness to its products and services through event marketing and participating in exhibitions related to RFID technology worldwide. In 2024, the Company participated in exhibitions such as RFID Journal Live 2024

in the United States, Medica 2024 in Germany, Electronica 2024 in Germany, ICAR and INTERBULL Conference 2024 in Slovenia to promote its products and services. while sending a team to present the products and services, including the Company's past works for various target customers to be known among target customers in different countries. The Company also allows customers to consider products and services, as well as the Company's qualifications, to be included in the vendor list of each customer. In case customers need services or wish to order products from the Company, they can contact the sales department for additional products and services to negotiate the terms and conditions.

Since the easing of the COVID-19 pandemic situation, the Company has adapted its activities from online to a hybrid approach, combining online and offline activities. This includes traveling to meet with key customers and partners both domestically and internationally to strengthen relationships and explore new business opportunities continuously.

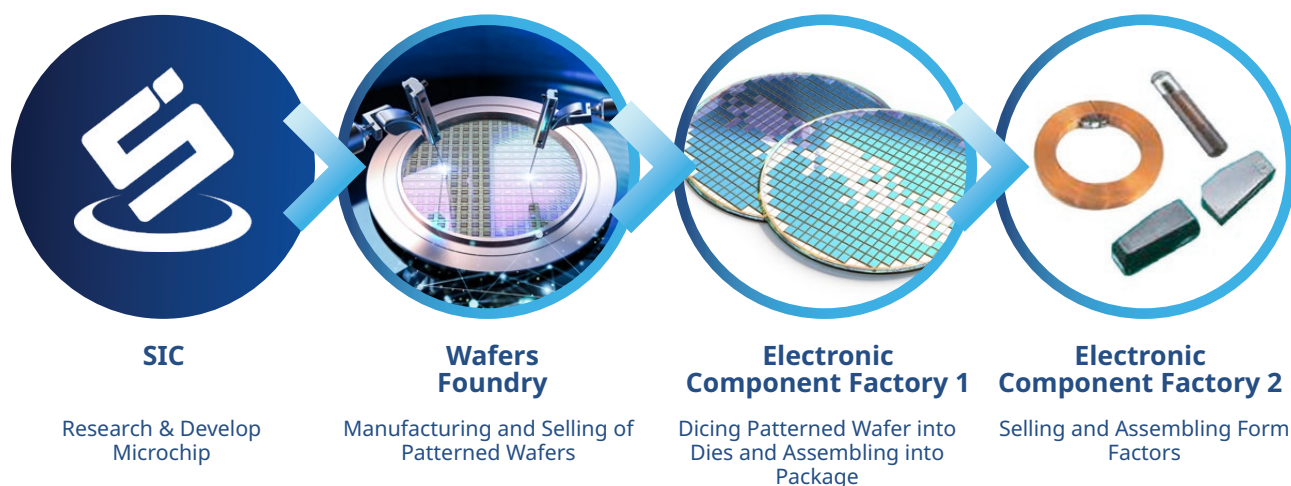
Distributors Channel or Agent Channel: The Company collaborates with distributors in various regions of target countries to market its products and offer services through distributors who are well-versed and familiar with the target customers in each country. The distributors purchase products from the Company and sell them to target customers in each region, while also providing marketing information to help identify growth opportunities for the Company. In addition, the Company also utilizes agents to offer products. These agents receive compensation in the form of commission fees based on the sales volume of each customer order. Having business partners as distributors and agents allows the Company to gain valuable insights into technology trends and customer demand. Furthermore, it helps the Company access key customer groups that prefer to work with agents or have previous transactions with them, enhancing the Company's reach and market presence.

1.2.4 Procurement of Products and Services

The Company is engaged in the design and development of chips for RFID systems as a fabless company, meaning it does not have its own manufacturing facilities. The Company designs the integrated circuit layout and then outsources the production and assembly of the microchips for sale to customers. The sources of raw materials and the outsourcing services for the production of the Company's products are as follows:

- 1) **Raw materials:** The main raw materials used in the chip manufacturing process are wafers made from silicon to be cut into sheets for circuit patterns with light (Photolithography) as specified by the Company. The production of wafer sheets is an upstream industry that entrepreneurs in Thailand have not yet been able to operate. Therefore, the wafers must be imported from overseas. There are only a few operators in the industry worldwide where factories obtain contracts for wafer production. However, only 10 operators in the group of technologies are suitable for the Company's products. Wafers were purchased from a major supplier in Singapore, or a world-class wafer manufacturer. The Company has a policy to mitigate the risk of dependence on such suppliers and prepares for the production of products in new technology groups by seeking new partners of wafer factories. Currently, the Company has a number of wafer manufacturers in its database from various countries, such as Singapore, South Korea, People's Republic of China, and Taiwan.
- 2) **Contracts for service hiring:** Operating in the design of integrated circuit systems, the Company therefore has to hire another company that provides services for manufacturing, assembling, and testing microchips in various forms and shapes (Form Factor) required by customers, such as glass rods, plastic rods or coils. The Company has hired both domestic and foreign operators depending on the type of products and costs. Therefore, the outsourcing process needs long-term planning for all products to prevent capacity shortages and reduce a risk of late delivery.

Raw material procurement and outsourcing



Source: Silicon Craft Technology Public Company Limited

- 3) **IC Design Engineer:** In addition to the raw materials and outsourcing services mentioned, another crucial component for the Company's business is the engineers who specialize in integrated circuit (IC) design. Thailand faces significant limitations regarding the number of professionals with expertise in this field. In the past, the Company has sourced talent in this area by collaborating with educational institutions, organizing activities to train and educate students in the engineering faculties on topics related to the Company's business. This initiative aims to foster understanding of career growth opportunities and promote the increase

of professionals in this field. Since the Company is the only operator in Thailand engaged in the primary business of designing and developing RFID system devices, most of the experts in this field in Thailand are interested in working with the company. As a result, over the years, the Company has successfully attracted such talent.

Looking ahead to support future growth, the Company will continue its collaboration with educational institutions and other organizations to provide knowledge and promote the development of professionals in related fields. This will help increase the number of skilled workers in this industry. Additionally, the Company plans to hire foreign professionals with specialized expertise to join the team in the future. As of December 31, 2024, the Company has a total of 122 engineers.

1.2.5 Industry Overview

Semiconductor industry is considered crucial in the electronics industry as semiconductor or semi-conductive materials are essential components in the production of almost all types of electronic devices. Furthermore, it plays a pivotal role in the development of cutting-edge technologies. Over the years, this industry has been a significant driver of economic growth in many countries, prompting governments worldwide to recognize its importance in recent years.

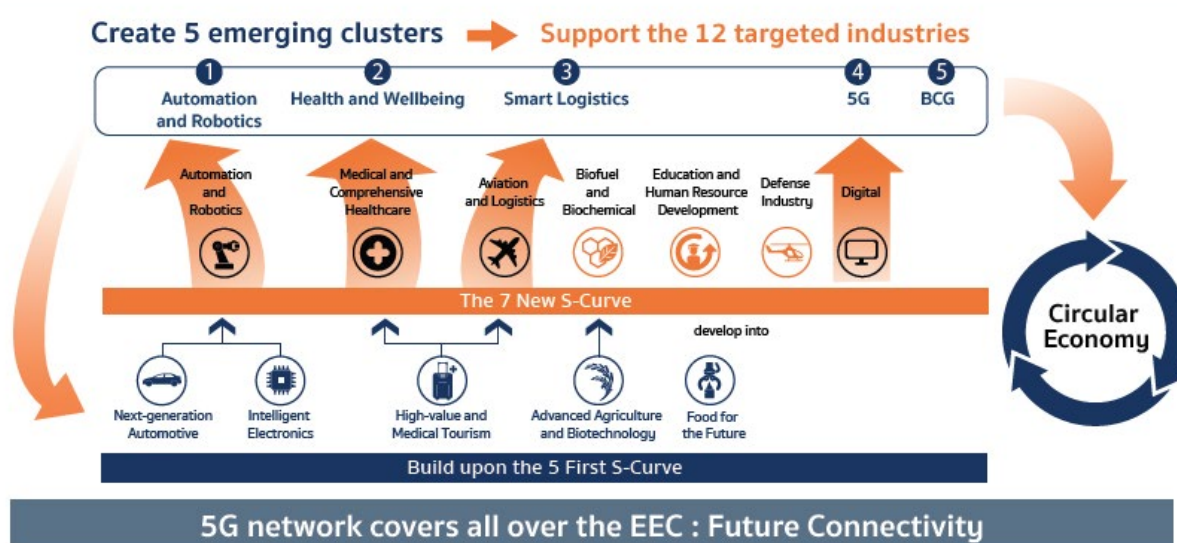
Overview of Thailand's Electronics Industry

The electronics industry is a key sector in Thailand, contributing significantly to the country's economy with continuous development. Both the government sector and the Board of Investment (BOI) have implemented incentive measures to attract investments in this industry, encouraging the establishment of production bases in the country. Notable incentives include exemptions from import duties for machinery and raw materials used in export-oriented production, as well as other non-tax benefits. These measures have led to substantial interest from foreign investors, resulting in the rapid growth of Thailand's electronics industry. With the government's strong commitment to advancing the sector, Thailand aims to position itself as a regional leader in the semiconductor and advanced electronics industries. On October 24, 2024, the Prime Minister signed an order establishing the National Semiconductor and Advanced Electronics Industry Policy Committee, tasked with defining policy directions, setting strategic goals, and formulating a comprehensive and actionable industry development roadmap. This initiative represents a critical step in strengthening and expanding Thailand's high-value electronics sector, particularly in areas such as integrated circuit (IC) design and wafer fabrication. Subsequently, on December 4, 2024, the Semiconductor Board approved a framework for the Development Strategy of Semiconductor and Advanced Electronics Industry, setting an investment target of no less than 500 billion baht over the next five years (2025–2029).

The semiconductor and advanced electronics industry are recognized as a strategic global industry characterized by intense competition in attracting international investment. This is due to its fundamental role in powering advanced processors and high-tech products across various sectors, including computers, smartphones, electric vehicles, smart appliances, medical devices, automation systems, robotics, and artificial intelligence (AI) technologies. The industry is projected to experience significant growth, expectedly with its important increase further amid the intensifying global technological competition.

Currently, Thailand is a crucial production hub for electronic components, serving various industries such as household appliances, automobiles, and complex electronic parts. Moreover, the electronics industry is selected as one of the "5 First S-Curve" sectors out of the 12 targeted industries in the Eastern Economic Corridor (EEC) development project, part of Thailand 4.0 strategy.

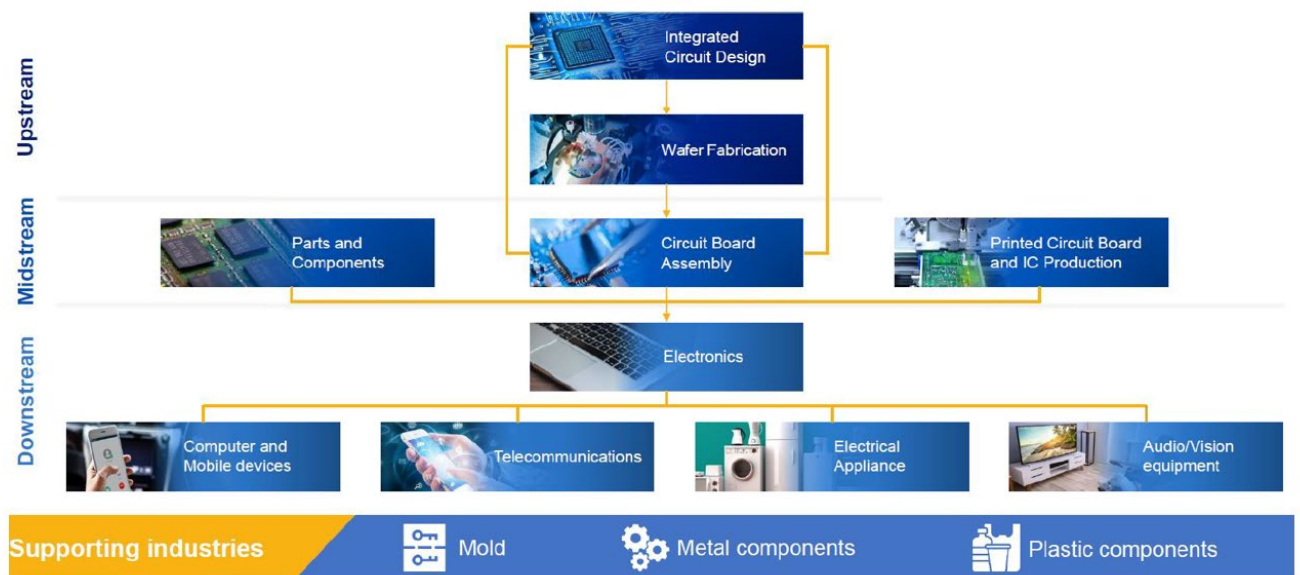
TOWARD 5 FOCUSED INVESTMENT & TECHNOLOGY THEMES



Source: EEC Factsheet, 20 Oct 2022

The electronics industry's structure can be categorised into 3 levels as follows:

1. **Upstream Industry** is defined as a group of basic industries which fabricate materials for electronics goods. Examples of these industries are integrated circuit (IC) design and wafer fabrication. Presently, Thailand is experiencing some obstacles in developing Upstream industry due to the lack of technologies and investment funding. As such, the country is not capable of fabricating wafers and relies on importing the raw materials from overseas.
2. **Midstream Industry** comprises of makers at components and electronics parts such as IC and capacitors. In Thailand, a significant portion of investment is seen in this industry segment. A majority of the makers are of foreign nationals and joint venture firms from overseas which have a scale of operation ranging from medium to large. On the other hand, Thai makers are a minority in the industry. They usually have a smaller size compared to its international counterparts and sometimes are subcontractors of those large manufacturers.
3. **Downstream Industry** refers to makers who deal with final processes in manufacturing electronics goods. They source various components and assemble to finished consumer goods, for instance, computers, handheld mobile devices, radio receivers, and television sets. Most makers in Thailand are capable of manufacturing at this level.



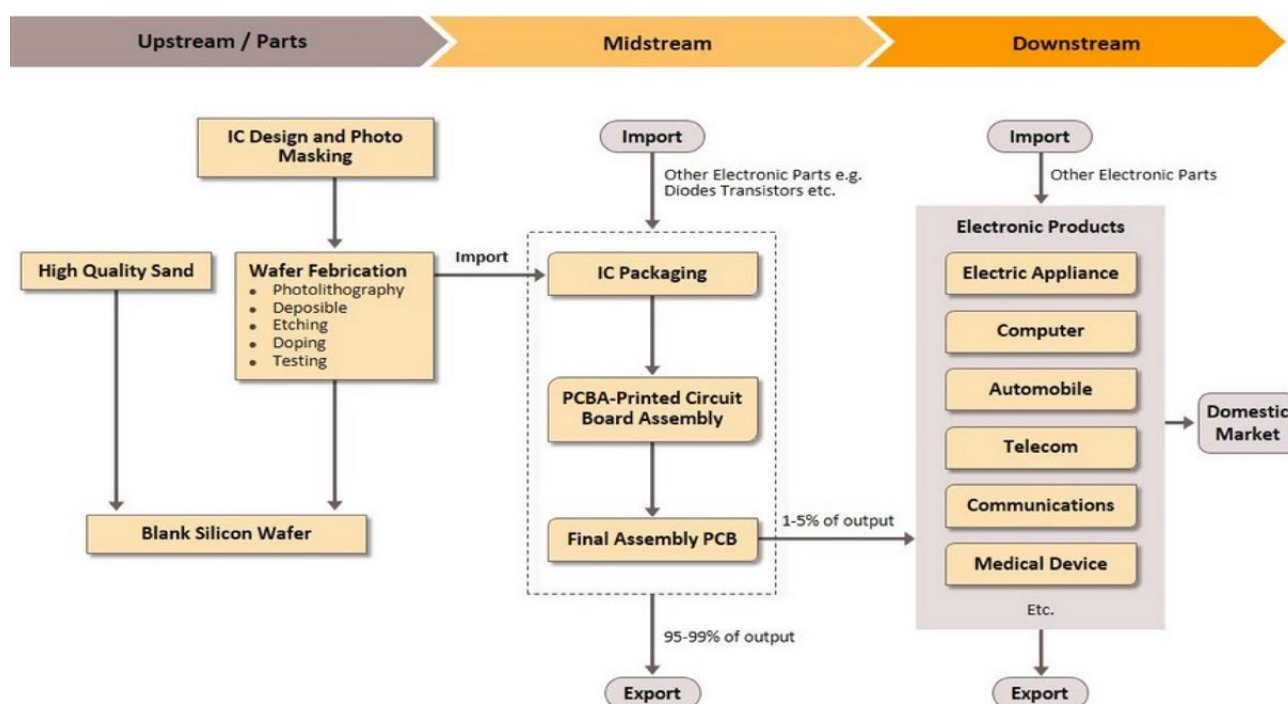
Source: BOI, Industry Supply Chain in Thailand

Thailand's electronics industry has been focusing on leveraging production capabilities at electronics parts, components, and assembly. These activities account for the Midstream and Downstream industries and are labour intensive. However, core businesses of Silicon Craft Technology (PLC) are categorised in the Upstream industry which are one of future driver industries as outlined in the Ministry of Industry's national development strategy "Industry 4.0". The Company is the sole organisation from the private sector in the country that has a specialised research and development team dedicated in developing technologies in RFID system over the years. Our microchip products have garnered recognition and exported products to a number of world-leading RFID product manufacturers.

However, Thailand's current production faces challenges in the upstream manufacturing process, particularly in wafer fabrication. This is due to constraints in capital investment and a shortage of skilled personnel, leading the country to depend on importing raw materials and manufacturing technologies from abroad. Additionally, Thailand's electronics industry is export-oriented, making it sensitive to global economic fluctuations and rapid technological developments.

In response to this trend, on October 5, 2024, the Ministry of Higher Education, Science, Research, and Innovation (MHESI) announced the launch of Thailand's first-ever "Semiconductor Engineering" program. This initiative aims to develop a highly skilled workforce, marking a critical driver for the semiconductor industry along with the government's key policies and national strategic agenda. Furthermore, this program is designed to enhance Thailand's attractiveness as an investment destination for global private-sector players, with tangible outcomes anticipated within the next 2 to 4 years.

Integrated Circuits Supply Chain of Thailand



Source: Thai Electrical and Electronics Institute (2017) and Krungsri Research

Trends of the Electronics Industry in Thailand

According to an analysis by SCB EIC, based on data from the Ministry of Commerce, the export value of Thailand's electronics industry in 2024 is projected to rebound from 2023, with a prospective growth rate of 2.4%. This recovery is primarily driven by the upcycle in computers and hard disk drives. Looking ahead to 2025, the electronics industry's export value is expected to continue expanding by 2.8% from 2024, supported by the growth of global demand for electronic components and power electronics. This expansion aligns with the continued upcycle in the computer sector, fueled by the advancement of AI technology and hard disk drives. However, the ongoing global economic uncertainties and the slowdown of the Chinese economy remain key risks that could impact consumer purchasing power. In the medium term, the export value of electronics industry is awaited to maintain its growth trajectory, particularly in electronic components and power electronics, driven by the rising global demand for high-tech products, the expansion of infrastructure development, and the increased renewable energy production across various countries. However, the hard disk drive sector is anticipated to experience limited growth, as the demand for older, lower-capacity hard disk drives continues to decline.

In 2025, the Power Electronics sector is hoped to demonstrate the strongest growth potential, while the Consumer Electronics sector will continue to expand in line with the industry upcycle. Meanwhile, there shall be a gradual recovery in the Electrical Appliances sector, constrained by persistent global economic fragility.

Forecast of Export Trends in the Electronics Industry by Segment

- **Electronic Components Industry:** Exports in 2025 are projected to recover, with an anticipated growth rate of 3.0% YOY. This recovery is driven by the rising global demand for electronic products, particularly components used in the electric vehicle industry and AI technology.
- **Hard Disk Drive Industry:** Exports in 2025 are expected to expand by 2.4% YOY, in line with the continued recovery of the global hard disk drive market from the previous year.

- **Consumer Electronics Industry:** Exports in 2025 are forecasted to grow by 2.7% YOY, supported by the uptrend cycle and the rising demand for computers and components. However, risks associated with economic uncertainties in key trading partner countries should still be closely monitored.
- **Electrical Appliances Industry:** Exports in 2025 are anticipated to recover at a slow pace, largely due to the impact of the global economic slowdown. Overall, exports in this sector are expected to expand by 1.2% YOY, primarily driven by the continued growth in exports of air conditioners and washing machines to the United States.
- **Power Electronics Industry:** Exports in 2025 are projected to grow steadily at approximately 4.3% YOY, supported by the increasing global demand for products in this category. In particular, exports to the U.S. market are expected to rise, driven by key products such as electric transformers, switchboards, and electrical wires/cables.

One of the critical factors impacting the electronics industry is the emerging transformation of global value chain, driven by geopolitical risks, which have led to production base relocations and investment trends in Thailand's electronics industry, along with more emphasis on environmental sustainability. These developments are outlined as follows:

- **Transformation of the Global Value Chain:** Ongoing geopolitical conflicts have resulted in economic polarization, prompting a shift in production bases across regions. This transformation is further influenced by key megatrends, including the rise of environmental sustainability initiatives, the rapid expansion of artificial intelligence (AI) technology and data centers, and the increasing global demand for electric vehicles (EVs). These factors shall become key drivers reshaping the global value chain in the electronics industry.
- **Investment Trends in Thailand's Electronics Industry:** The evolving investment landscape has compelled industry players to enhance and develop their products to accommodate the increasing demand for high-tech electronics.

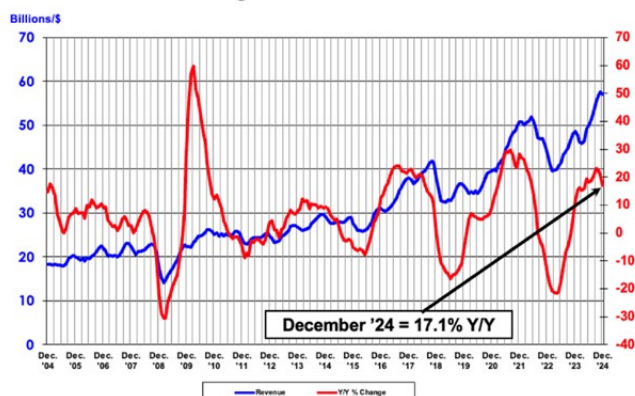
- **Environmental Sustainability and Sustainable Business Practices:** With an increasing awareness of consumers on environmental issues, businesses are forced to adapt by developing more environmentally friendly products, in line with optimizing production processes, incorporating recycled materials, and implementing long-term sustainable development strategies.

The Trends of the Global Semiconductor Industry

The Semiconductor Industry Association (SIA) reports that global semiconductor industry sales in 2024 totaled \$627.6 billion, an increase of 19.1% compared to 2023, which had total sales of \$526.8 billion. This marks a record high, with annual sales exceeding \$600 billion for the first time. Fourth quarter sales reached \$170.9 billion, increase 17.1% compared to the fourth quarter of 2023 and increase 3.0% compared to the third quarter of 2024. The semiconductor industry is expected to continue double-digit growth in 2025.

In terms of regional sales, total sales in the Americas, China, and Asia Pacific/Other markets grew by 44.8%, 18.3%, and 12.5% respectively compared to the previous year. Meanwhile, sales in Japan and Europe declined by -0.4% and -8.1% respectively compared to the previous year.

Worldwide Semiconductor Revenues
Year-to-Year Percent Change



Source: WSTS

Source: Semiconductor Industry Association

For trends in the Analog Integrated Circuit (IC) industry, analysis by Mordor Intelligence predicts that the industry size will grow from \$97.92 billion in 2025 to \$139.28 billion by 2030, with an average growth rate of 7.3% per year. This growth is driven by technological advancements and increasing consumer demand, expansion of 5G networks, infrastructure development especially in the Asian region, and the rapid growth of the automotive industry. However, the industry continues to face challenges related to shortages of semiconductor engineering personnel, especially among chip designers. This has led companies to invest in personnel skill development programs and automation systems to enhance competitiveness and adapt to technological changes.

Source: <https://www.mordorintelligence.com/industry-reports/analog-integrated-circuit-market>

Overview of worldwide RFID system and device business

Radio Frequency Identification (RFID) technology utilises telecommunication radio frequencies to read and write data of various items onto a piece of equipment called a Tag or a Transponder. The main usage objective is to support or replace the Barcode system. It has better performance in many ways such as it is capable of reading and writing a large volume of data or re-written multiple times, Data can be read while items are in motion such, Greater security due to data encryption capability, etc.

Due to the advantages of the RFID system, it is being used in over 120 nations worldwide. In 1990s, the system gained widespread adoption with the advent of Smart Card being deployed in public transit systems. Circa year 2000, RFID system was introduced to Supply Chain application which led to more funding in technological development surrounding the RFID technology as well as to developing standards that supported and gave rise to the popularity.

According to a UK-based business research centre specialised in Emerging Technology-related market research, IDTechEx, the overall RFID market size is expected to reach approximately \$14.89 billion in 2024 and \$18.87 billion in 2028 or in the next 4 years. Upon a closer look of RFID market value by product type, it has been found that Passive Tag, the Company's major product offering, dominated the overall market at \$8.22 billion in 2024 and is forecasted to grow to \$9.35 billion by 2028, representing an annual growth rate of 3.27%. Next in the line is Interrogator business, also one of the Company's main products, which had the market value at \$2.91 billion in 2024 and expected to reach \$3.76 billion in 2028, representing an annual growth rate of 6.62%.

\$ billions	2024	2025	2026	2027	2028	2033
Passive RFID Tags	8.22	8.46	8.66	8.90	9.35	9.54
Passive RFID Interrogators	2.91	3.03	3.21	3.46	3.76	5.25
Passive RFID Services, Networking, Software	3.40	3.80	4.10	4.50	4.85	8.00
Active RFID/RTLS Systems	0.36	0.43	0.51	0.76	0.91	0.99
Total \$ billions	14.89	15.71	16.48	17.62	18.87	23.78

Source: RFID Forecasts, Players and Opportunities 2022-2032 The complete analysis of the global RFID industry", IDTechEx

The top 5 industry sectors that RFID system is being used are:

1. **Retails Sector** It is expected that the market value of this sector will grow from \$3.15 billion in 2024 to \$7.98 billion in 2028, representing an annual growth rate of 26.16%. Application examples in this sector are inventory monitoring system to prevent loss of goods or tracking items in transit, and recording goods' data such as type, quantity, pieces as required in inventory management system.
2. **Financial, Security Sector** This sector's market size is expected to be at \$5.01 billion in 2024, and anticipated to be \$4.04 billion in 2028, representing an annual decline rate of -5.24%.

3. **Automotive and Public Transportation Sector** It has been estimated that the market size in 2024, which is at \$4.38 billion, will be \$3.42 billion in 2028, representing an annual decline rate of -6.00%. Examples of RFID application in this sector are Smart Ticket and automotive electronics key and Immobilizer.
4. **Logistics and Transportation Sector** In this sector, the market value's forecast is from \$0.78 billion in 2024 to \$1.19 billion in 2028, representing an annual growth rate of 11.14%. Examples in this sector are parcel tracking system and sorting of parcels with special codes.
5. **Livestock Sector** The sector's market share is on course to grow from \$0.84 billion in 2024 to 1.00 billion in 2028, representing an annual growth rate of 4.50%.

\$ billions	2024	2025	2026	2027	2028	2033
Retail	3.15	3.96	4.95	6.34	7.98	9.42
Financial, Security	5.01	4.91	4.68	4.35	4.04	4.04
Passenger transport/automotive	4.38	4.26	4.02	3.77	3.42	2.82
Land, sea logistics and post	0.78	0.87	0.97	1.11	1.19	3.61
Animals and farming	0.84	0.88	0.92	0.96	1.00	1.40
Total	14.16	14.88	15.54	16.53	17.63	21.29

Source: RFID Forecasts, Players and Opportunities 2022-2032 The complete analysis of the global RFID industry", IDTechEx

The Company's core businesses are focused on designing and developing microchips for passive tags and microchips for interrogators. Both businesses have high value-added as well as have demonstrated significant growth potential in the future. The overview and trend of the Company's main customer groups, livestock replacement automotive immobilizer, and industrial IoT businesses are outlined as follows.

Overview and Trends of the Animal Registration System Business

Currently, there is an increasing trend among humans to conscientiously choose their food. In addition to nutritional considerations, factors such as cleanliness, safety, and environmentally friendly production processes are also taken into account. This has led farmers to manage their livestock farms more efficiently to produce an adequate supply of food that meets the current consumer demands. One crucial tool that aids farmers in better management is the Animal Identification Tag system, especially for animals like cows, goats or sheep that are susceptible to diseases. If one animal shows signs of illness or infection, it can quickly spread to others, potentially affecting the entire farm. Therefore, tracking and preventing the spread of diseases among animals are significant.

Australia, the Company's main customer, is the world's largest producer and exporter of beef cattle and sheep, as well as products from beef cattle and sheep, which places much importance on food traceability after meat processing. In 2002, Australia announced the use of an animal registration system with RFID or electronic tags in the form of Ear Tags for all cattle in Victoria, and it started enforcement within the country during the year 2004. Moreover, there have been plans to extend electronic tagging to other animals, such as sheep, goats, and pigs. The animal registration with RFID could fully provide more details and accurate animal information than the traditional animal identification system of only basic information. The animal registration system with RFID can also record various information of those animals, such as breeding history, feeding, vaccination, and transport to various places.

Currently, the Australian Government has approved regulations for the use of electronic tags for every sheep and goat in the country to prevent diseases and enhance biological safety. This initiative began by mandating the use of electronic tags for newly born and migrating sheep and goats. Consequently, the growth in the number of new cattle and sheep births in Australia directly supports the growth of companies involved in the livestock business.

Sheep and goat eID National Implementation Plan – updated 24 May 2024

State or territory	Newborn eID tagged	eID tagged before leaving a property	Abattoirs scan devices	Saleyards scan devices	Property to property movement recorded
Australian Capital Territory	1 Jan 2025	1 Jan 2027	N/A	N/A	1 Jan 2025
New South Wales	1 Jan 2025	1 Jan 2027	30 June 2024	1 Jan 2025	1 Jan 2025
Northern Territory	1 Jan 2025	1 Jan 2025	1 Jan 2025	1 Jan 2025	1 Jan 2025
Queensland	1 Jan 2025	1 Jan 2027	1 Jan 2025	1 Jan 2025	1 Jan 2025
South Australia	1 Jan 2025	1 Jan 2027	1 Jan 2025	1 July 2025	1 Jan 2025
Tasmania	1 Jan 2025	1 Jan 2027	1 Jan 2025	1 Jan 2025	1 Jan 2025
Western Australia	1 Jan 2025	1 July 2026	1 July 2025	1 July 2025	1 July 2026
Victoria	1 Jan 2017	1 Jan 2022	31 Dec 2017	31 Mar 2018	31 Mar 2018

Source: Australian Department of Agriculture, Fisheries and Forestry

The success of the animal registration system in Australia has become a model for other countries, such as Canada, New Zealand, and the United States. These countries have also developed and promoted animal registration systems using RFID tags. By encouraging voluntary adoption and enforcing electronic tag usage in some states for specific types of animals, the market for identifying animals continues to grow steadily and has significant commercial potential.

Recently, in the United States, there has been progress from the United States Department of Agriculture (USDA), which officially mandated the use of electronic animal tags for cattle and bison at the end of 2024. This is another factor supporting the growth trend of the animal registration system business in the future.

Overview and Trends of the Automotive Electronic Spare Key System Business

Electronic immobilizer keys, or microchip-embedded keys, have been used to enhance security systems in automobiles since the 1990s. These keys evolved from the security measures for cars that initially relied solely on physical keys. They progressed to authentication through radio frequency (RFID) waves between the microchip embedded in the key and the reader installed in the vehicle. Subsequently, the complexity of codes increased through the implementation of encryption technology (cryptography).

As the technology of car keys advanced to increase complexity for security purposes, spare key creation has become more challenging. If a consumer needs an additional or replacement key, they must contact the dealer directly, which often involves a lengthy process and high costs. As a result, the electronic spare key business emerged as an alternative for consumers or vehicle users who prefer not to deal directly with dealers. It also provides an option for automotive a that do not want to focus on the service aspect but still need to fulfil customer requests. Dealerships can send duplicate key orders to Key Duplication Center and Kiosk.

In many countries, such as Germany, Austria and Canada, laws have been enacted mandating the use of immobilizers in every vehicle for increased safety. In the United States, legislation has been implemented to promote the use of immobilizer systems, requiring manufacturers who do not use such systems in their vehicles to comply with registration requirements for components used in production, which is more challenging.

Electronic spare keys for automobiles are in demand when users change to a new vehicle or lose their keys. This has led to an increase in popularity among the main customer group of the immobilizer market: owners of second-hand cars. The economic slowdown and reduced purchasing power due to the global economic downturn, exacerbated by the COVID-19 pandemic, have further driven the preference for second-hand cars. Additionally, the recent shortage of microchips has temporarily reduced the production capacity of new cars, presenting an opportunity for the second-hand car market to adjust and thrive in the short to medium term.

Overview and Trends of the Industrial IoT Business

At present, technology plays an increasingly important role in industrial processes. The connection between machines, people, and various work systems through technology will improve the efficiency of safety management and increase efficiency at work. As a result, the products in such group are widely used with a range of application, such as the entry-exit system using a portable card and reader machine, the reader machine for industrial systems to track the transport of products in the production line, or even a reader machine to check product details in the warehouse. For this reason, the products in such group are considered as one of the important technologies in driving the industry towards the Industry 4.0 era.

In the future, as the Internet of Things (IoT) continues to expand, the demand for RFID technology will increase rapidly. RFID enables smooth communication and data exchange between connected devices, supporting real-time tracking, monitoring, and asset management. The trend of integrating RFID with IoT systems across various industries will grow in the future, including manufacturing, logistics, healthcare, and retail. This integration enables real-time data analysis and automation. These connections allow machines and equipment to communicate seamlessly, resulting in more efficient operations, improved inventory management, and enhanced transparency in supply chains. The ability of RFID technology to provide accurate and reliable information within the IoT ecosystem is driving its widespread adoption, making RFID an essential component in the digital transformation process of many sectors in the future.



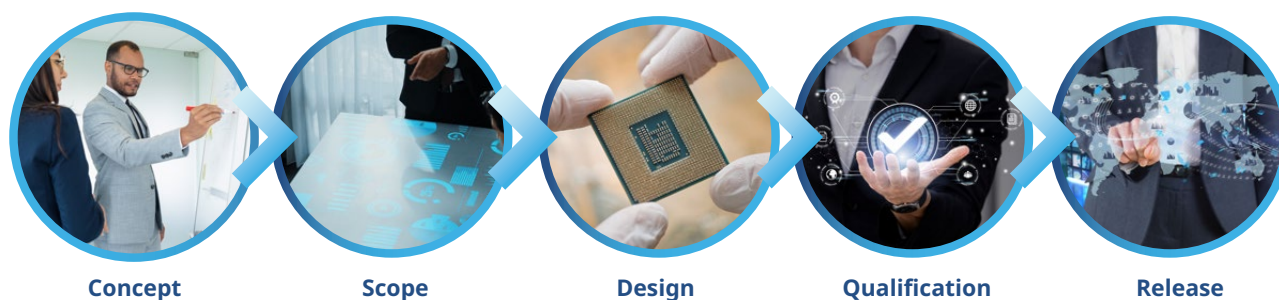
1.2.6 Research and Development

As the Company engages in comprehensive circuit design and microchip development, great importance is placed on research and development. Research and development are crucial factors driving the Company's business, requiring several years to cultivate various knowledge domains. Designing current products and developing products for future markets necessitates continuous and forward-looking investment to keep pace with technological changes and customer demands. The Company has been engaged in continuous research and development for over two decades, involving specialized engineers and collaborative efforts with customers. This history has enabled the Company to design and develop new products that meet customer requirements and foster ongoing business growth.

Research and Development Process

To ensure the success of the Company's research and development projects and their commercial viability in the future, efficient and rigorous research and development processes are essential. The Company has established a project approval process known as 'Gate' to ensure that each project aligns with the Company's plans and future directions. The research and development projects undergo a structured evaluation process divided into five main phases:

Research and Development Process



The product and marketing management team, comprised of representatives from marketing, technology, production, and finance departments, collaboratively assesses the business plan, deliverables, schedule, and budget at the completion of each phase (Gate).

The Company has established a budget framework for research and development, not exceeding 25% of the estimated annual sales. This allocation depends on the business plan and operational factors for each year. In the year 2024, the Company incurred 109.3 million baht in expenses for research and development.

Summary of Research and Development Expenses

Details on research & development in 2022-2024 of the Company are as follows:

Description	2022 (Million Baht)	2023 (Million Baht)	2024 (Million Baht)
Research expenses ¹⁾	24.6	37.1	49.3
Product development project increased during the period ²⁾	44.6	72.2	60.0
Total	69.2	109.3	109.3
Intangible assets - Net (Development Project) ³⁾	76.2	134.4	183.8

Remark: 1) Research expenses will be recorded as expenses in the comprehensive statement of income in each accounting period incurred.

2) Product development project which has been increased during the period, such as expenses relevant to development incurred in each accounting period which will be recorded as accumulated value in intangible asset (Development Project) in the statement of financial position.

3) Intangible assets - Net (Development Project), such as accumulated costs for product development, beginning from commencement until the end of the development projects and they were ready to be commercially launched. Accumulated product development cost will be recorded in the statement of financial position as cost price, deduction with 1) Accumulated amortization; and 2) Loss of accumulated impairment. Amortization and loss from impairment will be recognized as cost of sales and expenses in each period considered.

Promoting Creativity and Innovation

Innovation is considered a crucial foundation for the Company's business, reflecting the organization's vision, mission, values, and strategy. Fostering an innovative culture within the organization is of utmost importance, enabling employees to apply their knowledge and skills to develop new products or improve internal processes. Therefore, the Company supports open communication and encourages employees to freely express their opinions. Management accessibility and activities such as Town Hall meetings are implemented to facilitate communication. Additionally, the Company has policies to encourage patent applications to protect knowledge, providing rewards for patent holders.

Image of rewards for patent inventors



While the patent policy may not currently lead to research results being developed into products for sale, the knowledge gained serves as a critical foundation for future commercial applications. This enables the Company to introduce new products that meet customer needs, explore continuous market opportunities, and adapt swiftly to rapidly changing environments.

Product Development Projects

As of December 31, 2024, the Company has 28 ongoing product development projects, contributing to overall business growth, which 10 projects were accomplished have been amortized. The other 18 projects are projects under development. The direction of product development projects focuses on technological advancements to address future trends.

Smart Farm Project: The Company is dedicated to researching and developing products to elevate Animal ID solutions to Animal Healthcare. This involves providing farm managers with more comprehensive information beyond basic animal identification, allowing them to monitor the health of animals through sensor measurements. This data empowers farm owners to manage and make decisions more efficiently, leading to improvements in farm management systems. The project's outcomes can also be applied to general animal health tracking, including laboratory experiments.

Smart Industry Project: In response to Industry 4.0 demands, the Company is researching and developing products that expand the scope of communication frequencies for various applications. This includes checking large quantities of products in industrial settings or integrating into automated processes in various related industries. Increasing connectivity between individuals, data, and machinery enhances data analysis convenience and improves overall management efficiency, ultimately reducing human errors.

Smart Healthcare: The Company aims to make medical devices and services more easily accessible. Therefore, it is dedicated to researching and developing products that connect measurement and reading of various components more conveniently, rapidly, and user-friendly. The goal is to develop products that can be transformed into preliminary analysis devices through secure connections, supporting remote medical activities (Telemedicine) for diagnosis and healthcare (Diagnostic, Wellness, and Healthcare). This will be achieved through a testing platform at the point of care on mobile devices (Mobile Point of Care Testing or POCT). It can effectively respond to the aging population trends, both nationally and globally, allowing quick and convenient access to services.

Smart Product: The Company is committed to researching and developing products to enhance the safety and connectivity between users and various products. This is achieved through the development of high-level encryption NFC technology for product identification. This technology plays a role in preventing product counterfeiting and adds value to various products and services.

SIC as Data Connectivity Platform



SMART FARM
Identify and Monitor Animal
Welfare Quality with Sensors
+ Connectivity



SMART INDUSTRY
Connect & Integrate Systems
with Qualitative Data for Data
Analytics for Edge Computing



SMART HEALTH CARE
Connect Patient and Medical
Service Provider via Sensors +
Secured Connectivity



SMARTPRODUCT
Secured NFC as Connectivity
Platform on Consumer
Mobile Phones

Source: Silicon Craft Technology PLC

Investment Projects to Support Future Research and Development

Due to the Company's nature of business, it requires continuous research and development to offer new products to customers on a regular basis. Thus, in a bid to support future research and development, the Company has investment plans as follows:

1. Investment in the tools, equipment, and software of microchip design and testing

In the process of chip design, one important step is to review the layout of chip components and simulation through a software program for errors, as well as verifying and revising the work to ensure that the designed circuit structure and its parts can be used in practice with efficient performance before development into a prototype chip. Then, there is a test to work with other devices because the chip must be used in actual work with other components. A full system simulation must be performed by using the processing software for results of performance in various specified situations. At present, the Company invests in the leading microchip design software programs of international reliability for its workflow process.

In addition, the Company has invested in testing equipment to support new technological development and increased number of engineers according to its business expansion, such as other frequency measurement accessories for more comprehensive testing, electrical signal meter, equipment for signal measurement directly from wafer level, and testing equipment.

2. Investment or joint investment in other company engaging in integrated circuit design and development or having innovation which can support the Company's business operations.

Apart from additional investment in tools, equipment, software and patent, the Company also has other mean to build up growth of its business by investment or joint investment in other company that can support the Company's business operations. Criteria that the Company will be used to consider to invest with such prospect company, if it:

- Operates business in integrated circuit design and development; or
- Has innovation which can support the Company's business operations; or
- Own the patent or intellectual property or software that the Company can jointly use with; or
- Has personnel who have skills and expertises in the branch relevant to the integrated circuit design.

In addition, such company must not have a record for infringement of intellectual property, or its key personnel has such record.

1.2.7 Assets Used in Business Operations

Details on Assets Used in Business Operation

As of December 31, 2024, net value of assets that the Company used in business operation after deduction of accumulated depreciation is 26.69 million Baht, with details as follows:

Type of Asset	Nature of Ownership	Net Book Value (Million Baht)		Obligation
		Dec 31, 2023	Dec 31, 2024	
1 Improvements of leased building	Lease and own	3.15	2.36	Nil
2 Office equipment	Own	2.92	2.44	Nil
3 Office furnishings	Own	0.92	1.07	Nil
4 Plant tools	Own	20.37	16.87	Nil
5 Project under development	Own	1.60	3.95	Nil
Total		28.97	26.69	

Intangible Assets Used in Business Operation

Intangible Assets

As of December 31, 2024, value of the Company's intangible assets were 190.09 million Baht which included package software and 28 product design and development projects. 10 projects has been completed and amortized and 18 projects are under development

Intangible Assets	Net Book Value (Million Baht)		
	Dec 31, 2022	Dec 31, 2023	Dec 31, 2024
Package software - Net	11.60	8.99	6.28
Product design and development projects	76.20	134.41	183.81
Total Intangible Assets	87.80	143.40	190.09

Trademark

The Company has registered trademarks with Department of Intellectual Property, Ministry of Commerce as follows:

List of Product	Registered No.	Coverage Country	Expiry Date
 List of Product/ Service: Integrated circuit chip, integrated circuit, E-Label for individual identification	161108877	Thailand	March 24, 2025
 List of Product/ Service: Integrated circuit chip, integrated circuit, E-Label for individual identification	161108878	Thailand	March 24, 2025
 List of Product/ Service: Integrated circuit chip, integrated circuit, E-Label for individual identification	161108719	Thailand	March 24, 2025
 List of Product/ Service: Integrated circuit chip, integrated circuit, E-Label for individual identification	171101949	Thailand	March 24, 2025
 List of Product/ Service: Electronic labels for computer programs that control electronic devices	201120383	Thailand	21 April 2029

Patents

The Company has registered patents both in Thailand and in foreign countries and as of December 31, 2024, the patents registered by the Company which are still valid are as follows:

List of Product	Patent No.	Coverage Country	Application Date ¹⁾
Patent Application No.: AU20070216685 System and method for tuning RFID resonant frequency	AU2007216685 (B2)	Australia	September 30, 2007
Patent Application No.: 112013023503 Sistemas, dispositivos, circuitos e metodos para comunicar-se em um sistema de comunicacao	BR112013023503 (B1)	Brazil	March 18, 2011
Patent Application No.: 112011105048 SYSTEMS, DEVICES, CIRCUITS AND METHODS FOR COMMUNICATING IN A COMMUNICATION SYSTEM	DE112011105048 (B4)	Germany	March 18, 2011
Patent Application No.: CN2011800693781 SYSTEMS, DEVICES, CIRCUITS AND METHODS FOR COMMUNICATING IN A COMMUNICATION SYSTEM	CN103493074 (B)	People's Republic of China	March 18, 2011
Patent Application No.: US201114005559 SYSTEMS, DEVICES, CIRCUITS AND METHODS FOR COMMUNICATING IN A COMMUNICATION SYSTEM	US9818055 (B1)	United States of America	March 18, 2011

Remark: 1) Coverage of the registered patent shall begin from the application date and it can be renewed every year. Maximum coverage is 20 years from the application date.

Material agreements relevant to business operations

- As of December 31, 2024, the Company has materials agreements relevant to business operations as follows:

Office building lease agreement and relevant service agreement

- As of December 31, 2024, details of the areas lease agreements of the Company are as follows:

Office building lease agreements

Rented Space in the Building, Room No. 2B, 3A, 3B, and 4 La Unique Building	
Counterparties:	Silicon Craft Technology Public Co., Ltd. ("Lessee") and Mr. Nattapong Wisetsiri ("Lessor")
Execution date:	June 30, 2022
Objective:	To use as the location of the Company's office building
Location of Building:	No.40, Thetsabanrungsunnua Road, Ladyao, Chatuchak, Bangkok
leased area:	1,763 square meters
Lease period:	36 months from July 1, 2022 to June 30, 2025
Lease rate:	209,000 baht/month

Rented Space in the Building, Room No. 2B, 3A, 3B, and 4 La Unique Building

Important Conditions:	If the Lessee commits a breach of contract or fails to comply with any of the terms of this Agreement and does not remedy the breach of contract within 14 (fourteen) days from the date of receipt of written notice from the Lessor, the Lessee agrees that the Lessor shall exercise its right to terminate this Agreement by giving written notice to the Lessee. Such termination shall not deprive the Lessor of any rights under this Agreement, including forfeiture of the rent deposit. In the event that the Lessee wishes to renew the rental agreement, the Lessee must provide the Lessor with a notice of such intention at least three (3) months prior to the expiration date of the lease agreement. In case the Lessee and the Lessor are able to agree on the rental rate, terms, and conditions of rental payment, the renewal of this agreement shall be extended from the expiration date of the rental agreement. The parties agree to use the terms and conditions of this agreement for the duration of its renewal (but not exceeding 3 years).
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Remark: The Company has entered into the property insurance policy with one insurance company and the insured properties includes 1) Equipment and office furnishings within limit of liability of not exceeding 20 million Baht; 2) Inventory stored in the Company within the limit of liability of not exceeding 163 million Baht. 3) Equipment & Inventory stored in the Company and warehouse within the limit of liability of not exceeding 376 million Baht.

Office Building Service Agreement

Rented Space in the Building, Room No. 2B, 3A, 3B, and 4 La Unique Building

Counterparties:	Silicon Craft Technology Public Co., Ltd. ("Service Recipient") and Lukdee Property Company Limited ("Service Provider")
Execution date:	June 30, 2022
Details of agreement:	Provide services related to renting the office building on the 2 nd , 3 rd , and 4 th floors, such as building common area cleaning service, elevator service in the building, electrical system service in the building, air conditioner service in the rented areas, and security guard service in the territory of the building.
Service Term:	36 months from July 1, 2022 to June 30, 2025
Service fee rate:	300,000 baht per month, the service recipient must pay electricity, water, and telephone system separately from the rental fee.
Payment of service fee :	Monthly payment by the 10 th day of each month
Termination of Service Agreement :	When the rental agreement expires or is terminated before it reaches maturity, this arrangement comes to an end. If the service recipient does not act and/or perform any of its obligations under this contract and does not remedy the breach of this contract within 14 (fourteen) days from the date of receipt of written notice from the service provider, it shall be deemed that the service recipient has breached this contract. The service provider shall have the right to terminate this contract without prejudice to any rights that the service provider may have.

Office building lease agreements

Rented Space in the Building, Room No. 2C and 5E La Unique Building	
Counterparties:	Silicon Craft Technology Public Co., Ltd. (“Lessee”) and Mr. Nattapong Wisetsiri (“Lessor”)
Execution date:	April 1, 2024
Objective:	To use as the location of the Company’s office building
Location of Building:	No.40, Thetsabanrungsunnua Road, Ladyao, Chatuchak, Bangkok
leased area:	120 square meters
Lease period:	15 months from April 1, 2024 to June 30, 2025
Lease rate:	19,800 baht/month

Office Building Service Agreement

Rented Space in the Building, Room No. 2C and 5E La Unique Building	
Counterparties:	Silicon Craft Technology Public Co., Ltd. (“Service Recipient”) and Lukdee Property Company Limited (“Service Provider”)
Execution date:	April 1, 2024
Details of agreement:	Provide services related to renting the office building on the 2 nd and 5 th floors, such as building common area cleaning service, elevator service in the building, electrical system service in the building, air conditioner service in the rented areas, and security guard service in the territory of the building.
Service Term:	15 months from April 1, 2024 to June 30, 2025
Service fee rate:	19,800 baht per month
Payment of service fee :	Monthly payment by the 10th day of each month

Loan agreement with the financial institutions

As of December 31, 2024 and 2023, the Company has credit line for exporting goods to overseas with a bank with the credit limit of Baht 165 million and Baht 100 million at the interest rate of MMR per annum which is matured by 180 days, guaranteed by the same bank deposit.

As of December 31, 2024 and 2023, the Company has credit line for importing goods from overseas with two banks with the credit limit of Baht 100 million and Baht 265 million respectively, at the interest rate of MMR per annum which is matured by 150 days, guaranteed by the same bank deposit.

1.2.8 Rights and Privileges from Promotion Certificates (BOI)

The Company has been granted rights and benefits from the Board of Investment (BOI) pursuant to the Investment Promotion Act B.E. 2520 as 4 promotion certificates for its business operations as per approved by the Board of Investment under the specified conditions. Essence on taxation privileges granted to the Company is summarized as follows. For certificates that have been extended and granted additional privileges, the information presented will reflect the most recent certificate currently in use.

Promotion Certificate	1 st Certificate	2 nd Certificate	3 rd Certificate	4 th Certificate
Promotion certificate no.:	1980 (4)/2551	66-1225-2-22-1-0	59-0321-1-00-2-0	66-1224-1-00-2-0
Date approved:	August 4, 2008	July 12, 2023	January 14, 2016	June 12, 2023
Type of activities promoted:	Type 5.7: Electronics design activities	4.1 Electronics design activities include Microelectronics, or Optoelectronics, or Embedded System	Type 5.6.1: Microelectronics Design and Type 5.6.2: Embedded System Design	Type 5.6.1: Microelectronics Design
Right and privileges :				
• Exemption of corporate income tax for the net profit from the promoted activity, starting from the date income is first derived from such activity.	8 years (Privileges have been fully exercised)		13 Years (During the exercise of privileges)	8 Years (During the exercise of privileges)
• Exemption from corporate income tax for the net profit derived from promoted activities. This exemption is equal to 50% of the investment in efficiency improvement, starting from the day following the income-generating date after receiving the BOI promotion certificate		3 Years (During the exercise of privileges)		
• In case the promoted activity recorded a loss during the promoted period, annual loss incurred during such period can be deducted from the net profit accrued for a period of not more than 5 years from the expiry date specified and may choose to deduct such loss from the net profit of any one year or several years.	✓ (Privileges have been fully exercised)	✓ (During the exercise of privileges)	✓ (During the exercise of privileges)	✓ (During the exercise of privileges)

Promotion Certificate	1 st Certificate	2 nd Certificate	3 rd Certificate	4 th Certificate
Exemption from computation of dividends derived from a promoted activity of taxable income throughout the exemption period of corporate income tax.	✓ (Privileges have been fully exercised)	✓ (During the exercise of privileges)	✓ (During the exercise of privileges)	✓ (During the exercise of privileges)
Exemption of import duties on machinery as per considered and approved by the Board throughout the promotion period.	✓ (Privileges have been fully exercised)	✓ (During the exercise of privileges)	✓ (During the exercise of privileges)	✓ (During the exercise of privileges)
Exemption of import duty on raw materials and materials necessary to be imported for usage in production for export for 1 year beginning from the first import date.	✓ ¹⁾ (Amended to be from February 8, 2024 to February 7, 2026)	✓ ¹⁾ (Amended to be from September 27, 2024 to September 26, 2026)	✓ ¹⁾ (Amended to be from July 21, 2023 to July 20, 2025)	✓ ¹⁾ There have not yet been any imports
Exemptions of import duty for materials imported for re-export purpose for 1 year beginning from the first import date.	✓ ¹⁾ (Amended to be from February 8, 2024 to February 7, 2026)	✓ ¹⁾ (Amended to be from September 27, 2024 to September 26, 2026)	✓ ¹⁾ (Amended to be from July 21, 2023 to July 20, 2025)	✓ ¹⁾ There have not yet been any exports
Permitted to remit or transfer funds out of the Kingdom in foreign currency.	✓	✓	✓	✓
Exemptions of import duty for materials imported for research and development, including related testing, purpose for 1 year beginning from the first import date.			✓	

Promotion Certificate	1 st Certificate	2 nd Certificate	3 rd Certificate	4 th Certificate
Material conditions:				
- In order to submit an application for exemption of corporate income tax from selling of products from electronics design for commercially manufacturing, there will be either one of the following document for each product to presented as evidence and failure to submit evidence for any product, rights and privileges on corporate income tax exemption of such product will not be granted: - Patent concerning invention, product design or petty patent. - Certificate to certify that it is an electronics design project from the National Science and Technology Development Agency (NSTDA) or the relevant institutes for each product.	✓	✓	✓	✓
Quality of products manufactured or assembled must comply with the international standards and if standard of such product has been specified under the Industrial Product Standards Act, it must have TISI Certificate and industrial standard emblem from the Industrial Product Standard Committee must be displayed.	✓	✓	✓	✓
There must be system to control and prevent damage to quality of environment and danger or nuisance to the people living nearby with approval from the relevant government agency.	✓	✓	✓	✓
Factory must be established in Bangkok area within 15 years from the date business is commenced and such factory cannot be relocated to other areas.	✓	✓	✓	✓
Shareholders of at least 51 percent of registered capital must be Thai nationality.	✓	Not specified	✓	Not specified

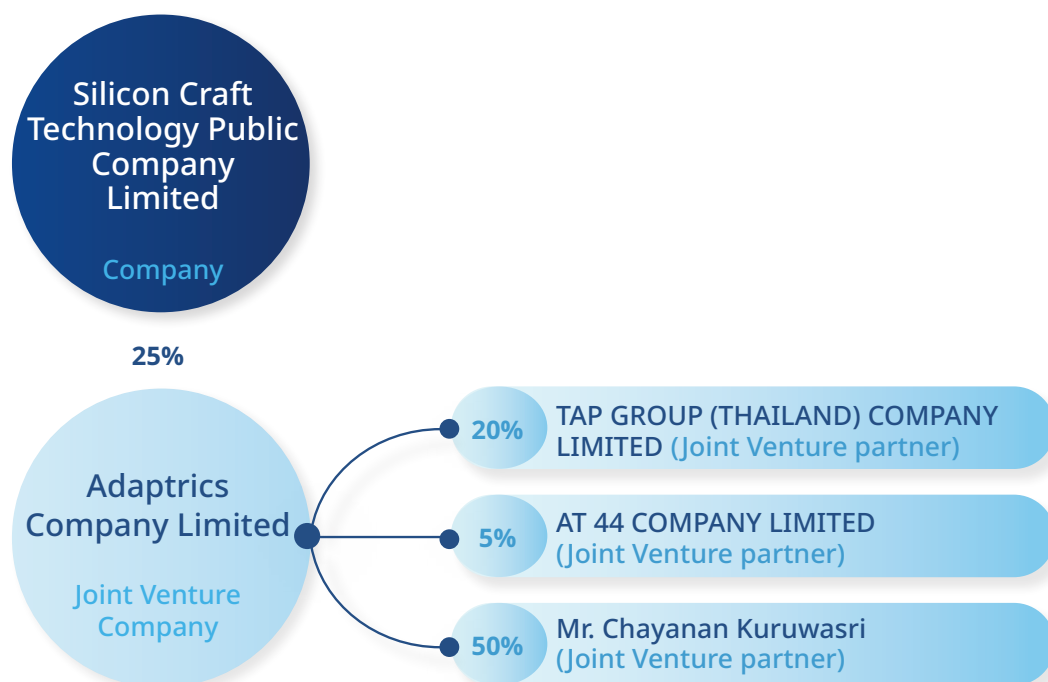
Promotion Certificate		1 st Certificate	2 nd Certificate	3 rd Certificate	4 th Certificate
- Registered capital - Size of investment		Paid-up registered capital must be at least 16.88 million Baht. At least 1.0 million Baht (excluding cost of land and working capital)	Paid-up registered capital must be at least 200 million Baht. At least 1.0 million Baht (excluding cost of land and working capital)	Paid-up registered capital must be at least 100 million Baht. Expenses for salary of electronics design personnel must be at least 1.5 million Baht per year	Paid-up registered capital must be at least 200 million Baht. At least 1.0 million Baht (excluding cost of land and working capital)
	Type of product	Integrated circuit design and RFID device designs, Design continuous products such as IC, RFID TAG, and RFID READER, etc.	Integrated circuit design and RFID device designs, Design continuous products such as DIE, IC, RFID TAG, and RFID READER, etc.	Electronics design and Design continuous products such as DIE, IC, RFID TAG, and RFID READER, etc.	Integrated circuit design and RFID device designs, Design continuous products such as DIE, IC, RFID TAG, and RFID READER, etc.
Production capacity		50 integrated circuit designs and RFID device designs per year. - DIE and IC: 300.00 million pieces per year each. 100.00 million RFID tags per year. 12,000 RFID Reader per year.	50 integrated circuit designs and RFID device designs per year. - Design continuous products, i.e. DIE, IC and RFID Tag and etc.: 1,000,000,000 pieces per year. 500,000 RFID Readers per year.	- Design continuous products, i.e. DIE, IC and RFID Tag and etc.: 1,000,000,000 pieces per year. 500,000 RFID Readers per year.	50 integrated circuit designs and RFID device designs per year. - Design continuous products, i.e. DIE, IC and RFID Tag and etc.: 2,000,000,000 pieces per year. 500,000 RFID Readers per year.

Remark: 1) The Company has been granted permission to expand the exemption of import duty of raw material and supplies for re-export for 2 years each (Information from the Board of Investment)

1.3 Shareholder Structure and Dividend Payment of the Company

1.3.1 Shareholding Structure of the Company

As of December 31, 2024, Silicon Craft Technology Public Company Limited has the shareholding structure of Subsidiaries and Associated Companies as follows:



1.3.2 Nature of Operations of the Joint Venture

1. Adaptrics Company Limited

Company's Name	Adaptrics Company Limited
Date of Incorporation	5 February 2024
Country of Registration	Thailand
Registered Capital	12,000,000 Baht
Total number of shares	1,200,000 Shares, value of 10 Baht per share
Shareholding Structure	1. Silicon Craft Technology Public Company Limited holds 25% shares 2. TAP GROUP (THAILAND) COMPANY LIMITED* holds 20% shares 3. AT 44 COMPANY LIMITED** holds 5% shares 4. Mr. Chayanon Kuruwasri holds 50% shares
Nature of Business	Operate RFID Solution Development Service
Board of Directors	1. Mr. Chayanon Kuruwasri 2. Mr. Panupong Warinthanaphan 3. Mr. Kowit Nuangsuk

1.3.3 Information of Major Shareholders

According to the book of shareholders' registration as of Mar 18, 2025, Silicon Craft Technology Public Company Limited's major shareholders are as follows.

List of Shareholders	Number of shares (shares)	%
1 Mr. Manop Dhamsirianunt	102,688,212	21.39
2 Mr. Apinetr Unakul	78,834,820	16.42
3 Mr. Naiyavudhi Wongkomet's Group		
1) Mr. Naiyavudhi Wongkomet	32,441,220	6.759
2) K INVESTMENTS LIMITED ⁽¹⁾	16,795,848	3.499
Sub-total	49,237,068	10.29
4 Mr. Apinunt Thanachayanont	23,850,383	4.97
5 Mr. Vitid Pongpirodom	23,251,800	4.84
6 Mrs. Naranit Pathompothiwat	15,700,800	3.27
7 Mr. Bodin Kasemset	11,590,891	2.42
8 UBS AG LONDON BRANCH	10,270,980	2.14
9 Mr. Thaweesak Thantipwan	7,459,240	1.55
10 Mr. Karn Opasjumruskit	6,271,044	1.31
11 Thai NVDR Company Limited	6,040,136	1.26
12 Mr. Weeraphong Seetrakul	4,512,500	0.94
13 Mr. Numchoke Chiamsakul	4,088,500	0.85
14 Mr. Thanit Kasemset	3,328,000	0.69
15 Mr. Punnaruj Pathompothiwat	2,843,800	0.59
16 Mrs. Arunee Poontawee	2,564,200	0.53
Total	352,532,374	73.44

Remark (1) K INVESTMENTS LIMITED a juristic person registered in Hong Kong and its shareholders are Miss Aiyanuch Wongkomet, holding shares of 50.00% and Miss Unyanuch Wongkomet, holding shares of 50.00% of the registered capital.

1.3.4 Dividend Payment Policy

The Company has policy to pay dividends to shareholders at the rate of not less than 50% of the profit after deducting all reserves. The company may consider paying dividends different from the established policies depending on the performance, The Company's financial status, liquidity, investment plan, including factors related to management, necessity, and other suitability in the future as the Board of Directors deems appropriate. This action must be in the best interests of the shareholders of the Company.

The decision to declare and pay annual dividend must be declared and approved at the Shareholders Annual General Meeting upon the recommendation of the Company's Board of Directors. In the case of interim dividend, the Board of Directors may in its discretion declare an interim dividend based upon profits arrived at an appropriate level that would allow the Company's operation and publicly communicate to the shareholders in the subsequent shareholders meeting.

The paying of interim payment is determined by the Company's Board of Directors and is subject to change depending on the business operation, financial status, liquidity, investment plan, and other necessities and factors deemed appropriate to the future business operation by the Board of Directors

Information of dividend distribution during the year 2022-2024

Financial Statements	Year 2022	Year 2023	Year 2024
Net Profit (Million Baht)	135.08	140.36	101.21
Legal reserves (Million Baht)	2.79	7.02	-
Amount of Shares (shares)	400,000,000 As of Dec 31, 2022	479,999,884 As of Dec 31, 2023	479,999,884 As of Dec 31, 2024
Dividend per share (Baht per share)	Dividend payment for the year 2022 in form of stock and cash dividend payment at the rate of Baht 0.1112 per share. 1) Dividend payment in the form of ordinary shares to shareholders of the company at the rate of 5 existing shares per 1 share stock dividend at the par value of Baht 0.50 per share, equivalent to a dividend rate of Baht 0.10 per share 2) Cash dividend payment at the rate of Baht 0.112 per share	0.035	0.084
Dividend payout Ratio (Percentage of net profit)	33%	12%	40%
Total amount of dividends paid (Million Baht)	44.48	16.80	40.32

However, there is still uncertainty for right to receive such dividends in 2024 by the Company until it receives approval from the 2025 Annual General Meeting of Shareholders.

2. Risk Management



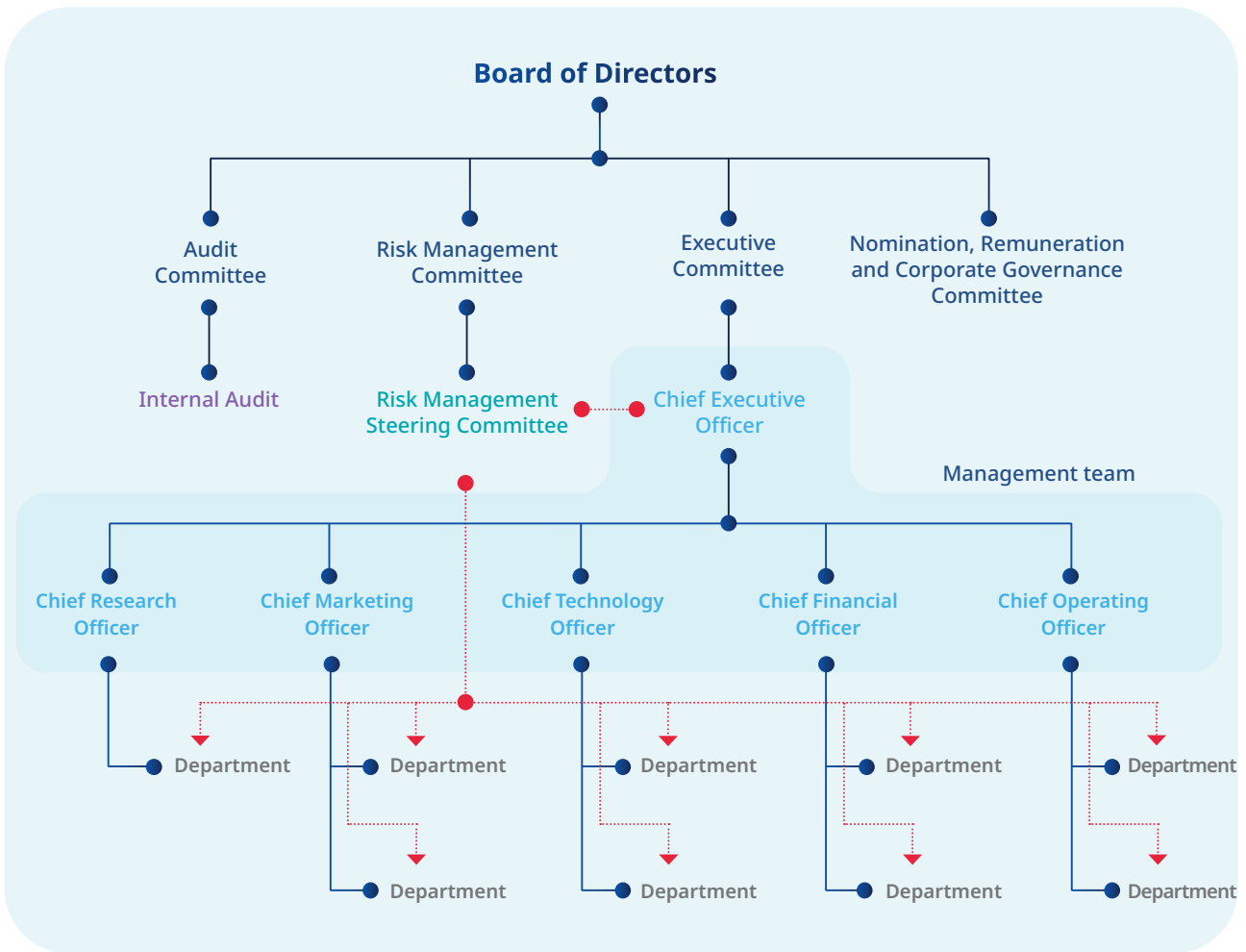
2.1 Risk Management Policies and Plans

The Company is confident and aware of the importance of effective risk management and control in order to enable it to operate its business steadily and continuously at an acceptable level. It is used as an administrative tool that maximizes the chances of success for the Company and reduces the likelihood of failure and loss to a level that the Company can control, taking into account the Company's goals as a priority and reducing the uncertainty in the Company's overall performance to achieve the Company's objectives.

Risk management policy includes:

1. Foster a risk management culture to build mutual understanding, consciousness, and shared responsibility regarding risk, control, and its impact on the Company. Demonstrate leadership commitment to integrate risk management into the organization's processes and decision-making. Emphasize the importance of risk management, particularly in product design projects.
2. Establish a Risk Management Committee to oversee the management of risks in various areas, such as strategic and technological risks, operational risks, marketing risks, financial risks, regulatory and sustainability risks, as well as emerging risks. The Company will also set up a Risk Management Steering Committee, chaired by the Secretary of the Risk Management Committee, with members including department heads or officers from departments related to risk management. The committee's role is to review risks together every month, provide neutral opinions on risks to management, facilitate effective risk management, raise awareness, and promote a risk management culture among employees. Additionally, the committee will report the risk management outcomes to the Risk Management Committee on a quarterly basis. The Company's risk governance and management structure can be summarized in the diagram below. Furthermore, the Risk Management Committee will report the risk management results to the Board of Directors quarterly. There will also be an exchange of information between the Risk Management Committee and the Audit Committee during Board meetings, with internal auditors ensuring that the risk management policies are continuously implemented.

Governance and Risk Management Structure



3. Establish a process, approach, and measures for risk management that are of international quality standards and are adequate. Additionally, provide continuous and consistent training or dissemination of knowledge (through emails, videos, and meetings) regarding risk management to ensure that all directors, senior management, and employees are well-informed.
4. Provide risk measurement of both qualitative (for example, the Company's reputation and image) and quantitative (for example, loss, decreases in revenue, increases in costs) aspects based on potential opportunities and impacts.
5. Determine the risk limit to limit potential damage to the level of risk appetite of the organization, including monitoring the progress of the risk mitigation plan and key risk indicators (KRIs), which are a tool for early warning to prevent and determine additional risk management measures in time.
6. Provide written operating procedures to be implemented by executives and operators to control the risk of the operation.

The approach to risk management consists of the following steps:

1. Define the operational purposes and the context of the Company.
2. Identify risk indicators (including impacts and causes of risk) to analyze, assess, and prioritize risks.
3. Define criteria, risk control methods, and a risk management plans.
4. Monitor risk management plans and key risk indicators and conduct a risk assessment.
5. Communicate with employees and hold meetings with the Risk Management Committee.
6. Record data and prepare reports.

Besides, for continuous business operations under unexpected crises, such as natural disasters, political unrest, terrorism, epidemics, war, and various threats that will affect the ability to conduct business and may cause disruption of important processes or production chains, the Company has established a BCM (Business Continuity Management) system to support changes in the future, taking into account the safety and security of the business and the interests of all stakeholders.

The Company has assigned the Business Continuity Planning (BCP) Team, consisting of representatives from the relevant departments, to manage the business continuity plan and be representatives in communication to various departments. The Company divides its business continuity plan into three areas: asset management, product production continuity, and important data protection. The management approach can be divided into four parts: crisis prevention, incident response, crisis response, and business recovery. The Company appropriately prepares readiness and drills, as well as promoting awareness and responsibilities for employees in accordance with the business continuity management system framework.

Asset Management

The Company diligently manages its core assets, focusing on activities during production and readily available inventory. This involves securing warehouse insurance coverage to protect both the Company and the primary production recipient. Additionally, the Company conducts continuous assessments and monitoring of the risks associated with disaster events, ensuring preparedness for potential incidents at both the company and production recipient levels. Furthermore, the Company maintains four inventory warehouses, providing flexibility in relocating goods as needed. In the aftermath of an emergency, the Company can request additional production capacity from the production recipient to manufacture replacement products if inventory is lost or damaged.

Continuous Production Assurance

To ensure continuous production, the Company has business interruption insurance and agreements with primary manufacturers to provide uninterrupted services for specified periods, preventing unexpected disruptions.

Additionally, the Company regularly exchanges business plans with manufacturers to assess situations and prepare contingency plans by identifying a secondary manufacturer. The Company can relocate production within 6-12 months for wafer production and within 3-6 months for IC packaging. We maintain reserve stock for core products for 3-6 months as a precaution in case of supply chain interruptions.

Critical Data Protection

The Company has stringent measures in place, such as the installation of a firewall and the implementation of two-factor authentication (2FA) to prevent unauthorized access. Following ISO27001 standards, the Company continuously adapts and updates its practices. For on-premise data management, access control is maintained through Windows login systems, and daily data backups are performed. Internally backed-up data is stored on the cloud for an additional layer of security. Cloud data management involves the use of Azure AD and Microsoft Defender to detect and respond to potential attacks. The Company can recover data from backup files, with the information being up to date within one day prior to the incident.

2.2 Key Risk Factors in the Company's Business Operations

2.2.1 Risk for depending on main raw material manufacturer and main supplier

The Company is engaged in the design and development of chips for RFID by outsourcing other operators to produce and assemble products (Fabless Company). Wafer Fabrication is in an upstream industry where Thai enterprises are not yet able to produce, and there are very few entrepreneurs in the industry. Globally, there are only about 10 major pure-play foundry companies. Therefore, the Company needs to import all such raw materials from abroad and must plan the order in advance, the production of integrated circuits on the wafers will take about 3-6 months. In the case of hiring a new integrated circuit manufacturer. Time must be set aside for circuit adjustments to fit new production formulas. It takes at least 6-12 months for the first production of the product.

In addition, after the Company imports wafers from abroad. The Company has to hire a wafer cutting plant including IC Packaging assembly and hire form factor assembly to produce finished products, which in order to change the factory requires between 3 and 6 months of trial and quality testing, which takes less time than the integrated circuit manufacturer change, and there are more operators who can provide services in such production process.

There are only a few manufacturers hired for integrated circuit production, with a long period of time for manufacturing and procedures in changing to new partners. In case of discrepancies in the production plan or disruption for a long period of time, the Company may be at risk of not having products delivered to customers as scheduled, thus causing the loss of income and credibility with customers. During the year 2021 until the beginning of 2023, there was a shortage of microchips in the world market due to insufficient production capacity to serve the demand of integrated circuit manufacturers' IC packaging assembly plants. However, such a situation has been recovered in the second quarter of 2023, with no significant impact on the Company.

The Company assesses the likelihood of production disruptions in both integrated circuit manufacturers and assembly plants by assigning clear responsibilities to closely coordinate production planning with suppliers to assess the capacity situation of trading partners. The Company has measures to prevent such risks by making stock in accordance with the volume of customer demands. Monthly estimates are submitted in advance to major partners for a period of 6-12 months with monthly reviews. There is a contract which requires major suppliers who manufacture integrated circuits to give at least 12 months' notice if production of any products is to be stopped. In addition, the Company has a policy to reduce dependence on a single integrated circuit manufacturer by finding additional partners. At present, the Company has 3 partners that can support the Company's orders, spread across countries including Singapore, South Korea and China. As a result, the Company has been able to design new products with similar features to existing products in the production line of new manufacturers, to have a replacement product in case one of the manufacturers has a problem. The

Company will consider the R&D costs to be designed to match the production methods of the new plant and the order volume to achieve an economy of scale.

In terms of outsourcing wafer cutting and assembly IC Packaging services, The Company has reduced its risk by providing factories that can provide contract manufacturing services as a backup source. The plant has been tested. In addition, the Company manages and develops manufacturers in addition to existing ones. The Company has a process of working with affected customers by sending pre-clarification documents to affected customers and sending samples of products to customers for testing.

At the beginning of 2025, the trade war between the United States and China continued. China was banned from accessing advanced semiconductor technology, especially the suspension for the export of AI chips to China. Nonetheless, the Company's products were not in the prohibited groups, thus obtaining no effects at all. Besides this, during the end of 2023 until the beginning of 2025, the Middle East's crisis, including the Israel-Hamas war and the United States-the Houthis war, disrupted transportation in the Red Sea, affecting product costs. Despite no current impact on the supply chain at this time, the Company continuously monitored and assessed such impact, while planning to cope with any possible effects in a timely manner.

2.2.2 Risk of dependence on product or customer groups

Since the Company's revenue comes from the sale of four groups of products: 1) microchips for animal registration systems; 2) microchips for IoT in the industrial sector; 3) microchips for automotive electronic key systems; and 4) microchips for NFC and others. Each group of products has customers who are global major operators or customers who are distribution partners. As a result, the main source of revenue for the Company comes from the distribution of products to only 10-15 major customers. (See more details in Section Characteristics of Customers and Target Customers).

Therefore, if the Company fails to maintain the competitiveness of its products, including good business relationships and unexpected changes to the businesses

of its key customers, it may affect the Company's orders, leading to a significant decrease in revenue. In 2024, the Company's main revenue come from the product groups 1), 2), and 3), which account for 57%, 30%, and 12% of revenue from sales and services, respectively. In 2023, the Company's main revenue come from the product groups 1), 2), and 3), which account for 45%, 32%, and 21% of revenue from sales and services, respectively.

The Company monitors changes in revenues in each product group and revenues from the top ten key customers in order to assess the risk of impact from the major customers and has measures to maintain relationships, including exchanging advances and plans for product development with customers. In addition, the Company has a policy to maintain its competitive advantage and reduce reliance on major product groups or large customers by promoting cross-selling to existing customers and attracting new customers. The Company also continuously researches and develops new microchip models, both within the three main product categories and in new product areas such as NFC, to increase product diversity. This will help the Company expand its customer base and reduce dependency on each product group in the future.

In 2024, the NFC product group remains a key focus for the Company's growth strategy. Currently, these products are in the development and prototype testing phase in collaboration with customers. Additionally, the Company has introduced a new product line in the sensor category and has begun marketing activities to promote widespread adoption.

Thus, it can be seen that in 2024, microchips for animal registration systems accounted for 57% of total revenue, an increase from 45% in 2023, driven by growing customer demand in Europe. This product group is expected to continue its long-term growth, supported by the enforcement of electronic animal identification regulations for sheep and goats in Australia and the United States.

Furthermore, the Company has mitigated revenue loss risks by establishing long-term contracts with major customers and reduced its dependence on the Australian market by acquiring additional customers in other

continents. Simultaneously, the Company continues to develop new generations of microchips for industrial IoT products and the NFC group to sustain growth and to reduce reliance on the animal ID microchip product group after 2025.

2.2.3 Risk from rapid changes in technology and consumer behavior

The Company's main business involves products in the technology group that are at risk of becoming outdated or being replaced by new technology (Disruption). Some products may have a shorter product life cycle in the market than estimated, and while the product research and development of the Company may take several years to develop into products that can be sold to customers, including the rapid change of technology and changing behavior of consumers, when the Company has completed its product development, it may not keep up with the market needs. This results in a loss of sales in the product development project or microchip products of the Company and has a significant impact on the performance of the Company in the future.

To assess and manage the risks mentioned, The Product Management and Marketing Working Group, consisting of representatives from the Departments of Marketing, Technology, Production, and Finance, has planned to explore global research findings and emerging technologies in order to identify and manage such risks. In addition, a range of methods have been used to study market trends and opportunities in different product segments. This includes exchanging advances and product development plans with key customers and international research institutes to assess risks and opportunities and establishing guidelines for research and development in both technology and product roadmaps of the Company, which are reviewed every six months to ensure that it can continuously develop and offer new products to the market and meet the needs of the market and customers. Furthermore, the Company has constantly engaged in research and development with customers who are major operators in each business group to be able to develop products in the direction that the market needs regularly.

In 2024, the Company's revenue decreased slightly from 2023, representing a 1% decline. This due to revenue

from microchips for automotive electronic key systems dropped by 42%, which was impacted by the contraction of the automotive industry in China and America, major customers. The microchips for IoT in the industrial sector decreased by 5% due to declining revenue from key customers in Asia. The microchips for NFC and other fell by 82%, mainly due to the development of new applications and related ecosystems for the Company's products was slower than anticipated. Meanwhile, the animal registration system product group increased by 25% due to revenue growth from key customers in Europe, resulting from the expansion of the animal registration system market in Europe and Australia. This growth helped offset the impact of declining revenue in other product groups, allowing the Company's overall revenue for 2024 to remain close to previous levels.

The Company has chosen to develop products for the industrial market that are used in the manufacturing process or used as components. Technology and market needs do not change rapidly, so the Company has time to prepare a response plan that has had little impact. Take for example, a change in the animal registration system technology requires a change in investment in related systems, including reader and database systems. For countries with law enforcement related to animal registration systems, such a change takes time and money. Therefore, it is the business group with a slight change in technology. This is similar to RFID technology for industrial IoT with investment related to infrastructure. For the microchips for automotive electronic key systems group, has been affected by the global automotive industry contraction following the slowdown of the global economy, coupled with customers' high inventory levels. Currently, the Company is researching and developing Remote Keyless Entry (RKE) systems-technology that allows users to remotely open and close car doors and trunks, as well as control devices inside the vehicle. This technology is more advanced and complex than what is available in current products. This represents one of the Company's key strategic approaches to mitigate risks associated with technological changes and evolving consumer behaviors.

2.2.4 Risk from investment costs in research and development of products that cannot be commercially produced

Due to the nature of the Company's business, including microchip research and development, which has a relatively high investment cost, the Company needs to research and develop new knowledge and products to keep up with the changes in technology and customer needs. The research has been done to expand knowledge, which may not be able to be used to develop products for sale at present. However, it is necessary to invest in such research in order to use it as a base to expand into further commercial use in the future. The Company records research and development costs in the area that can be assessed as commercial expansion as an intangible asset in the financial statements. If such research and development does not follow the plan, such as owing to delays from manufacturers, dramatically changing costs, or drastically changing market behavior, such products invested in research and development cannot enter the market as planned. This may result in impairment or amortization of development costs in the event that such development cannot be commercially produced. As a result, the Company may incur relatively high administrative costs, which may significantly affect its overall performance.

Therefore, to reduce such risk, the Company has prepared an annual budget and set a limit framework for research and development each year to be used as a guideline for planning investment in research and development effectively and in line with the Company's financial position, performance, and future growth direction. The Company has a strict research project approval process. In the details of the research project, the objectives and results must be clearly identified, as well as opportunities for future development projects. The Company's research projects are also in line with its guidelines for a technology roadmap and must be considered by the Product Management and Marketing Working Group.

The Company has established procedures for reviewing the research and development projects into five main phases: concept, scope, design, qualification, and release. The Product Management and Marketing Working Group, consisting of representatives from the Departments of

Marketing, Technology, Manufacturing, and Finance, will consider the business plan, deliverables, schedule, and budget. When the project reaches the end of each phase (Gate) and it is assessed that it still appropriately meets the project's goals, it is able to proceed further. The working group can stop the project and have the relevant departments consider review and revision if the project is not in accordance with the plan for approval again, or it can close the project if it believes that the project will not achieve the set goals.

In 2024, the Company adjusted its research and development strategy to better align its products with customer expectations and market demands. This has led to the successful commercialization of products, helping to reduce the risk of research and development efforts that do not yield true commercial benefits.

In 2022-2024, the Company had a balance of intangible assets for the product design development project equal to 76.2, 134.3 and 183.8 million baht, accounting for approximately 11.7%, 11.6%, and 18.9% of total assets in each year, respectively. It can be seen that there is an increasing trend. This is in accordance with the Company's plan to support long-term growth. Meanwhile, the Company reserved for the impairment of intangible assets in 2022-2024 in the amount of 11.1, 1.1 and 1.9 million baht, respectively. The continual decrease in the impairment reserve is primarily due to a strict review of research and development project as part of the risk management plan. This requires clearly specifying objectives and expected outcomes, along with adjusting the working strategies of relevant departments to collaborate more closely with customer groups. This approach ensures that product research and development better aligns with customer needs, which is a crucial part of the risk management plan that the Company places great importance on.

In the future, the Company is more likely to invest in research and development to be in line with the Company's growth, resulting in increased intangible assets, for the product design development project. However, The Company will regularly evaluate the feasibility of product design development projects to consider adjusting the development to align with the situation or recognizing impairment if indicators arise.

2.2.5 Risk of non-compliance with laws and regulations

Since the Company's products are used as an element of the customer's RFID equipment, there are various rules and standards that must be followed. Thus, in the design and manufacture of the Company's products, various conditions or requirements must be taken into account that the customer of the Company must comply with, such as REACH (Registration Evaluation Authorization and Restriction of Chemicals), RoHS (Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment), CMRT (Conflict Minerals Reporting Template), etc. In addition, the Company must comply with laws or regulations related to intellectual property, employment and labor, the protection of personal information, anti-bribery or anti-corruption, taxes, and other matters.

If the Company does not comply with the relevant laws or regulations above, it may affect the Company's ability to sell products to its customers as expected or invest in the development of inefficient products according to the standards required by the customers, which will have a significant impact on the Company's performance. It includes possible litigation from the Company's customers, violations of laws, or the unawareness of changes in laws or regulations that may affect the business, leading to litigation, fines, and penalties. All of them may adversely affect the results of operations and reputation.

Therefore, to reduce the risks above mentioned, the Company has assigned a person responsible for closely coordinating with the customers of the Company to exchange information and trends about changes in regulations related to the customer's products. This leads to advising customers to deploy the Company's products in accordance with changes and improvements to product features, or even the development of new products in accordance with relevant standards. The Company has also appointed a person responsible for monitoring and reviewing the consistency of compliance with new laws related to the Company's business operations in order to control, monitor, and recommend compliance with relevant laws and regulations to various departments within the organization. In the past, the Company has never been sued or had disputes for non-compliance with any relevant laws or regulations.

In 2023, the European Union introduced the CBAM (Carbon Border Adjustment Mechanism) system, which is a regulation that affects the export of goods to the European Union. The CBAM intends to encourage both foreign manufacturers and importers to improve their production processes in compliance with the strict greenhouse gas emission standards, especially in industries with high greenhouse gas emissions. They must pay taxes for the carbon emission produced by the production of those goods, which can increase production costs and affect competition in the international market. Currently, the CBAM system has no impact on semiconductor components. However, the Company remains in preparation for the reduction of its carbon footprint, along with closely monitoring the progress of the CBAM system. In 2024, there has been an enhanced enforcement of the Act issued by the Department of Foreign Trade, Ministry of Commerce, regarding the control of goods related to the proliferation of weapons of mass destruction and dual-use items (TCWMD - Trade Control Weapons of Mass Destruction). The Company's chips are not classified in this risk category. The Company has submitted product registration documents to the Department of Foreign Trade for further consideration.

2.2.6 Risk of infringement of intellectual property of other persons

Since the Company's business involves research and development to seek innovations or new knowledge that can be used to create products that can respond to the needs of customers, technology industry operators protect their own intellectual property, especially through the use of invention patents, so new product development has the opportunity to have the same components or methods of using products as those of other persons who have previously registered patents. Accordingly, the product is likely to infringe on the intellectual property of others who may have registered those rights. As a result, the Company is at risk of being sued by the owner of the intellectual property or being prohibited from selling the product in question, which may affect customers who use the Company's products. This may affect its performance by being sued and fined, as well as affecting its image with customers and partners.

In order to prevent the risk of infringing on the intellectual property of others, the Company has provided training for both current and new employees to have knowledge and understanding of intellectual property practices. In addition, the Company has determined to assess the risk of infringing the intellectual property of the product development projects by conducting a patent search and searching for things that the Company can perform (Freedom to Operate: FTO), which provides preliminary information to decide which design can or cannot be done. This leads to planning to design the product without infringing on the intellectual property of others. The Company's intellectual property working group consists of representatives from the Departments of Technology, Research, and Business and intellectual property experts responsible for considering, screening, and reviewing at all times so that the Company does not have problems with infringement of the intellectual property of others, including considering patent applications for things developed by the Company. In 2024, the Company has never been fined or sued for infringing the intellectual property rights of others.

2.2.7 Risk of reliance on expert engineers in the terms of microchip design

Since the Company engages in the design and development of chips for RFID devices, its main operations involve research and development, which requires a reliance on the Company's expert engineers in the terms of microchip design. These engineers are knowledgeable, capable, and experienced in microchip design, which is a rare skill. Thailand has considerable limitations on the number of personnel with expertise in such knowledge and professions. If there is a loss of professional engineers, it may be difficult or time-consuming to find replacements. In 2023 and 2024, the Company has a total of 106 and 122 engineers, respectively, consisting of: 1) professional engineers; 2) managing engineers supervising the design; 3) microchip design engineers; 4) electronics and embedded system engineers; and 5) production and sales support engineers.

If the Company cannot maintain the engineering team or cannot find any other competent personnel to replace them, particularly in the critical area of microchip design engineering where the demand is steadily rising, It may affect the research and development of new products,

such as by delaying product delivery, producing inferior products, and failing to meet customer requirements, leading to an impact on the Company's future revenue growth.

In order to assess the risk of retaining human resources, the Company annually conducts an engagement assessment in the organization and accepts anonymous questions and comments from employees to executives through the Townhall meeting every quarter and brings the assessment results and feedback for improvements. Moreover, the Company has planned and initiated a retention program for professionals and talented employees. In this project, there are long-term plans to maintain the position and ability of the organization to remain at a competitive level in the chip design industry. There are many implementations in different dimensions, such as consideration of special compensation, an employee joint investment program depending on the Company's turnover each year, and a long-term employee capacity development plan to provide employees with career advancement.

The Company promotes the cultivation of corporate culture by continuously transferring knowledge among employees in the organization from generation to generation through its work from top to bottom to increase the know-how and expertise of engineers at all levels of the Company. Besides this, the Company has a policy of decentralization of management and rotation of the engineering team to reduce the dependence on personnel individually, including focusing on the development of such personnel to have knowledge and expertise according to the changes in technology equivalent to leading companies at the international level by continuously providing training, education, and support for study abroad and site visits to engineers of the Company.

In terms of reducing the risk of not being able to adequately recruit specialist personnel for the Company's business operations, the Company has a policy to develop knowledge and personnel in related disciplines in conjunction with educational institutions by conducting activities with universities in Thailand to train and educate engineering students in related disciplines of the Company's business in order to create

an understanding of the way to grow in the field and to promote the presence of additional personnel in such professions. There is also a plan to hire personnel from abroad who have expertise in specific professions to work with the Company in the future.

From 2023 to the beginning of 2025, the trade war between the United States and China on the issues of the semiconductor industry led to so much attention among students. In the meantime, the government sector has realized the importance of personnel development in the field of semiconductor field toward the enhancement of Thailand's electronics industry to reach the intelligent electronics level. Thus, there is cooperation between the government, private sector, and educational institutions to develop curricula and improve internships for the support of manpower in microchip and semiconductor design. In 2024, at least four universities have joined the Sandbox Curriculum Project and have opened admissions for students in semiconductor programs. These universities include Chulalongkorn University, Kasetsart University, King Mongkut's Institute of Technology Ladkrabang, and King Mongkut's University of Technology North Bangkok.

2.2.8 Risk from fluctuations in foreign exchange rates

As the Company conducts nearly all of its business through exports, it primarily sets product prices in US dollars and euros. Additionally, the Company imports wafers from abroad, with payments typically made in US dollars. Therefore, the Company faces risks from exchange rate fluctuations, which affect revenue and profit in Thai baht. Sales revenue from international markets accounts for approximately 99% of the company's total sales revenue.

Exchange rate fluctuations can significantly impact the Company's financial performance, both positively and negatively. A depreciation of the Thai baht increases the revenue recognized in baht, leading to higher net profits. Conversely, an appreciation of the Thai baht has the opposite effect. Additionally, there may be foreign exchange gains or losses arising from the difference between the exchange rate on the date of recording the sale of goods or purchase of raw materials and the date of receiving or settling payment.

Therefore, in order to reduce the risk of such exchange rate fluctuations, the Company closely monitors the exchange rate changes by assessing the situation and trends of the currency exchange rates involved and plans to align the cash flows in the same foreign currency. In addition, the Company has a policy to manage exchange rate risk in accordance with the revenue structure according to the product to reduce the impact of exchange rate fluctuations on the recognition of Thai baht income.

As of the end of 2022 and 2023, the Company recorded derivative liabilities from forward foreign exchange contracts amounting to 7.79 million and 0.30 million baht, respectively. In 2024, the Company did not record any derivative liabilities from forward foreign exchange contracts. The value of forward foreign exchange contracts will affect the potential gains (or losses) from exchange rate fluctuations proportionally. By managing cash inflows and outflows in the same foreign currency, the Company reduces the need for foreign exchange contracts. The Company does not have a policy to speculate on exchange rate movements.

2.2.9 Risk from climate change

The risk from climate change is considered an ESG Risk that may affect the Company's business operations in various ways, including extreme weather conditions, natural disasters, and regulatory changes. This is likely to affect trading partners whose factories are located in areas at risk, causing them to cease production or have higher costs due to compliance with new regulations that affect the Company's operations and operating results.

The Company has assigned personnel to track news on climate change, including relevant laws and standards, regularly. Furthermore, the organization assesses its carbon footprint annually to evaluate the results of sustainability strategies. The Company also assesses the business continuity management plans (BCP) of its manufacturers during the supplier selection process. This is to ensure a plan for dealing with emergency situations and the delivery of raw materials to the Company. Nonetheless, overall, companies and related manufacturers have experienced less direct impact from climate change when compared to other industries.

2.2.10 Risk on human rights

The risk of human rights is considered an ESG risk due to the violations of labor and human rights standards from the Company's operations and its supply chain, such as forced labor, discrimination, and use of force, leading to complaints and legal actions. These actions may cause the Company to lose its reputation and be prosecuted.

The Company has a policy on human rights in compliance with national and international rules and regulations regarding human rights, including the International Labor Organization (ILO) Basic Rights at Work Declaration on Fundamental Principles and Rights at Work, the Code of Ethics for Responsible Business Partners of the Electronic Industry Community, the Human Resource Management Policy within the organization, including local laws in Thailand. Also, the Company has operated Human Rights Due Diligence to identify issues as well as assessing risks and impacts of human rights violation within the organization, determining the affected groups or individuals, planning and specifying corrective and preventive measures, correcting and protecting against human rights violations, and inspecting and following the results by providing an appropriate and effective mitigation process in case of human rights violation. The Company provides channels for receiving complaints, opinions, whistleblowing regarding illegal actions, violations of regulations, and business ethics through mail, email, the Company's website, and telephone. Whistleblowers or complainants with honest intentions will be protected according to measures safeguarding the rights of informants, and their information will be kept confidential (more information can be found on pages 204-205). In 2024, the Company had no incidents of human rights violations within the organization and received no complaints or tips regarding human rights violations of employees and stakeholders associated with the Company.

2.2.11 Risk on Geopolitical Tension

Today's world economy, politics, and society are more complex and interconnected, causing geopolitical tension, which may inevitably affect the production supply chain as a significant emerging risk for the Company. At present, the conflict issues that may have an impact on the Company include: 1) The trade war

between the United States and China, causing barriers to technology and semiconductor products made in China for some continual applications, along with the higher level of banning chip technology related to the artificial intelligence work at the end of 2023 until early 2025. Following the United States' announcement of a 10% import tariff on all types of goods shipped from China, based on current assessment, the Company has not been affected by this new tariff. The Company has classified this as a risk under observation, with regular monitoring and impact assessment taking place. 2) The Russia-Ukraine war which indirectly affects the cost of semiconductor raw materials due to the prolonged energy prices and inflation continues to be prolonged. Currently, the Company has not experienced any additional impacts. 3) The Middle East wars in late 2023, such as the Israel-Hamas war as well as the United States and the Houthis in the Red Sea, causing the disruption of shipping in the Red Sea. These wars could further spread to another continent and ultimately affect the Company's economy and production supply chain. By early 2025, there are signs of improvement in the war situation with ceasefire negotiations between Israel and Hamas.

The Company has assigned persons to be responsible for tracking news on geopolitical conflicts and collecting information from relevant partners to assess the present and future situations. However, the trade war has not yet affected the Company because its products are not among the prohibited groups. For the wars in Ukraine and the Middle East, there has also been no impact on the Company's supply chain, although the Company has measures to support its supply chain planning in reducing the impact of such problems. Additionally, there is a strategic plan for cost management to compensate for the effect of higher raw material costs.

2.2.12 Risk from high inventories

The increase in inventory due to higher orders to meet the demands of key customers in the Animal ID group and the production during the change to technology with more advanced wafer production modes toward the Company's long-term plans has caused a high level of inventories when compared to the level required for normal operations on an annual basis. If there are changes in market conditions or inaccurate demand

forecasting, the investment in inventory could become a sunk cost, leading to potential liquidity issues. At the same time, excess stock could become obsolete and unsellable in time, requiring a provision for obsolete goods, which would result in a reduction in net profit.

To reduce the risk, the Company has a management policy to reduce inventories at a consistent rate with the timing of product launch based on new production technology. The Company collects a forecast of product sales from the business unit, in line with monitoring every quarter to obtain information for the evaluation of trends in inventory quantities and manages them appropriately before entering into long-term sales contracts with key customers. For products with a slow turnover, the Company shall expedite the release of such products by organizing promotional sales activities and opening sales with new customers.

The Company's total assets at the end of 2024 are 973.0 million baht, an decrease of 187.1 million baht from the end of 2023, amounting to 1,160.1 million baht. The current assets decreased by 216.0 million baht, the main factors include a decrease in inventory according to reduced production, along with the ability to deliver products to customers according to plan. Additionally, cash and cash equivalents decreased due to payment of account payables and gradual repayment of short-term loans from financial institutions. In 2024, the Company completed its plan to purchase and store products to support sales during the technology transition period. As a result, the additional inventory will be gradually sold off completely. However, the Company expects inventory value can fall to a normal level within approximately 2-3 years, in line with the assessment of product demand in the market and the changing plan to newer products, which remains on schedule according to the Company's established plan.

3. Sustainability Development

3.1 Policy and Goal for Sustainable Development



Economic and Governance



- Established a sustainability working team to drive operations in this area
- Announced a tax management policy which has already been approved by the Company's Board of Directors
- Having a customer satisfaction rate at 90.4%



Social



- Issued a new Supplier Code of Conduct with 71% of total suppliers having already signed
- Implemented a supplier audit process for key suppliers
- The employee engagement rate was 80.6%
- No injuries, illnesses, and deaths from the operation



Environmental



- Completed carbon footprint for organization in Scope 1 and 2, which has been certified by the reviewer, and started measuring carbon footprint data in Scope 3 for major emission sources.
- Planted a total of 1,000 trees, equivalent to an area of approximately 2 Rai in a mangrove planting activity,
- estimated to reduce greenhouse gas emissions by 9,500 kgCO₂e
- The estimated percentage of food packaging that was sent back for reuse is 100%

ESG Awards & Recognitions in 2024



Received an **"Excellent" rating with 5 stars** for corporate governance



Received an **"A"** rating in the SET ESG Rating 2024



Has been selected by the Thaipat Institute to be included in the **ESG100**



Received an **"Bronze"** level rating in the sustainability assessment conducted by EcoVadis.

3.2 Sustainability Strategy

3.2.1 Sustainability Development Policy and Goals

The Company specifically sets policies and goals for sustainable development in accordance with business directions and strategies to drive its business towards stable and sustainable growth by defining the operational framework for sustainable development in three dimensions: economy, society, and environment. The emphasis is placed on cultivating, promoting, and transferring development goals in all sectors so as to enhance the understanding and implementation in a concrete way, as well as the application of sustainable development policies as the core to drive efficiency and create maximum benefits for stakeholders. In preparing sustainability data, the Company has aligned it with the Sustainability Reporting Guide for Listed Companies (SET Sustainability Reporting Guide) of the Stock Exchange of Thailand.

Economy

The Company is committed to being a sustainably successful organization with maximum returns and benefits for shareholders and stakeholders.

Goal: To create sustainable business growth and returns.

1. To promote innovate electronic devices with smart, distinctive, unique innovations and deliver superior quality products and services.
2. To manage business for innovations and value added to customers and partners which shall together lead to global success.
3. To operate business in accordance with good governance, transparency, accountability, taking into account all groups of stakeholders.
4. To administer effective holistic risk management.
5. To enhance responsible and sustainable management of the value chain.

Society

The Company adheres to promoting and driving society for sustainable growth.

Goal: To build a good quality of life and sustainable society.

1. To treat all employees according to human rights principles with equality and safety at work.
2. To promote personnel development with career security and a good quality of life.
3. To enhance good relationships with the community and society, as well as educate and develop the potential of youths and students as an important mechanism in driving industry, economy and society.
4. To cooperate with educational institutions and government agencies for innovations and application of knowledge from research and development into practice towards sustainable knowledge development.

Environment

The Company emphasizes reducing the environmental impacts from its operations.

Goal: To drive the organization towards “A Low Carbon Company.”

1. To reduce the environmental impacts from its operations and production processes throughout the supply chain.
2. To focus on waste management within the organization and reduce waste from the production of its products efficiently.
3. To support and promote business operations with customers and partners, taking into account the environmental impacts.

3.2.2 Structure and Governance of Sustainability



To emphasize the Company's direction and commitment to sustainability development, in 2024, the Company established a Sustainability Development Working Group to jointly drive the organization's sustainability operations to an international level under the Company's sustainability development policy and framework approved by the Board of Directors. The working group consists of members from all departments, namely: Company Secretary and Investor Relations, Supply Chain, Manufacturing & Engineering, Products Line, Project Management, Sales & Marketing, Human Resources, Intellectual Property & Legal, IT & Facility. The working group's main duties are as follows:

1. Consider and propose sustainability policy frameworks to the executive management, sub-committees, and the Board of Directors for approval, as well as review and improve the sustainability development policy framework annually.
2. Establish sustainability strategies and annual plans under the supervision of the management team.
3. Drive and implement activities related to the Company's sustainability plans.
4. Control and create alignment across all operational processes, leading to the achievement of organizational sustainability goals and responding to stakeholder expectations.
5. Evaluate the Company's sustainability performance in accordance with principles or requirements for sustainable development, both domestic and international standards.
6. Report the Company's sustainable development performance according to disclosure standards.
7. Monitor, study, and analyze international standards related to sustainability development relevant to the Company, as well as trends and other regulations concerning sustainability in all aspects.
8. Promote sustainable development, communicate, and create awareness within the Company and among all stakeholders.

In the year 2024, a total of three meetings were held.

3.2.3 Process of Defining Key Sustainability Issues (Materiality Assessment)

The Company recognizes the importance of defining and prioritizing key sustainability issues, which form the essential foundation for determining organizational sustainability strategies and risk management. To ensure comprehensive assessment aligned with international practices, the Company has implemented a new evaluation approach called “Double Materiality Assessment.” This approach enables the company to conduct a thorough analysis of both external factors' impact on Company performance and the company's operational impact on stakeholders, environment, and society. Beside helping the company establish policies and make more careful decisions, this approach also complies with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and industry best practices.

The Double Materiality Assessment process consists of 7 main steps:

1. **Define:** The Company begins by clearly establishing assessment objectives, considering relevant regulatory requirements, and defining the scope of stakeholder engagement and organizational operations to be evaluated. This ensures both internal and external stakeholders are fully considered, and the assessment reflects comprehensive perspectives.
2. **Brainstorm:** The Company gathers a list of potentially significant sustainability issues, referencing past assessments, industry standards, and stakeholder information. This step helps the Company identify relevant issues comprehensively and ensures the assessment aligns with industry concerns and the organization's business context.
3. **Categorize:** The Company groups selected issues under main categories, including Environmental, Social, and Governance (ESG). Additionally, the Company considers adding other relevant categories such as Economic to ensure comprehensive coverage and facilitate subsequent analysis.
4. **Engage:** The Company develops questionnaires to gather opinions from both stakeholders and individuals related to stakeholders, employing MaxDiff Analysis to reduce the problem of similar scoring across all topics. This approach allows for more effective differentiation of importance levels for each issue.

The survey is designed for respondents to select which issues are most important and least important among four options, conducting the survey from two main perspectives:

- Inside-Out Perspective: Assessing the impact of the Company's operations on stakeholders, environment, and society
- Outside-In Perspective: Assessing the impact of external factors on the Company's performance

This method helps the company identify significant sustainability impacts across all dimensions while reducing score clustering problems and increasing accuracy in prioritizing various issues.

Example of questionnaires

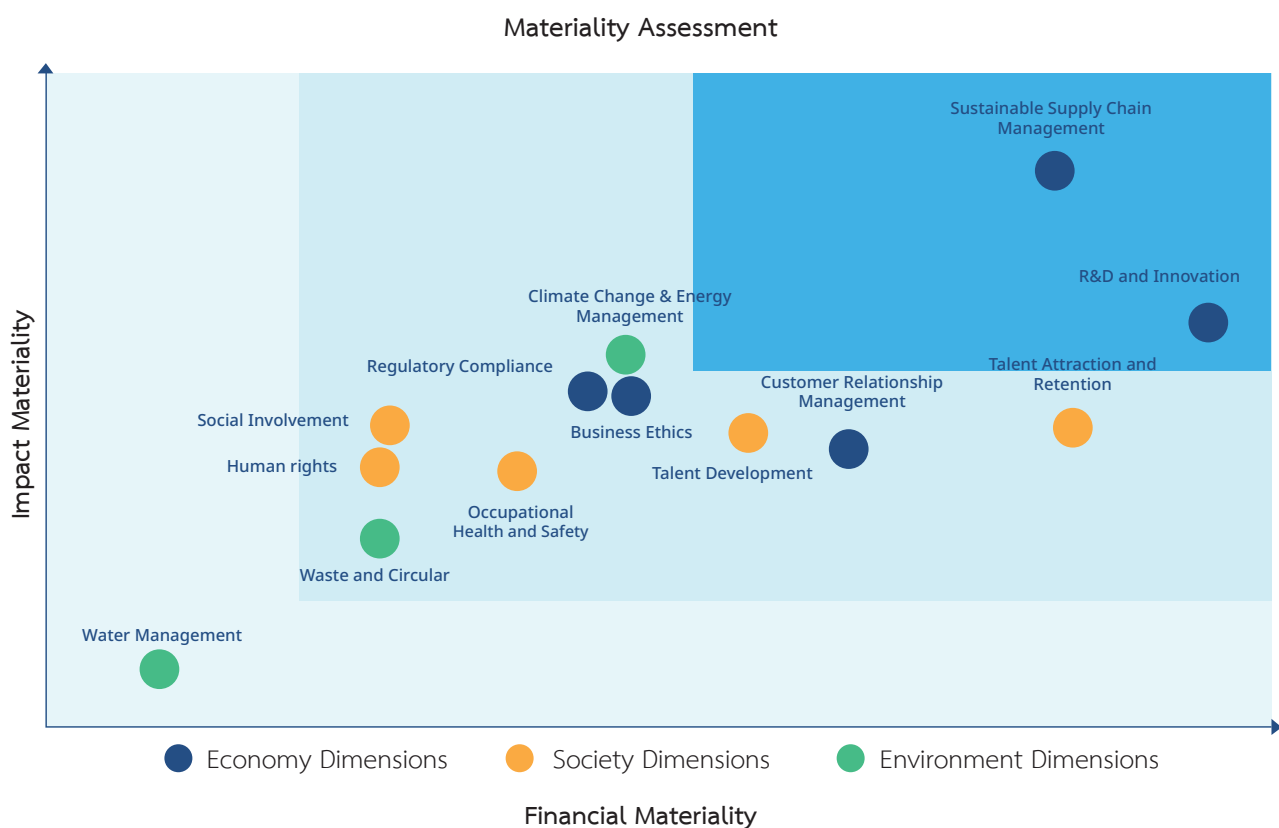
1. (Outside-In perspective) From the following topics, which do you think presents the highest and lowest risk to Silicon Craft Technology's financial stability over the next five years?

Highest Risk		Lowest Risk
☐	Water Management	☐
☐	Sustainable Supply Chain Management	☐
☐	Climate Change & Energy Management	☐
☐	Customer Relationship Management	☐

2. (Inside-Out) Which of these issues do you believe will have the most and least impact on the environment and society due to Silicon Craft Technology's operations?

The most impact		The least impact
☐	Social Involvement	☐
☐	Talent Development	☐
☐	Climate Change & Energy Management	☐
☐	Occupational Health and Safety	☐

5. **Prioritize:** After collecting data from stakeholders, the Company converts scores for each issue into numerical format for both dimensions. Then, create a Materiality Matrix that displays the importance level of each issue, showing both external factors' impact on Company performance and the Company's operational impact on stakeholders, environment, and society. This matrix is divided into low, medium, and high-risk zones to help the Company identify the most critical issues.
6. **Approve:** The Company presents the assessment results to the board of directors and management team for review and approval of significant issues and related risks. This ensures that the prioritization of sustainability issues is appropriate and ready for disclosure.
7. **Reflect:** The Company disclose the assessment results to stakeholders and individuals related to stakeholders, while gathering additional feedback to formulate sustainability strategies that effectively address key issues. Additionally, the Company conducts annual reviews of the assessment to keep pace with economic, social, and environmental changes, as well as new risks that may emerge.



Based on the implementation of the above steps, the results of sustainability issues, presented in the form of a Materiality Matrix from Inside-Out and Outside-In perspectives, can be categorized as Low, Medium, and High level as follows:

1. **High Materiality:** Issues that have high impact include Sustainable Supply Chain Management, and R&D and Innovation.
2. **Medium Materiality:** Issues that have medium impact include Talent Attraction and Retention, Customer Relationship Management, Talent Development, Business Ethics, Climate Change & Energy Management, Regulatory Compliance, and Occupational Health and Safety.
3. **Low Materiality:** Issues that have low impact include Social Involvement, Human Rights, Waste and Circular Economy, and Water Management.

3.2.4 Communication and Engagement on Sustainable Development

The Company communicates sustainability information to stakeholders through various channels. Sustainability management policy and goals, sustainability performance, corporate governance policy, and various sustainability activities have been disclosed through the Company's website on the investor relations page and annual report (56-1 One report). Also, the sustainability information is presented to both external and internal parties through corporate presentations at various meetings, including online channels like SIC on Facebook, so that all stakeholders can access complete sustainability information and continuously follow up on sustainability performance. There is also an annual customer satisfaction survey conducted to gather feedback that can be used to improve and develop various aspects of the work plan. Additionally, in terms of doing business with partners, the Company identifies on sustainability issues, in the Supplier Agreement Contract and/or Business Partner Code of Conduct to jointly drive business operations for sustainability. Including in the year 2024, the Company began implementing a Supplier Audit plan that includes assessment topics in both quality and sustainability. The first supplier evaluation was completed in December 2024. In the meantime, the Company has set sustainability as one of the topics in new employee orientation and used e-mail to communicate with employees within the organization every week. This is to make all personnel realize the importance of such issues and help drive the organization forward in the same direction for long-term sustainability. Additionally, in 2024, the Company's employees participated in a mangrove forest planting activity for the community at Klongkone Sub-district, Samutsongkram Province.

Communication & Engagement Form	Stakeholders					
	Customers	Partners/Suppliers	Shareholders/Investors	Employees	Communities	Government
Company's website	✓	✓	✓	✓	✓	✓
Annual Report	✓	✓	✓	✓	✓	✓
Investor Presentation/Corporate Presentation	✓	✓	✓			
The meeting providing both online and in-person access	✓	✓	✓		✓	✓
SIC Facebook	✓	✓	✓	✓	✓	✓
Customer satisfaction survey	✓					
Weekly internal communication email				✓		
New employee orientation and employee training	✓			✓		
Corporate social responsibility activities (CSR)				✓	✓	
Sustainability issues are identified in the Supplier Agreement Contract.	✓	✓		✓		
Supplier Audit (Quality & Sustainability)	✓	✓		✓		

3.2.5 Management of the Impact on Stakeholders in the Business Value Chain

Characteristics of Business Value Chain

Silicon Craft Technology Public Company Limited (the “Company”) conducts its main business in research and development in microchip design, which is classified as an upstream industry of the electronics industry by hiring both domestic and foreign trade partners to produce products, namely raw material procurement, assembly, and product testing. The company supervises and controls all steps to meet the needs of customers and quality according to international standards by selling microchips to customers or using microchips to assemble various materials to be a form and shape (IC packaging, Form Factor) that varies depending on the application. For the operations abovementioned, they are primary activities. Support activities such as procurement, human resource management and the infrastructure of various organizations also help to ensure that business operations go smoothly and meet the expectations of all stakeholders.

Primary Activities



Support Activities

Product Line Management/ Project Management

Plan, control, and manage product development effectively to ensure alignment with the planned schedule.



Firm Infrastructures

They include accounting, finance, organizational management, Intellectual Property management, IT and Cyber Security management.

Procurement

There is a plan to develop a database system to manage the procurement of both products and services in line with the main activity development plan and help increase efficiency in the production and distribution processes.

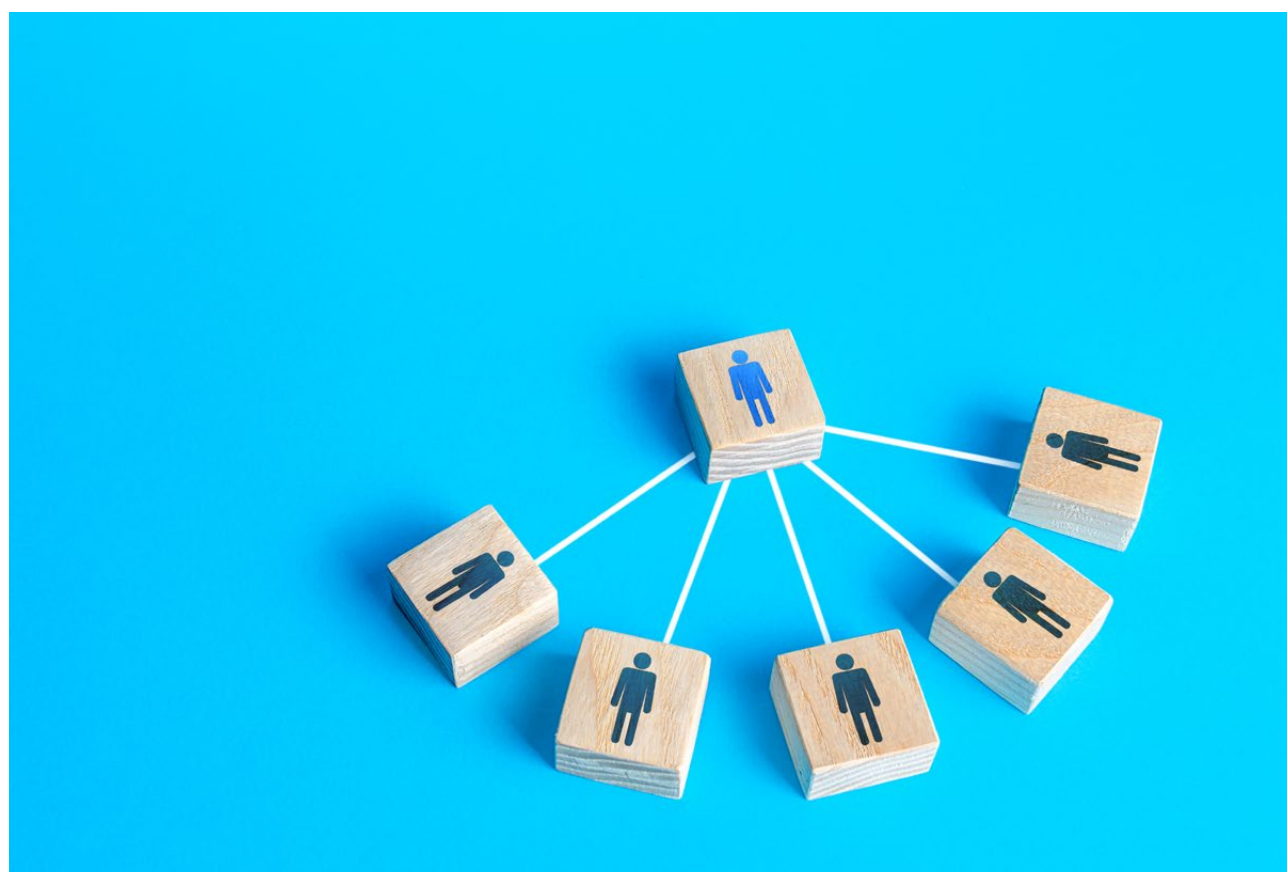


HR Management/People Development

There is human resource management, starting from analyzing, recruiting, selecting, and evaluating systematically. There is a project to retain quality employees and to provide continuous development training to increase the potential of personnel, which is an important driving force in the main activities.

Inside the organization			
Stakeholders	Expectation	Operation	Engagement and Communication
 1. Employee	1. Stability, return, and clear career advancement	1. There are welfare and benefits in various aspects as appropriate and consideration on position adjustment when appropriate.	- Employee welfare committee - Employee satisfaction survey
	2. Clear goals, policies, and scope of work for implementation	2. Targets, policies, and scope of work are determined every year and clearly communicated to employees on a regular basis.	- Determination of annual KPIs, and mid-year and annual employee performance appraisals - Communicating goals and policies through SIC Town Hall meeting every quarter
	3. Work safety, good working environment	3. The work area is maintained to be safe and hygienic with equipment for facilitation. There is space to relax and meet with employees and dining room	- Employee satisfaction survey - Risk assessment - Employee welfare committee - The mechanism for receiving complaints through the supervisor, the Human Resources Department, and the Company's website (Whistleblowing Channel).
	4. Training to increase skills and knowledge	4. Training is regularly organized to develop employees, including an appropriate budget.	- Employee development programs, both organized within the organization and training courses outside the organization - Collaboration with institutions to develop projects and share technological insights

Inside the organization			
Stakeholders	Expectation	Operation	Engagement and Communication
 2. Shareholder	1. Worthwhile return	1. Effective business and financial management by focusing on the best interests of shareholders and all stakeholders	• Shareholder meeting • Meetings with analysts, investors, and various investor relations activities • 56-1 One report, MD&A • Company website/ IR website / Company Facebook • The mechanism for receiving complaints through the company's website (Whistle-blowing Channel).
	2. Sustainable growth of the organization	2. Clear policies, work plans, and business development for implementation, with a regular review and improvement, including operations with transparency and fairness	• Shareholder meeting • Meetings with analysts, investors, and various investor relations activities • 56-1 One report, MD&A • Company website/ IR website / Company Facebook • The mechanism for receiving complaints through the Company's website (Whistle-blowing Channel).



Outside the organization			
Stakeholders	Expectation	Operation	Engagement and Communication
 1. Customer	1. Products with a distinctive appearance to create trading advantages for customers with simple use and quality according to relevant international standards	1. Innovative product development that can create competitive advantages for customers, with a product inspection process to ensure efficiency in accordance with relevant standards	• Market research • Customer's review and testing • Customer satisfaction survey • Risk assessment
	2. Competitive product prices	2. Effective cost management with clear plans and measures in the waste reduction project from the production and product testing as well as regular monitoring of the results, including product design improvement from the beginning to create the least wastes	• Market research • Project to reduce waste from production and product testing • Customer meeting • Customer satisfaction survey
	3. On time delivery, good service, customer satisfaction	3. Supply chain management to manage the delivery according to the agreed time with regular service development and improvement	• Customer satisfaction survey • Risk assessment
	4. Continuous collaboration in planning and developing new products	4. There is a clear plan to develop new products together with customers and business partners.	• Market research • Customer meeting
	5. Conducting business with ethics, taking into account the society and the environment	5. Identifying the Company's business ethics and other relevant ethical requirements for implementation in the organization	• Customer satisfaction survey • Risk assessment • The mechanism for receiving complaints through the Company's website (Whistle-blowing Channel).

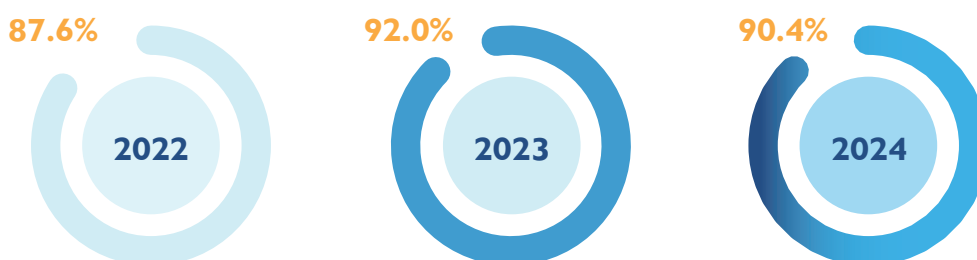
Outside the organization			
Stakeholders	Expectation	Operation	Engagement and Communication
 2. Supplier	1. Long-term contract, high volume, and continuous purchase	1. Good supply chain management with systematical plan of orders	• Customer meeting • Risk assessment
	2. Payment on time	2. Effective financial management	• Policy on treatment of creditors
	3. Accurate, complete information, necessary information exchange to increase work efficiency	3. Accurate, complete information with regular communication, meeting of relevant people to notify when having a change in the laws	• Customer meeting
	4. Business collaboration with growth, stability, sustainability, and fairness	4. Clear plans to develop new products, including various policies with partners	• Customer meeting • Supplier Code of Conduct • The mechanism for receiving complaints through the company's website (Whistleblowing Channel).
 3. Government /BOI	1. Increase employment in the country	1. Establishment of employment policies and practices to promote technology development in the country	• Participation in exchanging opinions with the government sector on various occasions • 56-1 One report
	2. Complete delivery of documents and on time	2. A plan to prepare documents for complete delivery and on time	• Meeting with government agencies
 4. Financial Institution	1. The company can fulfill financial commitments and others related to the existing contracts with financial institutions.	1. Efficiently plan and manage cash flows and other financial factors. Implement effective internal auditing and risk management processes.	• Meetings with financial institutions. • Quarterly and annual financial performance.
	2. Accurate, complete and sufficient company information for various risk assessments.	2. Provide adequate, accurate and transparent information.	• 56-1 One report, MD&A • Company Website

Outside the organization			
Stakeholders	Expectation	Operation	Engagement and Communication
 5. Community/Educational institution	1. Technology research and development projects that benefit the society and the country	1. Cooperation in joint research and development projects both in terms of personnel and funding	• Joint research and product development projects • Funding support to education, research and development • Provision of sample products to be models for research and development in various institutions
	2. An organization that supports graduates and cooperates with communities/institutions in order to produce graduates that meet the needs of the private sector	2. Job positions to support graduates that are suitable for their potential and in line with the company's plans, including cooperation in transferring knowledge and experience in both technology and business to various agencies or institutions	• Student Internship Program • Participating in discussions and sharing knowledge with institutions • Participating in Job Fair from institutions • Contributing to the development of the semiconductor curriculum in Thailand.

3.2.6 Customer Relationship Management

The Company conducts customer satisfaction assessments annually to use the evaluation results as guidelines for continuous development of the Company's products and services. For 2024, the Company received a customer satisfaction rate of 90.4%, a slight decrease from the previous year of 92.0%. The main reason for this decline was related to competitive pricing in the market. Overall, the Company's customer satisfaction rate continues to remain at a good level.

Customer Satisfaction Rate



3.2.7 Sustainable Development Goals and Performance

Economic Dimension



Sustainable Development Operations Policy	Expectation/Long-term Goal 2022 - 2026	Key Performance in 2024
Create electronic devices with smart, distinctive, unique innovation and deliver excellent quality products and services.	Having sustainably continuous growth of income.	Total revenue slightly decreased 1% compared to the previous year,
	Having a customer satisfaction rate over 90%	Customer satisfaction rate is 90.4%.
Manage business to create creative innovations to create added value for customers and partners that will lead to mutual success on a global scale.	Having more than 20 research and development projects for product design to support long-term growth.	There is a total of 28 product design development projects, of which 10 projects have been completed and launched into the market.
Conduct business in accordance with good governance, transparency, accountability and taking into account all stakeholder groups.	No significant warning from regulatory agencies.	There was no significant warning from regulatory agencies.
	Having the results of corporate governance assessment at the level of “Excellent” by external agencies.	The results of corporate governance assessment were at a “Excellent” level for a 3 consecutive year by Thai Institute of Directors Association.
Manage holistic risk effectively.	Reducing the risk of relying on primary raw material manufacturers with a Dual Source in all product lines.	3 wafer manufacturers in the Company’s database, namely those in Singapore, South Korea and China.
	Having a risk of losing an expert engineer in integrated circuit design with a turnover rate of no exceeding 5% for engineers in critical positions.	The Company has a turnover rate of engineers in important positions at 3.6%. There are plans in place to maintain personnel continuously, such as the Retention Program, with the EJIP project continuing as the 5th project. This program aims to retain employees with potential by motivating them to participate in business ownership. Additionally, there's the Talent Development Program, which focuses on developing high-potential employees who are essential forces ready to drive the organization's sustainable growth.

Sustainable Development Operations Policy	Expectation/Long-term Goal 2022 - 2026	Key Performance in 2024
Manage and administrate the value chain with responsibility and sustainability.	Reducing the amount of waste from production processes and product testing to a level of no more than 3.5%.	The organization has enhanced its product waste measurement process to be more effective and compliant with industry standards. This has been implemented in collaboration with suppliers to monitor waste management. yield loss projections for the recent years up to 2027 are 4%, 3.5%, and 3.2%, respectively.

Social Dimension



Sustainable Development Operations Policy	Expectation/Long-term Goal 2022 - 2026	Key Performance in 2024
Treat all employees with regard to human rights principles, equality, and safety at work.	Defining the Code of Conduct in accordance with international standards, such as the Electronic Industry Citizenship Coalition (EICC).	The Company has reviewed the business ethics and code of conduct manual from the Board of Directors' meeting. It has also organized business ethics training for all personnel in the organization to enhance the awareness and understanding of such topic. In 2024, the Company maintains a proportion of 100% employees signing the letter of acknowledgment on the business code of conduct. All of them have the comprehensive testing with the score of more than 80%. Moreover, the Company has developing reviewed its Human Rights Due Diligence to identify issues and assess the risks and impacts of human rights violation within the organization.
	No injuries, illnesses, and deaths from the operation.	There have been no casualties, illnesses and deaths from work.
	No complaints about human rights and safety at work taken to court proceedings.	No complaints about human rights and work safety have been brought to court.
Develop personnel to promote career stability and create a good quality of life.	Providing staff development and training at average of 25 hours per year per person.	The average employee development and training (excluding C-Level) is 25 hours per year per person.

Sustainable Development Operations Policy	Expectation/Long-term Goal 2022 - 2026	Key Performance in 2024
Build a good relationship with the community and society, educate and develop the potential of youth and students who are important mechanisms in driving industry, economy, and society.	Expanding supports to related communities, such as educational institutions to cover nine institutions.	Supported research and development of microchip-related products to 8 institutes. There is the University Relation Project, including the Senior Project of 3rd–4th year students in collaboration with leading universities. There is also a joint activity of DD Camp with Thai Embedded Systems Association (TESA) to provide opportunities for students from universities across the country towards the development of skills and knowledge related to FPGA and Digital IC design.
Collaborate with educational institutions and government agencies to create innovations to bring about application of knowledge from research and development into practice to promote sustainable knowledge development.	Having projects to support or collaborate with educational institutions or government agencies on creating innovations that are put into practice for sustainable knowledge development every year.	- There is joint funding by the Office of the National Higher Education, Science, Research and Innovation Policy Council for technical supports, totaling 5 innovation projects to support research in Thailand and overseas, such as Chulalongkorn University, Walailak University, Prince of Songkla University, Maejo University, Imperial College London, Rice University, Bioscience Research Laboratories, The University of Arizona, Necmettin Erbakan Üniversitesi, Barking, Havering and Redbridge University Hospitals NHS Trust

Environmental Dimension



Sustainable Development Operations Policy	Expectation/Long-term Goal 2022 - 2026	Key Performance in 2024
Reduce the environmental impact of operations and product processes throughout the supply chain.	Reducing the amount of greenhouse gas emissions associated with the organization's operations, with support projects; for example, renewable energy use, use potential technology to reduce greenhouse gases, and raising awareness for employees to use energy efficiently.	The organization's data on greenhouse gas emissions (Scope 1 and 2) have been collected with direct greenhouse gas emissions (Scope 1) of 8 tons of carbon dioxide equivalent and indirect greenhouse gas emissions (Scope 2) 127 tons of carbon dioxide equivalent. The information is verified by a verifier and certified by the Thailand Greenhouse Gas Management Organization (TGO), a greenhouse gas management certification body, University of Phayao by Assoc. Prof. Dr. Saksit Imman and Asst. Prof. Dr. Nopparat Suriyachai.
	Reducing in-house waste and waste production by recycling.	There is a waste separation and waste management project according to the 3R process (Reduce, Reuse, Recycle), along with the provision of knowledge and understanding on the benefits of waste separation to employees regularly through internal communication channels.
	Using renewable energy.	The control for worthwhile use of electricity is conducted in lighting and air conditioning systems. In 2024, the Company had a total electricity consumption of 252,040.70 kWh.
Support and promote business operations with customers and business partners, taking into account the environmental impact as a priority.	Requiring a standard checklist containing operational content by taking into account environmental impacts for all partners and customers.	The standard checklist is provided with contents about operations to avoid environmental impacts for the Company's business partners and major customers.

3.3 Technology-Driven Sustainability

Technology plays a crucial role in driving the concept of sustainable development across businesses and industries. It not only enhances operational efficiency but also helps reduce environmental impact and create social value effectively. As a company specializing in the design, research, and development of microchips, we are committed to developing products under the concept of "Technology-Driven Sustainability." This approach emphasizes the advancement of technology that fosters economic growth while generating positive social and environmental impacts.

3.3.1 Research and Development for Sustainability

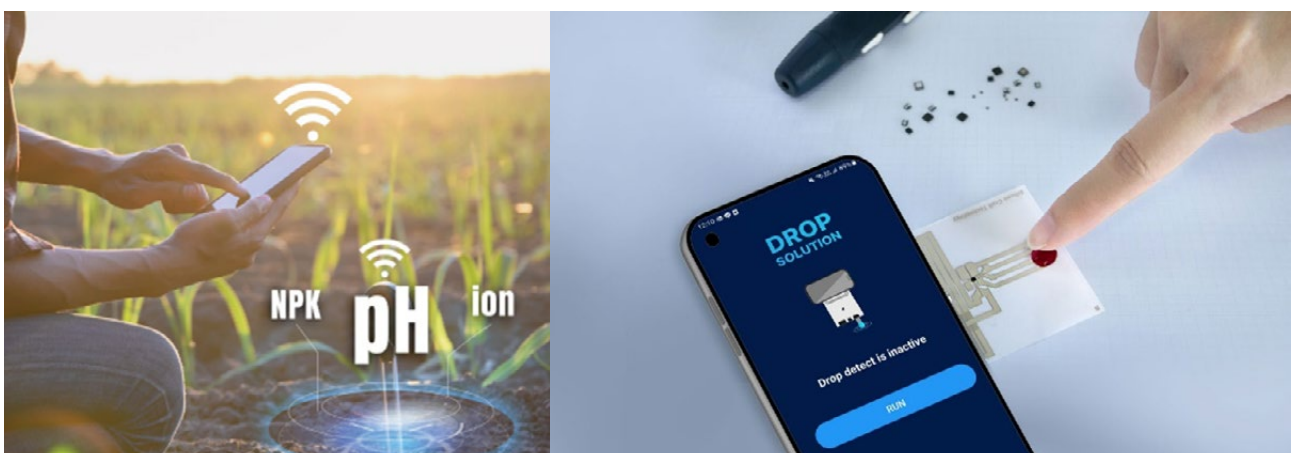
Research & Development (R&D) is a key component in fostering innovation and enhancing long-term sustainable competitiveness. The company integrates the principles of sustainable development into its R&D process by considering environmental and social impacts at every stage of project approval. Additionally, we prioritize continuous development, improvement, and learning throughout the process. This ensures that the products we develop achieve the highest efficiency while truly promoting sustainability.

Gate Review



3.3.2 Innovation for Sustainability

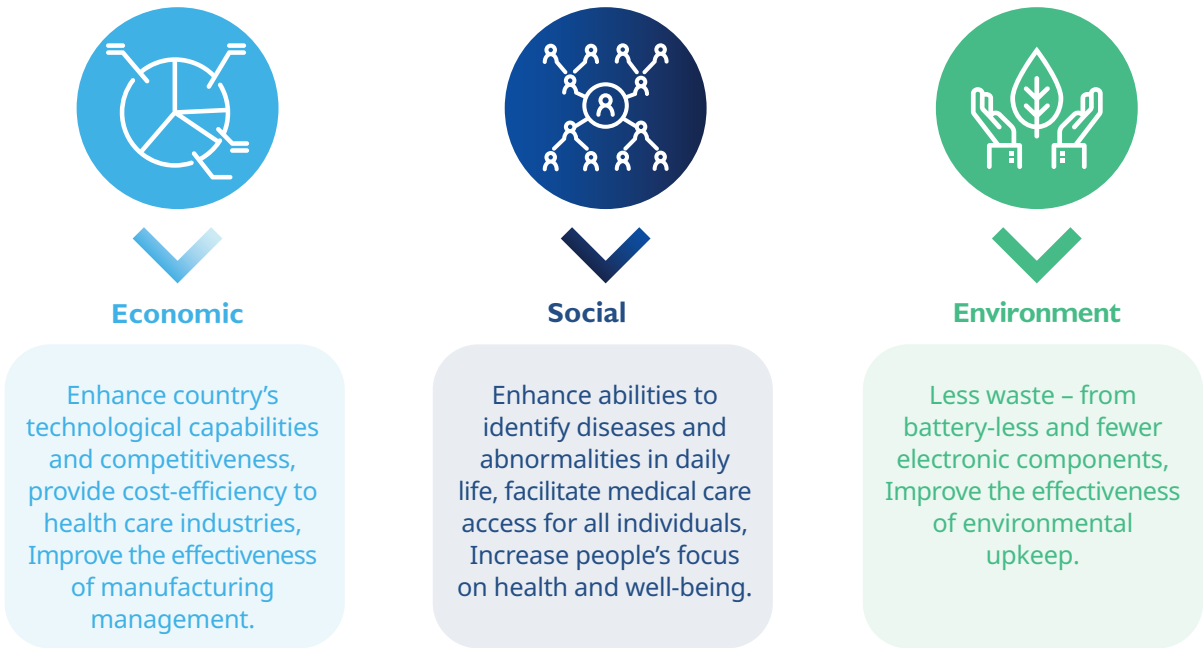
Examples of Innovation: NFC Integrated sensor microchip



The NFC Integrated Sensor Microchip is a new microchip that combines a wireless communication channel and a sensor interface in the same chip. It operates without the need for batteries or a central processing unit (Microcontroller Unit or MCU), making the chip small in size, energy efficient, and capable of working by harvesting energy from radio waves emitted by smartphones without the need for batteries. This aligns with the Company’s main business approach for sustainability.

This microchip can be used to measure various types of signals, such as force, strain, temperature, humidity, pH, ions (ammonia, Ca+, K+, Na+, Cl-, etc.), biomolecules (glucose, lactate, human chorionic gonadotropin hormone (HCG), disease biomarkers, etc.) The chip is versatile and can be used for various purposes, including quality checking of machinery in industrial settings for maintenance planning, measuring chemicals in water or environmental contaminants, point of care testing (POCT) for disease diagnosis, and even as a wearable sensor, measuring ion levels in sweat to indicate bodily abnormalities.

The product creates positive impacts on the economy, society, and environment, as follows:



3.4 Sustainable Supply Chain Management

3.4.1 Business Partner Code of Conduct

Silicon Craft Technology PLC (“the Company”) believes in social and environmental responsibility and ethical conduct and expects its business partners to do the same. The business partner code of conduct applies to all our business partners (“Partners”) that provide products or services to the Company, including the Company’s suppliers and service providers. The Company requires all partners to operate in accordance with the principles in the business partner code of conduct and in full compliance with all applicable laws and regulations. The Company’s policy and the business partner code of conduct are developed following the principles of the United Nations global compact in the areas of human rights, labor, environment and anti-corruption.

The Company will assess its partner’s compliance with the business partner code of conduct. Any violations of the business partner code of conduct may jeopardize the business partner’s business relationship with the Company, up to and including termination.

1. Ethics

The Company’s Partners are expected to conduct its business in an ethical manner and to adhere to the following requirements.

1.1 Integrity

The Company respects the laws and regulations in the countries in which it operates and requires that its Partners do the same. Partners should not tolerate any form of corruption, extortion or embezzlement. Partners must conduct in a manner that avoids conflicts of interest.

1.2 Privacy & Intellectual property

Partners shall comply with privacy and information security laws and regulatory requirements when handling the Company’s confidential and personal related information. The Company expects Partners to protect all confidential information provided by the Company and respect the intellectual property of The Company and others.

1.3 Fair competition

Partners shall comply with applicable competition, anti-trust laws and regulations. This means, among other things, to not engage in price fixing, market sharing, bid rigging or customer allocation.

1.4 Anti-bribery

All illegal benefits to third parties directly or indirectly, whether public authorities or in the private sector, are forbidden. The converse applies in respect of receiving such benefits. Facilitation payments are forbidden as well as the offer or acceptance of a gift in cash or cash equivalent. We expect our partners to work according to all international anti-bribery and anti-corruption standards.

1.5 Data protection

To ensure the human right to the protection of personal data, the partners have to comply with all valid and effective obligations resulting from legal regulations concerning data protection. More specifically the Partners undertakes to adopt and comply with all technical and organizational measures to prevent unauthorized or accidental access to, or alteration, destruction or loss of personal data of the Company employees. In the case of any breach of personal data security, the Partners informs the Company without undue delay about such breach. The Company reserves the right to conduct audits and take further measures in coordination with the Partners to verify compliance of the points mentioned.

1.6 Export control regulations

It is crucial to the Company that applicable export control regulations are complied with since these regulations often are aimed at limiting activities that the Company does not support, e.g. terrorism.

2. Human rights & Labour standards

The Company’s Partners is expected to comply with human rights and all local labor laws and regulations, e.g. wages, working hours and conditions, child labor, etc. The Company’s Partners is expected to adhere to the following requirements.

2.1 Freedom of association

The Company expects its Partners to respect the rights of its employees to have the freedom to join, or not to join, an association of free choice as well as establish an association of free choice, to organize and to bargain collectively and individually in accordance with local laws and regulations.

2.2 Avoidance of forced labor

The Company expects its Partners to prevent and hinder forced or compulsory labor in all forms.

2.3 Avoidance of child labor

The Company recognizes the rights of every child to be protected from economic exploitation and from doing work that is likely to be hazardous to their physical, mental or spiritual health, harmful to their moral or social development, or to interfere with their education. The Company does not accept child labor and expects the same from its Partners. The Company required its Partners to comply with applicable child labor laws.

2.4 Compliance with local labor laws & regulations

The Company's Partner is required to comply with all applicable local labor laws, rules and regulations in the countries in which they operate.

2.5 Discrimination, Harassment and Diversity

The Company values and promotes diversity and gender balance. The Company expects its Partners to provide a work environment where everybody should be treated with respect and dignity and be given fair and equal opportunities for development. The Company does not tolerate any form of discrimination or harassment in the workplace, and our business partners shall not discriminate against any worker based on race, ethnicity, sexual orientation, gender, color, religion, age, disability, political opinion, nationality or any other potentially discriminatory factor.

2.6 Workers' contracts, Working hours and Compensation

The Company expects its business partners to comply with local laws and regulations regarding workers' contracts, working hours, including overtime and overtime compensation. Salaries should be paid regularly and comply with the applicable local legislation and the local market situation. Workers should be entitled

to a minimum of one day off in seven and to take time off for established national and local holidays. Workers should be granted the stipulated annual leave, sick leave and maternity/paternity leave without any negative repercussions.

2.7 Alcohol and/or Drug abuse

The Company works proactively to remove any workplace hazards. Individuals producing products or providing services for The Company should not be on company premises or in the workplace if they are under the influence of, or adversely affected by, alcohol, to the extent this impairs the individual's ability to perform his or her work duties. The Company has zero tolerance on drugs and does not allow individuals producing products or providing services for the Company to be on company premises or in the workplace if they are under the influence of drugs.

2.8 Consumer interest

The Company requires that applicable health and safety requirements are met for its products and services, and our business partners shall take this into account when producing goods or providing services for the Company.

3. Quality, Health, Safety & Environment

The Company's Partners are expected to provide a safe and healthy working environment and to operate in an environmentally responsible, efficient and sustainable manner. The Company's Partners is expected to adhere to the following requirements.

a. Quality, Health, Safety & Environmental regulations

Partners shall comply with all applicable local and national quality, health, safety & environmental laws and regulations. All required quality, health, safety & environment related permits, licenses and registration should be obtained, maintained and kept up to date

b. Health & Safety

Partners should protect their employees from any chemical, biological and physical hazards and physically demanding tasks in workplace as well as from risk associated with any infrastructure used by their employees. Production and other machinery should be periodically evaluated and controlled for safety hazards.

c. First aid and medical care

First aid equipment must be available at appropriate locations, and at least one person in each location should be trained in basic first aid. The business partner should cover the costs of medical care for injuries incurred on its premises if they are not covered by social security or insurance, provided safety rules have not been violated.

d. Environment and Sustainability

Partners should use energy and natural resources efficiently and should engage in the development of climate-friendly products and processes to reduce power consumption and greenhouse emissions. The Company committed to comply with relevant laws and regulations requiring disclosure of the use of conflict minerals. Goods provided to SIC shall follow relevant laws and regulations regarding conflict minerals.

4. Business Continuity Planning

The Partners shall implement and maintain policies to mitigate the risk of business disruptions by exposures to risks including, but not limited to, terrorism, crime, software viruses, cyber-attacks, business threats.

5. Government, Media and Investors Relations

The Supplier shall not instigate any form of publicity or make any statement or submission to investors, the media or government referring to the Company, without first obtaining prior written permission from the Company (except where required by Government or under the law). Partners must submit any such request to the Company group communication department for appropriate authorization.

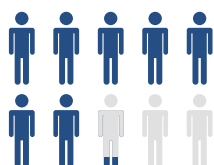
6. Whistleblower and Non-retaliation

The Company encourages Partners to have a policy in place to facilitate disclosures of questionable practices, encourage proper individual conduct and alert the audit committee of potential problems before they have serious consequences. Shareholders, associates and other interested parties may submit complaints or concerns regarding the accuracy of our financial statements, press releases or other public disclosures, accounting, internal accounting controls or auditing matters.

7. Implementation and Monitoring

Partners are expected to implement mechanisms to facilitate adherence to all applicable laws and to promote continual improvement with respect to the expectations set forth in this business partner code of conduct. Partners are expected to develop adequate documentation to demonstrate that they share the principles and values expressed in this business partner code of conduct. Partners are expected to continuously improve their performance in a sustainable way by implementing appropriate measures.

Supplier Engagement



71% of Suppliers signed the Company's Business Partner Code of Conduct in **2024**

3.4.2 Chain Assessment and Management

Supplier Quality Audit

The Company has implemented a policy for conducting supplier quality audits to ensure that suppliers' quality and sustainability practices comply with the requirements of the Company's quality management system and sustainability standards. The audit process is designed to align with the requirements of ISO 9001 and the Company's Business Partner Code of Conduct.

In 2024, the Company initiated its supplier quality audit plan and successfully completed the assessment of the first supplier in December 2024. Moving forward, the Company plans to conduct additional supplier audits in 2025, considering factors such as the onboarding of new suppliers, customer complaints, and the urgency of audit plan based on the results of Audit Score Assessment.

Assessment Topics

1	Organization and Operation	A dedicated unit responsible for quality assurance has been assigned or established, ensuring the implementation of policies, as well as the development of goals, plans, and activities.
2	Document Control	Processes and procedures are in place for the creation, revision, and storage of internal documents. These documents are systematically updated to remain current and readily accessible when needed.
3	Change management	Processes and procedures have been established to control any changes that may impact product quality.
4	Manufacturing Control	Relevant documentation, such as the Process Flow Chart, has been prepared in accordance with the actual production process. Process Failure Mode and Effects Analysis (PFMEA) has been implemented, in line with the development of control plans, the analysis of process capability, and the training of personnel for inspection.
5	Corrective Action for Quality Issues	A complaint management system is in place, along with post-delivery corrective measures to address quality issues and remedial actions for defective products.
6	Inspection Control	An inspection process is established to ensure the compliance with specified requirements. In the meantime, procedures for identification, documentation, and verification have been implemented.
7	Facilities Management, Preventive Maintenance and Calibration	The Company has established processes and procedures for maintaining and managing facilities, machinery, and production-related tools. These include recording maintenance activities and corrective actions.
8	Lot declaration	Criteria have been established for the classification, definition, and identification of production lots, with a comprehensive traceability system implemented throughout the entire production process. This includes the designation of storage locations, environmental conditions, delivery methods, expiration dates, and identification of protocols for products, components, and raw materials. Additionally, there are requirements for reviewing and inspecting expired products, components, and raw materials.

9 Materials/Outsource Control	Procedures are identified for the selection of new suppliers, supported by a quality assurance system to evaluate and control supplier performance. Besides, regular supplier assessments are conducted, including the inspection of incoming raw materials as well as the evaluation of supplier delivery performance and product quality
10 Quality Management)	A systematic quality management framework has been established for document control, data record, and quality assurance. The system includes internal audits within the Quality Management System (QMS) to ensure continuous improvement and compliance with applicable quality standards.
11 Education/ Training	The Company provides essential training and knowledge development programs to maintain the competency and quality of employees across all departments. A structured training plan is managed, ensuring its implementation through scheduled training sessions. Additionally, human resource matrices or skill matrices are developed to assess and enhance employee capabilities, with periodic reviews conducted.
12 Sustainability Management	The Company has implemented policies and processes for environmental management, including the control of hazardous substances in accordance with relevant regulations such as RoHS, REACH, and CMRT. The Code of Conduct has been formally established, encompassing business ethics, corporate governance, fair treatment of employees, human rights, workplace safety, and community engagement. This also include the reduction of greenhouse gas emissions, along with waste and water management.

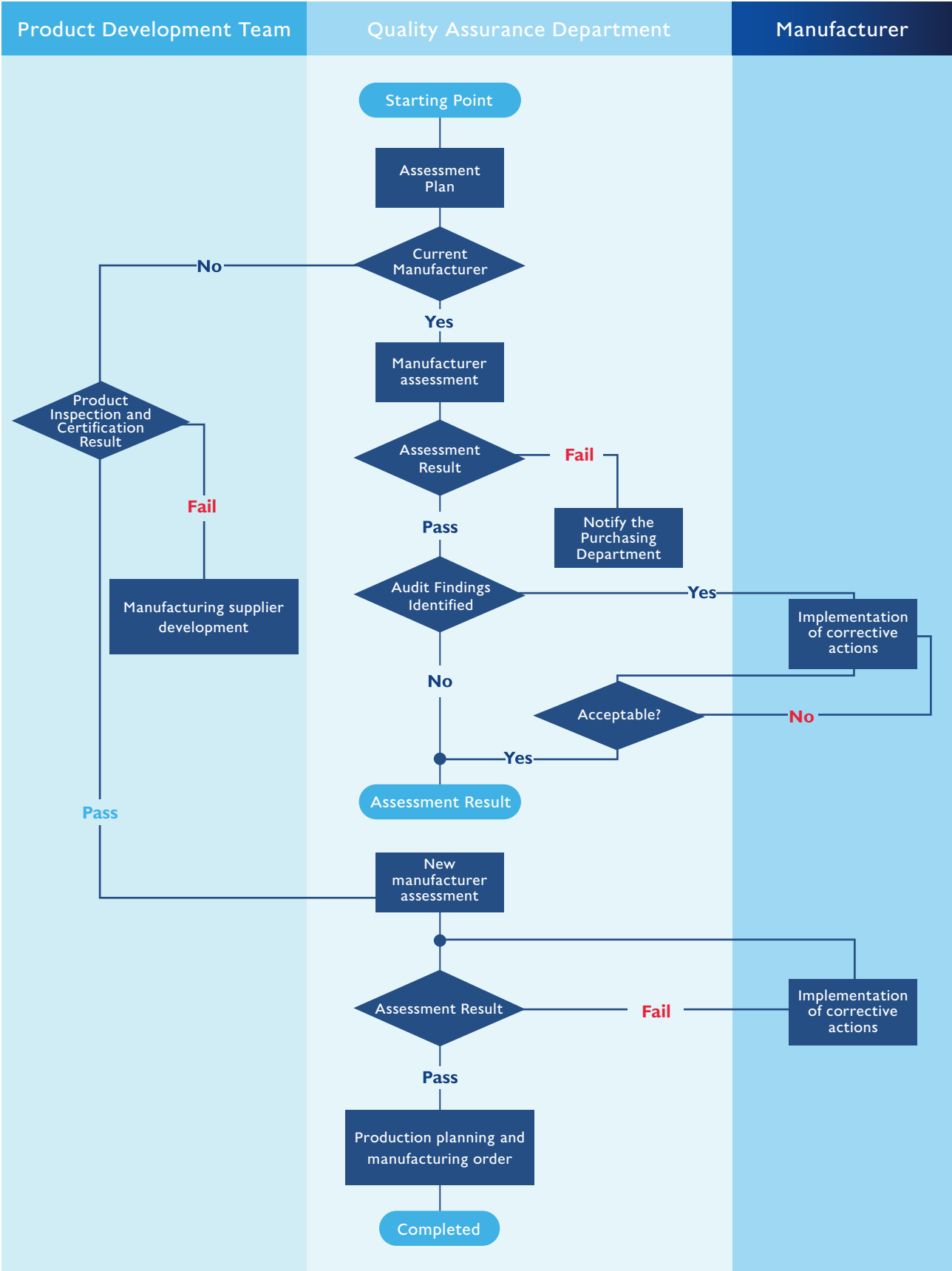
Audit Scoring, Frequency and Method

Grade	Score	Audit Period	Method
A	80 - 100	Every 3 years	Self-audit, On-site audit
B	70 - 79	Every 2 years	Self-audit, On-site audit
C	60 - 69	Every year	On-site audit
D	0 - 59	Discontinue	-

The first supplier assessed by the Company in 2024 received an A rating.

Summary of Monitoring and Assessment Results

If the audit team identifies any irregularities that impact the product quality or quality management system, or in case of any failure to meet evaluation requirements, the supplier will be required to implement corrective actions within an agreed-upon timeframe. Upon completion of the corrective actions, the supplier must submit evidence of the rectifications to the Company's Quality Assurance Department for evaluation and approval.



Supplier Evaluation

The Company has implemented a policy to conduct annual performance assessments of its key suppliers and manufacturers. This evaluation aims to assess their efficiency in meeting business demands, as well as their ability to maintain the required quality and standards.

In 2024, the Company completed evaluations for 100% of its key suppliers and manufacturers.

Evaluation Topics

1. Quality
E.g. Yield loss and number of cases related to supplier process.
2. Service & Delivery
E.g. Capacity allocation, flexibility to respond to unexpected demand changes, number of response day, on-time delivery, etc.
3. Technology
NPI Quality, new product development lead time delivery, regular update on technology roadmap, and engineering support.
4. Cost
Credit term, cost of service charge, and reasonable cost of production.

Summary of Evaluation and Performance Measurement

Definition	Score	Grade	% of Supplier
Maintain Efficiency	≥ 80	A	12.5% of key suppliers
Need some developing plan for more efficiency support	65-79	B	75% of key suppliers
Need improvement for more feasibility	55-64	C	12.5% of key suppliers
Need improvement for more feasibility and technical support	45-54	D	-
Sourcing support for new supplier	< 45	F	-

Based on the evaluation of the Company's key suppliers and manufacturers in 2024, 75% of key suppliers were rated at the B level, while both A and C levels accounted for 12.5% of each between the evaluated suppliers.

3.4.3 Production and Testing Waste Rate Control

The yield loss is higher than last year due to the production of the wafer plate process. However, the countermeasure has proven to be effective. All of the Company's manufacturing partners comply with ISO 9001 and adhere to globally recognized quality management systems. This ensures standardized processes, continuous improvement, and stringent quality controls, minimizing yield loss risks. The Company actively monitor and collaborate with its suppliers to maintain these high standards, ensuring consistent and reliable production yields.

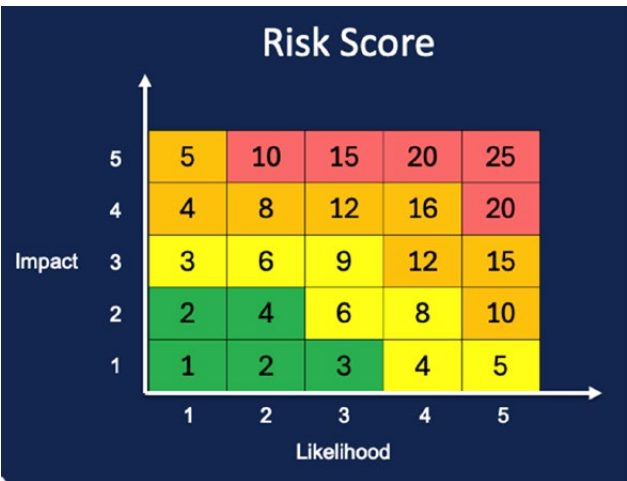
Additionally, the Company's new products are designed with an even stronger focus on quality, incorporating tighter process controls and enhanced supplier collaboration. This proactive approach drives continuous yield loss reduction, further strengthening our manufacturing efficiency and product reliability. Therefore, its yield loss projections for the recent years up to 2027 are 4%, 3.5%, and 3.2%, respectively.

3.4.4 Production Business Continuity Plan

1. Business Impact Analysis

The Company's Risk assessment

The potential risks are listed up and evaluated by the participating department, all impact and likelihood are factored in the overall risk score. Potential risk items, whose risk score is rated very high, are taken as highest priority for mitigation action execution. Below is an example of the risk assessment. There is a mitigation plan for each risk scenario.



2. Business Continuity Strategies

a. Diversification of Revenue Streams

Description: Relying on a single customer, region, or product line for a significant portion of revenue creates vulnerability. Diversifying revenue streams helps protect the business in case one area experiences a downturn.

Strategy:

- **Expand Product Portfolio:** Develop and market complementary products or services.
- **Geographic Expansion:** Enter new markets or regions to reduce dependence on one location.
- **Cross-Sell and Upsell:** Encourage current customers to adopt additional products or services.

b. Inventory and Supply Chain Risk Management

Description: A robust supply chain strategy ensures the availability of critical products and materials, minimizing the impact of supply disruptions on sales and marketing efforts.

Strategy:

- **Supplier Diversification:** Work with multiple suppliers for key components to avoid being overly dependent on a single source.
- **Inventory Buffers:** Maintain an optimal level of inventory to cover short-term supply shortages on the critical product without tying up too much capital.
- **Supply Chain Monitoring:** Use real-time monitoring systems to track potential disruptions, such as political instability, natural disasters, or vendor issues.

c. Business Process Remoting

Description: Remoting for non-critical processes (e.g., customer support, accounting, digital marketing) can provide flexibility and resilience, allowing the company to continue operations even if internal teams are disrupted.

Strategy:

- **Flexible Work Arrangements:** Offer flexible working hours or remote work options to accommodate personal challenges that arise during crises
- **Setup the DR site:** For the critical processes

d. Cybersecurity and Data Protection

Description: A cyberattack can cripple marketing and sales operations, causing data breaches, loss of leads, and reputational damage. Protecting digital assets and customer data is crucial.

Strategy:

- **Backup Systems:** Regularly back up critical marketing and sales data, including CRM databases, marketing analytics, and customer information.
- **Employee Training:** Ensure all employees, especially those in customer-facing roles, are trained on best practices for cybersecurity and data protection.
- **Incident Response Plan:** Have a plan in place to respond to a cyberattack, including how to communicate with customers, repair systems, and minimize downtime.

3. Business Continuity Response

1. Power Outage	• Backup Power Systems: Ensure that backup generators, uninterruptible power supplies (UPS), or other power alternatives are in place and regularly tested. • Prioritize Critical Operations: Identify essential systems and operations that must continue (e.g., communication, financial transactions) and ensure they are powered. • Remote Access: Allow employees to work remotely if office facilities are without power. Ensure that remote access to data and systems is secure. • Communication Plan: Establish a method of communication to inform employees, customers, and partners of the outage and expected recovery times. • Vendor Partnerships: Coordinate with utility companies or third-party services for timely restoration of power.
2. Flooding	• Risk Assessment & Preparedness: Identify areas of the Company's facilities that are vulnerable to flooding and implement flood protection measures • Evacuation Plans: Develop evacuation routes and procedures for employees, with consideration for disabled or vulnerable individuals. • Data Backup: Ensure all critical data is backed up offsite or to the cloud. • Workplace Safety: Implement safety measures for employees, including training on evacuation and emergency response.
3. Fire	• Fire Safety Systems: Ensure that fire detection and suppression systems are operational, including alarms, sprinklers, and extinguishers. • Evacuation Drills: Regularly conduct fire drills and ensure employees are familiar with evacuation routes and emergency assembly points. • Employee Training: Train staff on fire safety procedures, including the use of fire extinguishers and first aid. • Alternate Work Locations: Have pre-identified alternate workspaces or remote work options available. • Insurance & Disaster Recovery: Ensure that fire insurance coverage is comprehensive, and that a disaster recovery plan is in place to restore damaged systems and infrastructure.
4. Civil Unrest	• Security & Employee Safety: Establish clear protocols to ensure employee safety, including evacuation procedures. Engage with local law enforcement if necessary. • Communications: Set up a system for timely communication with employees, customers, and suppliers to provide updates on the situation and guidance on actions to take. • Remote Work Policies: Encourage remote work or flexible schedules where possible to minimize employee exposure to unsafe conditions. • Business Operations: Identify non-essential operations that can be paused during civil unrest and ensure critical business functions (e.g., customer support, supply chain management) can continue in a safe manner. • Insurance & Risk Mitigation: Review insurance coverage for civil unrest-related incidents, such as damage to facilities or disruption of operations.

5. Pandemic

- **Health & Safety Protocols:** Implement workplace hygiene and safety measures, such as social distancing, personal protective equipment (PPE), and sanitation.
- **Remote Work & Telecommuting:** Allow employees to work remotely to reduce exposure. Ensure the infrastructure supports remote operations.
- **Medical & Support Services:** Provide access to health resources, employee assistance programs (EAPs), and mental health support for staff affected by the pandemic.
- **Supply Chain Management:** Identify and manage supply chain disruptions by diversifying suppliers or stockpiling critical materials where feasible.
- **Communication & Transparency:** Regularly update employees and stakeholders on the organization's response, safety measures, and any changes in business operations.
- **Compliance & Legal Considerations:** Stay informed on local and international health guidelines, regulations, and labor laws to ensure the business complies with any government mandates.
- **Contingency Planning:** Develop a phased recovery plan that addresses both the short-term and long-term impacts of the pandemic, including addressing staffing needs and reintegrating employees back to the workplace.

4. Business Recovery

The objective is to minimize Downtime, protect financial assets, ensure data integrity, and support stakeholders.

Business recovery processes include:

- Initial Response & Impact Assessment
- Establish an Incident Command
- Resource Allocation
- Restoration of Critical Systems
- Testing & Validation

5. Continuous Improvement and Prevention

To ensure that the Company's BCP remains relevant, efficient, and up-to-date, helping the Company's organization stay resilient to future disruptions.

- Post-Incident Review (PIR)
- Lessons Learned
- Regular Testing & Drills
- Training & Awareness
- Review & Update the BCP Regularly

3.5 Employee and Community Management

3.5.1 Policies and Practices for Employees and Community

Silicon Craft Technology Public Company Limited (“The Company”) is committed to conducting business with transparency and responsibility towards all stakeholders for sustainable growth. This is aimed at achieving a balanced approach to business operations in terms of economic, social, and environmental aspects. The Company is conscious of its responsibility towards the development of society and communities. To address this, the Company has established a Corporate Social Responsibility Policy under the Sustainable Development Policy. The Social Policy is guided by eight key principles, as follows:

Principle	Practices	Operations
1 Conducting business with fairness	The Company promotes fair competition, avoids operations that may cause conflicts of interest and intellectual property violations. It also promotes social responsibility throughout the business chain.	Risk assessments are conducted to identify potential intellectual property violations, especially in the development of new products. If a patented invention is discovered during development, the Company will either avoid using it or negotiate with the patent owner for usage rights, including payment, if necessary.
2 Anti-corruption	The Company opposes corruption both internally and externally for transparency and verifiability. It collaborates with various organizations to counter all forms of corruption and encourages employees to resist corporate corruption. The Company has policies against corruption, gift giving or receiving and provides channels for complaints, specified in the business ethics and the Company’s website.	The Company promotes employee awareness against corporate corruption through policies, including policies against corruption, gift giving or receiving and hospitality as specified in the business ethics and the company's website, which has been communicated to all relevant stakeholders. It establishes complaint channels and communicates information to all stakeholders in the business chain regarding human rights. The policies are reviewed regularly, at least once a year.
3 Respect for human rights	The Company treats all stakeholders, including employees, communities, and the surrounding society, with respect for human values and does not violate basic rights. It encourages participation in expressing opinions to reflect issues and collaboratively find solutions.	The Company sets policies promoting mutual respect for human rights, practicing mutual respect and equality. Communication, knowledge-sharing, and education are provided to all stakeholders in the value chain regarding human rights. The Company establishes a mechanism for reporting human rights violations related to the company and regularly reviews these policies, at least once a year.
4 Fair Treatment of Employees	The Company will treat its employees equally and fairly by providing benefits, ensuring workplace safety, and promoting health in the workplace. This includes fostering learning and the professional development of personnel to elevate their professional competence. The Company will support the development of work systems and encourage employee participation in societal benefits, both directly and indirectly.	The Company has established a human resources management policy within the organization, which controls against forced labor and the binding of labor. This includes prohibiting coercion, intimidation, threats, abduction or deception in recruiting individuals for work. Additionally, the Company will not engage in or support the use of child labor, control working hours appropriately, and consider compensation and employee benefits in a fair manner based on the nature of the work, job performance and the company's capabilities, all in accordance with the law.

Principle	Practices	Operations
5 Responsibility towards consumers	The Company emphasizes developing services that do not pose a danger to consumers and have minimal impact on the environment. It will maintain quality to meet or exceed consumer expectations under fair conditions and provide accurate information about products and services, avoiding exaggeration. Additionally, the Company will safeguard customer confidentiality, ensuring that customer information is not used for personal or unauthorized benefits.	The Company ensures the confidentiality of customer information and prohibits its unauthorized use. This is accomplished by implementing a Non-Disclosure Agreement (NDA) with customers or specifying the confidential data storage terms in the purchase agreement. In 2024, the Company did not encounter any cases or incidents where it was reported for complaints related to customer personal data.
6 Taking care of the environment	The Company will implement processes for analyzing environmental risks and impacts on all business operations, including utilizing resources efficiently and adopting energy-saving practices based on international principles.	The Company continuously campaigns to raise awareness among employees on the efficient use of water and electricity resources. It also has a process in place for managing waste in the correct categories and methods. Furthermore, the Company is actively involved in data collection and the assessment of its carbon footprint, aiming to achieve the organization's goal of reducing greenhouse gas emissions.
7 Community or social development and involvement	The Company promotes the use of business processes for the benefit of developing quality of life to enable self-reliance, which helps elevate economic expansion and strengthens the surrounding neighboring communities and Thai society.	The Company encourages employees to participate in activities that benefit the community or society, such as blood donation, charity runs, and supporting temples. Additionally, the Company allocates a budget to promote the conservation of nature and the environment, such as tree planting and creating mineral licks. The Company also provides assistance and knowledge to disadvantaged individuals and schools in remote areas, in collaboration with its network partners. This includes activities like repairing and developing schools and providing lunch for children.
8 Development and dissemination of innovations.	The Company will support the creation and promote the co-creation involvement of stakeholders in developing innovations that generate a sustainable balance between value and values for communities, society, and the environment, accompanying the long-term growth of the business.	The promotion of electronic innovation capabilities is extended to various educational institutions through activities such as special lectures on design and innovation by the company's design engineers, organizing engineering competitions, offering internships for students during both summer breaks and cooperative education programs. Additionally, there is participation in providing guidance for fourth-year projects (undergraduate) and research topics (master's/doctorate).



The full version of Corporate Social Responsibility Policy can be studied at Company's website under the topic of Sustainability > Sustainable Development Goals > Corporate Social Responsibility Policy <https://investor.sic.co.th/en/sustainability/sustainable-development-goals> or please scan the QR code.

3.5.2 Social Performance Results

Respect for Human Rights and Ethical Labor Practices

The Company is committed to good morals in business operations with adherence to social responsibility and all stakeholders. It also recognizes the value and equality of humans, in line with the support and respect to human rights as specified by the law and regulations of national and international standards on human rights. This includes the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, Code of Conduct of Business Partners in the electronic industry community, and human resource management policy in the organization, including the local laws of Thailand.

Currently, the Company has developed and implemented a Human Rights Policy to firmly uphold social responsibility and the well-being of all stakeholder groups. This policy reflects the Company's commitment to human dignity, equality, and aligns with international standards, meeting customer requirements. The policy, effective since March 17, 2023, applies to all aspects of the Company's operations, encompassing employees, customers and business partners. It complies with both Thai and international laws and regulations related to human rights. The Company emphasizes fair and equal labor practices, without discrimination based on gender, age, education, ethnicity, culture or religion. The Company prioritizes the welfare of its employees, ensuring fair employment practices, equal compensation, promotion opportunities and training and development for all, regardless of differences. The policy extends to supporting marginalized groups, such as persons with disabilities and the elderly, providing them with employment opportunities, creating careers, and ensuring stable incomes. For instance, in 2024, the Company provided financial support to two persons with disabilities to assist them in pursuing their careers. Additionally, the Company has a policy not to employ individuals below the age of 18, in line with the Labor Protection Act of 1998.

Additionally, the Company will use its Human Rights Practices as a basis to develop and implement of Human Right Due Diligence Process. In 2024, The Company is in the process of considering and assessing the risks and impacts on human rights in terms of working hours

and harassment in all aspects while having Welfare Committee as the representatives of employees attending for review and provide feedback to all issues. The process is also including to define affected groups or individuals in order to gather information and plan to formulate solutions and actions to prevent any human rights violations in all aspects.

Up to this point, the Company has not encountered any instances of human rights violations arising from its operations. The Company is committed to taking all necessary measures to prevent any violations of human rights within its operations.

The guidelines and practices for Human Rights Policy are as follows.

1. The Company shall respect human rights and encourage mutual respect to each other with equity and no discrimination of race, skin color, age, gender, sexual orientation, gender identity or gender expression, ethnics or national origin, disability, pregnancy, religion, or any others.
2. The Company shall operate its business with realization on direct and indirect effects to human rights of all stakeholders. It shall also perform duties with prudence to prevent the risk of human rights violation in business operations and oversee the respect of human rights.
3. The Company shall support and promote any activities to protect human rights, without negligence and ignorance when witnessing the human rights violation.
4. The Company shall control the forced and bonded labor (including debt bondage) whether voluntarily or involuntarily, including not forcing people in employment or work by intimidation, coercion, threatening, kidnapping or deceit.
5. The Company shall establish and promote humane conduct with no violence or inhumanity, including gender-based violence, sexual harassment, sexual abuse, severe punishment, mental or physical intimidation and coercion, bullying, public humiliation, or verbal harassment, or even threatening to do so.
6. The Company shall develop channels for reporting human rights violation and provide fairness and protection to those who give reports. The complainants or those who cooperate in reporting human rights violations shall be protected.

7. The Company shall investigate and follow up on the results of managing and solving human rights violations, in line with providing support and cooperation in mitigating the impacts caused by the Company as appropriate in case of human rights violations.
8. The Company shall continue to develop and implement the Human Rights Due Diligence Process to identify and assess the risks and impacts of human rights violation, define affected groups or individuals, plan and determine corrective and preventive measures, take corrective actions and prevent human rights violations, and follow up. There shall be a process for appropriate and effective mitigation in case of human rights violations.
9. The Company shall encourage its business partners to conduct business with transparency and fairness in accordance with the laws, principles, practices, and human rights standards.
10. The Company shall communicate, disseminate, educate, and provide any other support to all stakeholders throughout the business value chain on the respect of human rights to allow all sectors to operate their business with ethics and in accordance with human rights principles in this policy.
11. The Company shall create and maintain its organizational culture that adheres to the respect for human rights, while encouraging its directors, executives, and employees to comply with international human rights guidelines.
12. The Company shall review the human rights policy at least once a year to ensure its consistency and suitability with current business situations.

The full version of Human Rights Policy can be studied at Company's website under the topic of Corporate Governance > CG Report and Download: <https://investor.sic.co.th/en/corporate-governance/cg-report-and-download> or please scan QR Code.



The Company has established policies and practices towards employees that are non-discriminatory and provide equal opportunities. These policies cover six key areas:

1. Employment/ termination
2. Compensation and benefits for employees
3. Development of knowledge and skills for employees
4. Providing employees with a good quality of life and ensuring safety at work
5. Group negotiation for employee benefit rights
6. Community involvement and enhancing access to technology opportunities

1. Employment/Termination

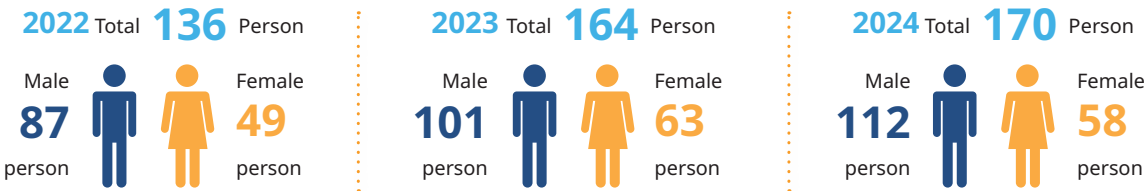
The Company has established a Human Resources Management Policy that focuses on equality and respect for the human rights of individuals with vested interests, aligning with the Company's Human Rights Policy. Additionally, the Company promotes efficient and effective human resource management within the organization, with the following implementation details: The details of these practices are as follows:

- The Company prohibits forced labor and all forms of coercion, including debt bondage, whether voluntary or involuntary. It ensures that individuals are not compelled to work through intimidation, coercion, threats, abduction or deception.
- The Company refrains from engaging or supporting the use of child labor, whether directly or indirectly. There is a specified minimum age for employment, which shall not be less than 18 years, except for legally sanctioned apprenticeship programs.
- The Company is mindful of the potential impacts of working hours and ensures that regular working hours and overtime do not exceed 60 hours per week. This is divided into normal working hours not exceeding 40 hours per week and overtime hours not exceeding 20 hours per week, unless in emergencies or exceptional circumstances. Overtime work should be voluntary and not exceed legal limits.
- Compensation and benefits for employees are determined and administered fairly, considering job nature, performance and the Company's capabilities. These practices comply with legal requirements.

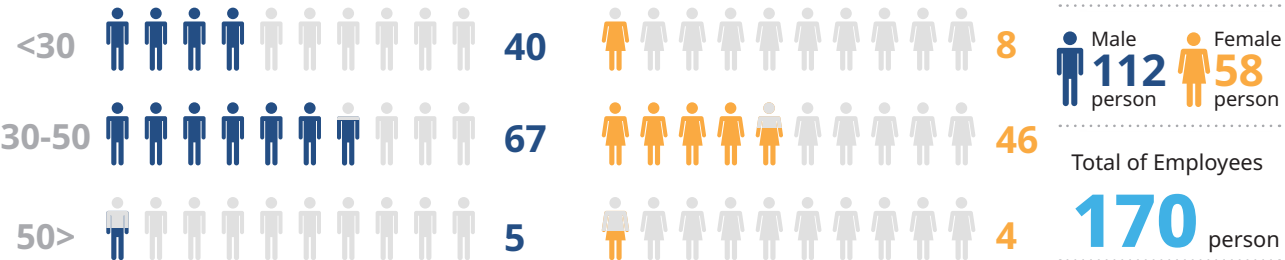
- The Company promotes a humane working environment, free from violence, discrimination, or any form of harassment. This includes preventing gender-based violence, sexual harassment, penalization, coercion, mental or physical abuse, bullying or any violation of dignity.
- The Company actively supports and enforces non-discriminatory and non-harassment policies related to age, sex, race, color, disability, pregnancy, religion, political affiliation, genetic information, or marital status.
- The Company encourages open communication between employees or employee representatives and management concerning working conditions and practices. It ensures that there is no fear of retaliation, punishment, coercion, or intimidation for expressing concerns, ideas, or grievances.

The Company hires employees without gender-based discrimination, and the workforce is proportionally represented based on gender, as follows:

Number of Staff (At the end of the year)



Number of Staff by Age



The information regarding the number of employees categorized by departments according to the organizational structure has been reported in "Section 7.5 Employee Information."

Disabled Persons Empowerment Act

In adherence to the Disabled Persons Empowerment Act of 2007, aimed at promoting and enhancing the quality of life for persons with disabilities, the Company has implemented a policy to promote the employment of persons with disabilities. The objective is to promote their development and protect their right to work. The Company recognizes the importance of providing opportunities for persons with disabilities to showcase their abilities in the workplace, enabling them to generate income and become self-reliant. In 2024, the Company allocated funds to support the employment of two persons with disabilities, contributing a total of 239,440 Baht to assist these individuals in pursuing their occupations.

2. Compensation and Benefits for Employees

The Company has a policy to establish fair and appropriate compensation for employees, taking into consideration factors such as job nature, responsibilities, employee performance evaluations, market wage rates, and various performance metrics from the Company's operations. The Company monitors market trends and business developments in the industry to establish appropriate compensation standards. These standards must comply with the regulations set by the law. These policies are aligned with legal requirements.

Employee Motivation and Retention

The Company recognizes that employees are integral to the sustainable growth of the organization. Therefore, the Company focuses on developing employee engagement by regularly measuring and evaluating employees' engagement with the organization. This involves assessing employee feedback on aspects like participation in various activities, job satisfaction, and overall work experience within the Company. The Company consistently strives to survey employee opinions and key issues, promoting employee engagement through the provision of benefits, skill development, organizational inclusion activities, and efforts to enhance motivation and work efficiency.

In the year 2024, the employee engagement rate was 80.6 percent. This represents an increase from the 2023 measurement, where the engagement rate was 77.8 percent.

In the past year 2024, the Company experienced a voluntary turnover rate of 8.4 percent, which decreased from the previous year's rate of 8.7 percent. This aligns with the Company's plans and policies that provide various benefits to employees in both the short and long term. These benefits aim to support and assist employees

in various aspects, in accordance with legal requirements and beyond, to motivate and retain efficient employees. Some of these benefits include social security, provident fund, group life insurance, group health insurance, family welfare, maternity assistance, child education fund and assistance for funeral expenses. Additionally, the Company implements the Talent Development Program, which focuses on developing high-potential employees crucial for sustainable organizational growth. Other initiatives include annual health check-ups, annual trips, and during the Board of Directors meeting no.2/2024 on May 13, 2024, the approval of the Employee Joint Investment Program (EJIP) as the fifth consecutive investment program to retain and motivate employees by involving them in the ownership of the business .

Information on employee compensation, provident fund, and Employee Joint Investment Program (EJIP) for the year 2024 has been reported in "Section 7.5 Employee Information."

In addition, in the year 2024, the Company organized activities for employees under four main frameworks to motivate and promote employees in various aspects. The guidelines and examples of these activities are as follows:

1 Physical	To promote good health among employees through activities such as SIC Sport day, SIC Club, and various sports clubs within the Company, including badminton, dancing, and running. The Company also organizing massage activities for employee well-being and weight loss competition activities. During these competitions, there will be various beneficial activities incorporated for physical wellness, including exercise dancing, distance running, plank challenges, etc.
2 Mental	To help promote employees' mental well-being, such as SIC Care Club activities, scheduling meetings where employees can come to discuss general issues or problems with the Human Resources department and creating posters promoting strong mental health care.
3 Financial	To promote a good financial management mindset among employees, such as organizing lectures on financial planning by knowledgeable and capable employees within the organization. Additionally, the Company arranges lectures on tax knowledge, various forms of saving money, and investment in different types of funds from Krung Thai Bank, Bank of Ayudhya, Government Savings Bank, and UOB Bank.
4 Social	To allow all employees to have time to meet, chat, and participate in various company activities together, such as organizing Knowledge Collab activities to share knowledge and experiences between C-level executives and employees, organizing Songkran water-pouring ceremonies, Thai dessert gatherings, SIC Night Market, New Year parties, outings, team-building activities, CSR activities, Mangrove Forest Planting, board game events and The Maker's Club .

In addition, the Company has a policy to support and allocate a budget for the establishment of employee clubs. Employees are allowed to form clubs with a minimum of 5 people to engage in creative activities that promote well-being and benefit employees in various aspects. The clubs that are eligible to participate in the employee welfare club policy are related to the following topics:

- 1. Activities that promote physical, emotional, social, intellectual, and spiritual well-being.
- 2. Recreational activities for employees, such as dance clubs, games, and more.
- 3. Activities that enhance employees' knowledge and skills, such as an AI design club.
- 4. Activities that promote environmental, social, and governance (ESG) practices or activities that encourage social and environmental responsibility (CSR).

3. Employee Knowledge and Skill Development

Personnel Development Policy

The Company has a policy to promote continuous training and development for all employees. Support is provided for employee training and the development of necessary skills, including support for job-related education expenses on an annual basis. The Human Resources department conducts surveys to understand the training needs and requirements of employees across different units. This information is gathered, analyzed, and used to plan the annual training program, which contributes to improving work efficiency and enhancing the knowledge and abilities of employees.

The Company emphasizes employee development starting from the orientation for new employees, ensuring awareness of business operations policies, business ethics guidelines, company information, technology and ongoing development for sustainability. During regular work, employees receive on-the-job training from their supervisors, participate in seminars related to their field, both internally and externally, to stay updated with global technological changes. The training courses aim to enhance employees' skills in alignment with the organization's strategic direction and to prepare them for career growth. In addition, internal departments disseminate knowledge on sustainability and risk management regularly via email to all employees, fostering awareness of best practices across the organization. In the year 2024, the Company organized training courses for employees, covering both job-related knowledge and emotional skills. The average training hours per employee increased from the previous year, reaching 23 hours/person/year, compared to the previous 25 hours/person/year. The Company allocated a training and development budget of 1,853,376.94 Baht in the fiscal year 2024.

Comparative Data of Average Employee Training Hours in 2022-2024



In the year 2024, the Company conducted various training courses, including:

- 1. The Company has joined the ESG DNA training program to help employees understand ESG working principles and instill sustainability DNA. More than 70% of all employees participated in the training and passed the test.
- 2. The Company organized training on the topic of Power BI to allow employees to learn the basics of using the program and apply it to their individual work. We used internal speakers who are company employees for this lecture.
- 3. The Company invited Prof. Dr.-Ing. Maurits Ortmanns from University of Ulm, Germany to lecture and share knowledge on the topic of 2024 IEEE SSCS Distinguished Lecture Series for the company's engineering team.

4. The Company recognizes the importance of developing knowledge and skills of employees at all levels, so it has purchased the Udemy platform, which offers various courses in both Technical Skills and Soft Skills.
5. The Company ensures that executives and employees participate in training courses and seminars organized by the Thai Listed Companies Association, the Stock Exchange, academic institutions, and regulatory agencies to enhance knowledge and skills necessary for their work. Examples of courses attended by company personnel include "Insight in SET: Comprehensive Understanding for Growth and Sustainability in the Capital Market" (1st session of 2024), IR Sharing 2/2024 on "Strategic Communication in the Decarbonization Landscape," TLCA:IR Sharing 3/2024 on "Techniques for Presentation at Opportunity Day," Thai-TLCA: RIC Knowledge Sharing 4/2024 on "IT Disruption and IT Risk," Thai-TLCA on "Human Rights in Business," Thai-TLCA on "Preparing for Environmental Measures," and SET-Seminar of IT VISION 2024: Sustainable Tech. among others.

4. Employee well-being and safety at work

Employee well-being and safety at work are prioritized by the Company. Policies are in place to ensure a safe working environment, including improvements for safety and convenience. These policies encompass hybrid work arrangements, office ozone spraying plans and the procurement of health chairs for employees across departments. In addition, in 2024, the Company conducted fire safety and evacuation training on August 23, 2024. The training aimed to raise awareness of safety issues and provide knowledge to prevent hazards to life and property. The Company organized realistic simulations, activating fire alarm signals to simulate emergencies. This allowed occupants to evacuate the building and gather at designated assembly points in the parking lot. The Company also focuses on promoting a good quality of life for employees, offering facilities such as football and badminton clubs, health-related knowledge sessions, and massage activities for employee well-being. Including providing knowledge about medical treatment received in healthcare facilities according to the rights and benefits that the Company provides to employees.

Employee Health Promotion and Disease Prevention

Although the Company has adjusted its employee conduct policy after the end of the COVID-19 pandemic, the Company continuously prepares for monitoring the spread of COVID-19 and other diseases. The Company provides influenza vaccines at special prices which the Company subsidizing half of the cost to alleviate the burden for employees who wish to receive the influenza vaccine. The Company also provides vaccines at special prices for employees' families to promote health and prevent diseases in the same way employees receive.

In 2024, there were no accidents, work stoppages, or sickness rates directly attributed to employees' work.

5. Employee Benefit Negotiation and Equity

The Company places great emphasis on fairness in caring for employees at all levels of the organization, ensuring equal and unbiased treatment. This commitment is outlined in the Human Resources Service Policy, covering aspects such as recruitment, compensation, and employee benefits. The Company actively promotes ethical practices and has established a Welfare Committee to represent employees in discussions, audits, controls, and oversight of various benefits provided by the Company. This collaborative approach ensures that employee benefits are discussed and administered fairly and equitably.

The Company has established a Welfare Committee, consisting of at least 5 employee representatives, with the following authorities:

1. Participate in negotiations with the company to organize benefits for employees.
2. Provide advice and offer opinions to the company regarding the provision of employee benefits.

3. Monitor, control, and oversee the benefits provided by the company to employees.
4. Propose suggestions and guidelines for beneficial employee welfare initiatives.

Additionally, a Recreation Committee has been established to align with the Labor Protection Act of 1998. This committee supports employee participation in proposing ideas, jointly managing the budget for welfare and providing opportunities for employees to represent their units in organizing recreational activities. This ensures that the activities and context are suitable and bring maximum benefits to the employees.

6. Community Engagement and Enhancing Technology Accessibility

The Company actively fosters positive relationships with relevant communities, including sharing technological and business knowledge with educational institutions. This collaboration is a crucial foundation for societal growth. The Company engages in continuous projects to develop new technologies in partnership with educational institutions and government agencies, focusing on practical technology implementation.

In addition, the Company organized important community-related activities in 2024 as follows:

1. Conducted the Digital Design with FPGA Camp (DD Camp) in collaboration with the Thai Embedded Systems Association (TESA). This provided opportunities for students from various universities, including Kasetsart University, Thammasat University, Chulalongkorn University, Khon Kaen University and King Mongkut's Institute of Technology Ladkrabang, to learn and gain experience in designing digital circuits using Field-Programmable Gate Array (FPGA) technology. FPGA is a crucial technology driving the future of the technology industry. Students who participated in the program also developed skills in Digital IC Design, which is a significant aspect of the Company's business. The initiative aimed to open up opportunities and career paths for interested students.
2. The Campus Tour activity under the "SandBox: Semiconductor and Advanced Electronics Workforce Development" project is a collaboration between the Office of the Higher Education Commission, Ministry of Higher Education, Science, Research and Innovation (OHEC) and participating companies. The companies involved in the project are Analog Devices (Thailand) Ltd., Delta Electronics (Thailand) PCL, Infineon Technologies (Thailand) Ltd., PTT Public Company Limited and Silicon Craft Technology PLC, along with leading universities in various regions. This collaboration aims to enhance cooperation in accelerating the development of a highly competent workforce for the semiconductor and electronics industry, which is a technology of the future. The program includes a specially designed Cooperative Education program (Coop +) to provide opportunities for third and fourth-year students from various universities interested in the semiconductor and electronics industry to apply for special internships. This allows them to gain valuable insights and knowledge about the industry through internships with the five leading companies. The ultimate goal is to contribute key personnel to the semiconductor and electronics industry in the future.
3. The CUEE Camp (Chulalongkorn Electrical Engineering Camp) is a camp that promotes and generates interest among high school students, focusing on inspiring them to pursue university education in electrical engineering. It aims to support and develop a new generation of talent to sustainably meet future workforce demands.



4. Provide technical support in collaboration with UK Research and Innovation, worth GBP 50,000 for the Detecting Urinary Tract Infections with Disposable Paper-Based Electrical Gas Sensors Project to Imperial College London
5. Grant the co-funding with the Bill & Melinda Gates Foundation and technical support totaling USD 50,000 in the Near-Field Communication-Enabled Digital In-Field Molecular Diagnostics Project to Imperial College London.
6. Give co-funding in collaboration with the National Research Council of Thailand and technical support worth of 2,175,200 baht in the project for integrated circuits development to convert temperature and capacitance values into digital data to Walailak University, Prince of Songkla University, and Maejo University.
7. Provide co-funding in collaboration with the National Research Council of Thailand and technical support worth of 2,153,200 baht in the project for the development of 8-bit lower power microcontroller integrated circuits to Chulalongkorn University.
8. Provide NFC sensor interface chip prototype for sensor research and development to leading universities worldwide, including Imperial College London, Rice University, Bioscience Research Laboratories, The University of Arizona, Necmettin Erbakan Üniversitesi, and Barking, Havering and Redbridge University Hospitals NHS Trust.

7. Team Member Engagement

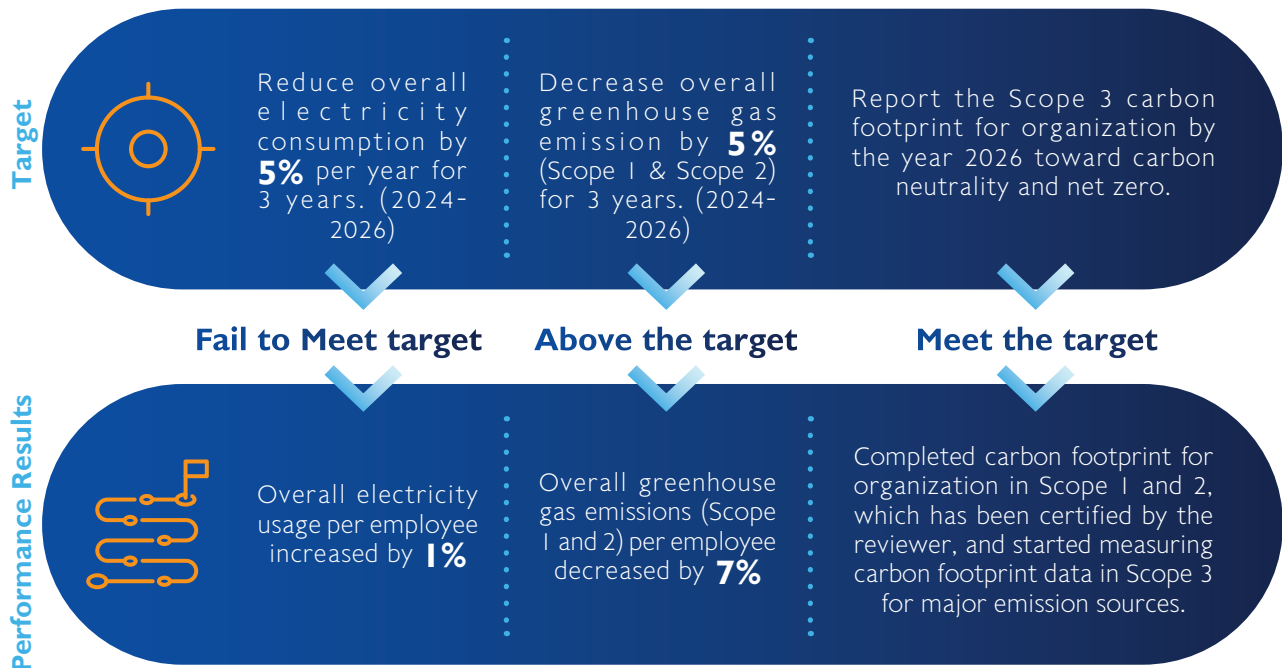
The Company prioritizes employee engagement and well-being through various creative activities that promote a positive and collaborative work environment. The company's engagement activities include:

1. Quarterly Town Hall Meetings: These meetings provide all employees with updates on Company performance, share opinions, and discuss about company's future plans. This transparent communication helps ensure everyone is aligned with our goals and values.
2. Annual Satisfaction Survey: Conducted once a year, this survey allows employees to express their opinions about various aspects of their work experience. The insights gained are crucial in identifying areas for improvement and implementing changes to increase employee satisfaction.
3. Annual Company Trip: To promote relationship building and relaxation outside the workplace, this provides an opportunity for employees to connect on a personal level, strengthening team unity.
4. New Year's Party: A celebration of the new year together, this event is filled with fun activities, entertainment, and recognition of team efforts and achievements, creating a positive atmosphere for the upcoming year.
5. Annual Company Blessing Ceremony: This ceremony reflects respect for culture and promotes a sense of community within the workplace. It's a time when team members come together and wish for a prosperous new year.

These activities are an essential part of the company's ongoing efforts to create an engaging work environment for employees, aiming to boost morale, foster a sense of belonging, and drive the collective success of the company.

3.6 Environmental Sustainability Management and Performance

3.6.1 Environmental Management Goals and Key Performance in 2024



3.6.2 Environmental Policy and Practices

The Company is committed to minimizing its environmental impact resulting from its operations and strives to transform the organization into a “Low Carbon Company.” This involves establishing a policy to calculate the organization’s carbon footprint, providing insights into the amount of emissions and greenhouse gas absorption.

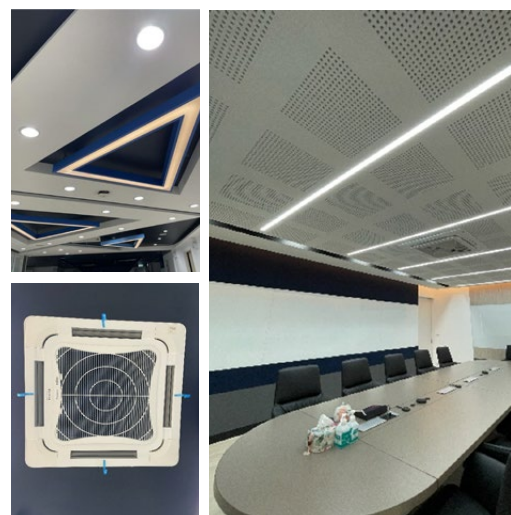
Additionally, the policy aims to measure energy consumption in various forms, such as oil, electricity, and water usage. This information guides the development of management strategies to efficiently reduce greenhouse gas emissions. In this regard, the cCompany’s carbon footprint assessment will adhere to the requirements outlined in the 8th edition (the 6th Revised Edition, July 2022) of the Thailand Greenhouse Gas Management Organization (Public Organization), which has been reviewed and certified by an accredited reviewer from the Thailand Greenhouse Gas Management Organization.

3.6.3 Energy and Climate Change Management

3.6.3.1 Energy Management

The Company primarily operates in office spaces and does not have its own production lines. The Company's energy management strategy therefore focuses on creating an organizational culture that recognizes efficient energy use and improving office building infrastructure to suit operations while considering environmental impacts.

In late 2024, the Company renovated its office space to accommodate employee growth, considering space efficiency and resource value. This included installing energy-saving equipment such as LED lights and energy-efficient air conditioners. The facilities department has scheduled annual air conditioner maintenance and regularly checks for water leaks, promptly conducting repairs if needed.



Beyond internal management, the Company emphasizes promoting efficient energy use throughout the supply chain by encouraging partners to conduct business according to sustainable development guidelines. In 2024, the Company coordinated with partners and encouraged them to sign agreements or adopt new practices that prioritize efficient energy use and reduce greenhouse gas emissions in their production processes. This is part of a collaborative effort to reduce overall energy consumption and achieve sustainable development together in the supply chain.

The Company continuously campaigns within the organization to raise awareness among employees about the importance of efficient resource and energy use, including oil, electricity, and water. The Company communicates through internal organizational emails to help employees understand the importance of these issues and presents good practices as examples for employees to apply concretely. Signs promoting conservation are also installed at key electrical equipment usage points throughout the office building to remind employees to save energy and turn off equipment when not in use.

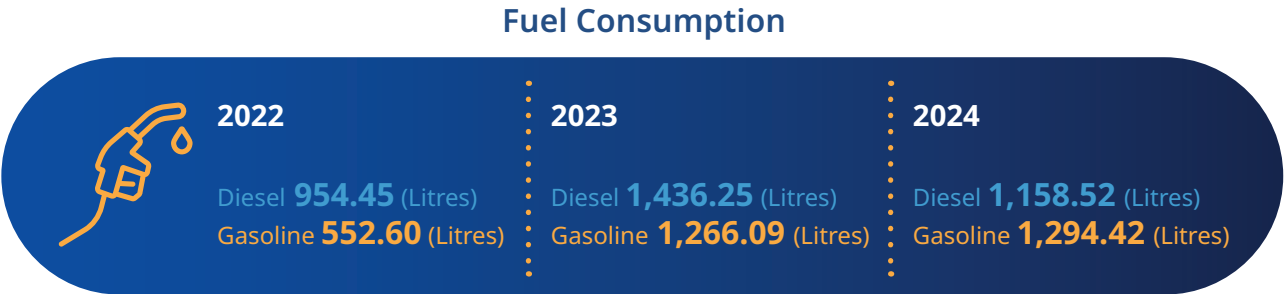
Additionally, in 2024, the Company participated in the ESG DNA program of the Stock Exchange of Thailand, which provides foundational knowledge related to sustainable development for Company employees at all levels. Employees can apply this knowledge to the operations of each department. In 2024, a total of 112 employees participated in and completed the training, representing 72% of the total registered employees.



Total number of registered employees	Number of employees who participated in and completed the training	Percentage of employees who completed the training
155 people	112 people	72%

As a result of these initiatives, the Company has received excellent cooperation from employees, reflected in energy-efficient behaviors in the office, such as turning off lights and electrical equipment in unused areas and during lunch breaks, adjusting air conditioner temperatures to appropriate levels, and reporting damaged equipment promptly for timely repair, which helps prevent unnecessary energy loss.

In 2024, the Company's energy consumption data is as follows:



Electricity Consumption



In 2024, the Company's overall fuel consumption increased from 2022 due to an increased number of employees using cars but decreased compared to 2023, partly due to an overall reduction in travel and some employees switching to electric vehicles. The overall electricity consumption increased from the previous year due to the Company expanding its office space to accommodate employee growth and more employees working in the office building.

3.6.3.2 Climate Management

The Company has conducted its carbon footprint assessment according to the requirements of its carbon footprint calculation and report (the 6th Revised Edition, July 2022) of the Thailand Greenhouse Gas Management Organization (Public Organization) to assess the greenhouse gas emissions arising from the organization's operations and activities and to use it as a tool to calculate the greenhouse gas emissions. In 2024, the organization's greenhouse gas emission data was collected in Scope 1 and Scope 2 and reviewed and certified by the reviewer certified by the Thailand Greenhouse Gas Management Organization, which is the greenhouse gas management certification agency at Phayao University by Assoc. Prof. Dr. Saksit Imman and Asst. Prof. Dr. Nopparat Suriyachai. The organization had a direct greenhouse gas emission (Scope 1) of 8.00 tons of carbon dioxide equivalent, and an indirect greenhouse gas emission (Scope 2) of 127.00 tons of carbon dioxide equivalent, representing 0.2040 tons of carbon dioxide equivalent to 1 million baht of revenue (carbon intensity). In 2024, the Company had reduced greenhouse gas emissions compared to the previous year, mainly due to the reduction in greenhouse gas emissions from refrigerants by changing the calculation of refrigerant leakage from Nameplate to actual refill calculation.

The increase in electricity and energy consumption corresponded to the Company's growing number of employees and office space expansion to accommodate the Company's growth.

Greenhouse Gas Emissions (GHG Emissions)

(Unit: Tons of carbon dioxide equivalents)



In addition, in 2024, the Company began collecting data on other indirect greenhouse gas emissions (Scope 3) for significant emission sources where the Company could access data. This initiative aims to enable the Company to measure greenhouse gas emissions more comprehensively and lead to planning for carbon neutrality and net zero emissions in the future. The data on other indirect greenhouse gas emissions (Scope 3) that the Company has been able to collect so far is as follows:

(Unit: Tons of carbon dioxide equivalents)

Categories	2024
Purchased Goods and Services	
Wafer 8" usage	51.6
Wafer 12" usage	257.2
Fuel and Energy related activities	24.9
Business Travel	49.9

This data has not yet been verified by external agencies, and the Company continues to collect additional data in other categories. However, this information will be another important part used to set targets, policies, and practices to manage and reduce the organization's greenhouse gas emissions in the future.

In addition, the Company also communicates through internal organizational emails to help employees understand the importance of these issues and know how to reduce greenhouse gas emissions in the organization.

Environmental Preservation Project

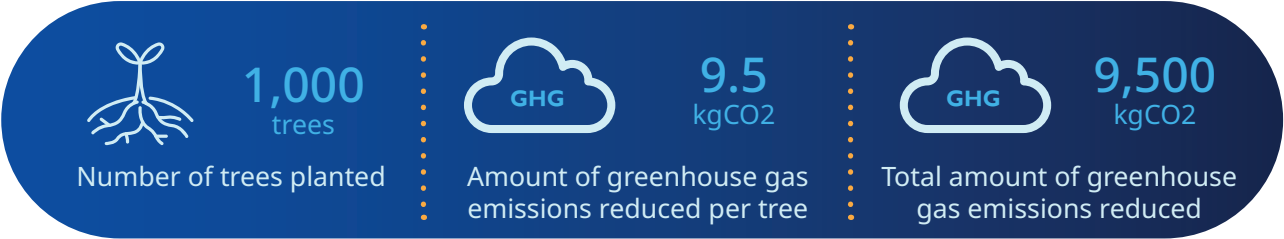
The Company recognizes the importance of reducing greenhouse gas emissions and maintaining natural ecosystems. On 20 September 2024, the Company organized a mangrove planting activity at the Khlong Khon Mangrove Forest Conservation Center, Samut Songkhram. This natural resource is vital to the coastal ecosystem, serving as a habitat for various plant and animal species of immense economic and environmental value. Mangroves also have a higher capacity to absorb carbon dioxide (CO₂) than other types of forests. Because mangrove trees have a high rate of photosynthesis, it helps reduce carbon dioxide levels by storing carbon dioxide in the form of wood and increasing oxygen in the atmosphere.

On the day of the activity, participants, consisting of 160 executives and employees, began by listening to a presentation about the importance of mangroves from experts at the Conservation Center. Afterwards, executives and employees planted mangrove trees in suitable areas within the mangrove forest. The results and success of this project led to collective effort and greater awareness of the importance of mangroves and the environment, helping to restore natural ecosystems, allowing plants to thrive again and sustainably serving as a habitat for animals.

In addition to helping maintain natural ecosystems and reducing environmental impacts, the project also promotes environmental awareness among employees and creates engagement between the Company and local communities in mangrove conservation.

Throughout the project, the Company's executives and employees planted a total of 1,000 trees, equivalent to an area of approximately 2 Rai, estimated to reduce greenhouse gas emissions by 9,500 kilograms carbon dioxide equivalent (kgCO₂e).





3.6.4 Water Resource Management

The Company primarily conducts business within office buildings, with all operational areas being rented spaces. This results in limitations for the Company to directly manage water resources. However, the Company recognizes the importance of efficient water use and has campaigned for employees to avoid wasteful water use.

The Company measures water withdrawal through collecting water bill data each year to use as information for planning and determining water-saving measures in the future. The water withdrawal data is as follows:

Water Withdrawal



3.6.5 Waste Management and Pollution Control

Waste separation is considered a crucial aspect of reducing waste volume because segregating waste enables proper waste management processes. This helps address the issues of urban overflow and reduces pollution in the overall environment. In the year 2023, the Company continued its ongoing waste separation project, providing waste bins for the disposal of waste in five categories: 1) general waste; 2) recycling waste; 3) hazardous waste; 4) electronic waste; and 5) infectious waste, which is particularly necessary during the COVID-19 pandemic where ATK kits and masks must be disposed of. The Company coordinated with the municipality to collect all types of waste as usual. Moreover, the name of the type of waste bag is written first to help simplify the waste management process. The Company also communicates monthly via internal email about waste sorting to employees of all sectors to acknowledge, understand, raise awareness, and realize the benefits of waste sorting.

Example of waste sorting in organization

			
3rd floors	3rd floors	4th floors	4th floors
Pantry • General waste • Recycling waste • Hazardous waste • Electronic waste	Pantry • General waste • Recycling waste	Canteen • General waste • Recycling waste • Hazardous waste • Electronic waste	Office • Electronic waste

to employees on days that most employees came to work, and used lunch boxes were collected, cleaned, and passed on to those who could further use them. This not only helps reduce waste but also supports the principles of a Circular Economy and promotes the recycling of resources.

The estimated percentage of food packaging that was sent back for reuse is: 100% of all food packaging.

4. Management Discussion and Analysis

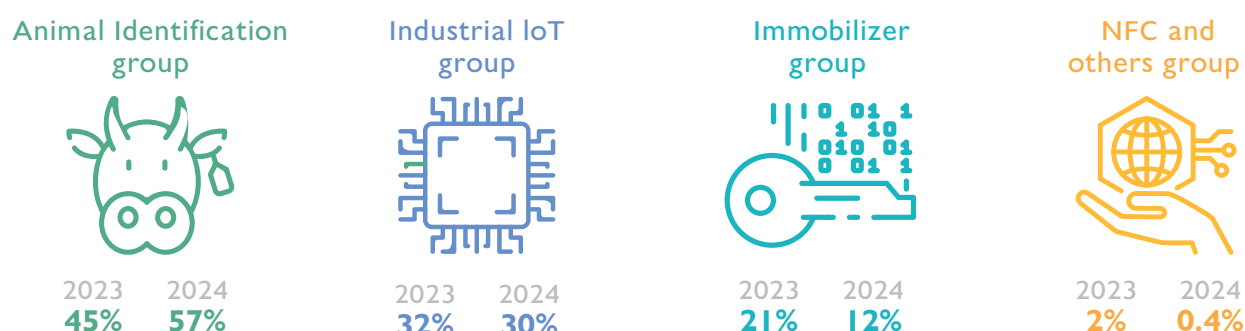
4.1 Analysis of Operation Results and Financial Positions

Management Discussion and Analysis for the year 2024

Revenue Structure

For 2024, the Company's revenues are derived from 4 product groups: Animal identification group accounted for 379.2 million Baht, representing 57% of total revenue, Industrial IoT group accounted for 200.5 million Baht, representing 30% of total revenue, Immobilizer group accounted for 79.4 million Baht, representing 12% of total revenue, and NFC and others group accounted for 2.7 million Baht, representing 0.4% of total revenue. Total revenue this year slightly decreased 1% compared to the previous year, due to global market challenges with a high inventory level and overall economic factors that have slowed demand. However, demand for microchips and electronics is expected to continue to grow well in the longer term.

Revenue Structure for the year ended 2023 and 2024



(Unit: Million Baht)

Revenue Breakdown by Product Group	2024	Revenue proportion	2023	Revenue proportion	Change	
					Million Baht	%YoY
Revenue from Animal Identification group	379.2	57%	303.3	45%	75.9	25%
Revenue from Industrial IoT group	200.5	30%	211.0	32%	-10.5	-5%
Revenue from Immobilizer group	79.4	12%	136.6	21%	-57.3	-42%
Revenue from NFC and others group	2.7	0.4%	15.4	2%	-12.7	-82%
Total Revenues	661.8	100%	666.4	100%	-4.5	-1%

Statement of Comprehensive Income

(Unit: Million Baht)

Statement of Comprehensive Income	2024	2023	Change	
				%YoY
Revenue from sales and services	661.8	666.4	-4.5	-1%
Costs of sales or services	(374.6)	(362.0)	12.6	3%
Gross profits	287.2	304.4	-17.2	-6%
Other income	2.5	2.3	0.2	7%
Distribution costs	(36.6)	(38.3)	-1.8	-5%
Administrative expenses	(144.2)	(128.4)	15.8	12%
<i>Research expenses</i>	<i>(49.3)</i>	<i>(37.1)</i>	<i>12.2</i>	<i>33%</i>
<i>Other administrative expenses</i>	<i>(94.9)</i>	<i>(91.3)</i>	<i>3.6</i>	<i>4%</i>
Other expenses	-	-	N.A.	N.A.
Other gains (losses)	(3.0)	6.1	N.A.	N.A.
Profit (loss) from operating activities	106.0	146.1	-40.1	-27%
Finance income	0.6	0.4	0.2	7%
Finance costs	(5.8)	(3.7)	2.1	57%
Share of loss from joint ventures	(0.3)	-	N.A.	N.A.
Profit (loss) before tax expense	100.4	142.8	-42.3	-30%
Tax income (expense)	0.8	(2.4)	N.A.	N.A.
Profit (loss) for the year	101.2	140.4	-39.2	-28%

* The financial statement from Quarter1/2024 onwards will be presented with "Share of loss of associate accounted for using equity method".

Profitability Ratios	2024	2023
Gross Profit Margin	43%	46%
Net Profit Margin	15%	21%

Revenue from sales and services

The Company's revenue from sales and services in 2024 accounted for 661.8 million Baht, slightly decreasing 4.5 million Baht or 1% compared to the prior year. Revenue from the Animal Identification group remained the main revenue segment with significant growth at 75.9 million Baht or 25%, while revenue from the immobilizer group dropped by 57.3 million Baht or 42%. Revenue from the Industrial IoT segment decreased by 10.5 million Baht or 5%, and revenue from NFC and others decreased by 12.7 million Baht or 82%.



Revenue from the Animal Identification group

Revenue in 2024 accounted for 379.2 million Baht, rising 25% thanks to greater sales orders from customers in Europe. However, the long-term outlook remains supported by the expansion of the animal identification market due to the progress in the enforcement of Electronic Identification tag regulations for sheep and goat markets in Australia. Additionally, there are supportive factors for increased adoption trends of electronic animal registration tags in the United States, which has already been officially effective since November 5, 2024.



Revenue from Industrial IoT group

Revenue in 2024 accounted for 200.5 million Baht, decreasing 5% from 2023, due to a decrease in revenues from customers in Asia. However, the Company plans to introduce new products in this category which is in line with the company's focus on expanding product application portfolio in Industrial IoT to support long-term revenue growth.



Revenue from the Immobilizer group

Revenue in 2024 accounted for 79.4 million Baht, decreasing 42% from 2023, due to a decrease in revenues from customers in China and the Americas, indicating signs of contraction across the entire industry which is continuously seen since the second half of 2023. However, revenue from the new product, ULTX, made up the key proportion of the group's revenue from customer orders in Europe.



Revenue from NFC and others group

Revenue in 2024 accounted for 2.7 million Baht, decreasing 82% from the previous year, due to the slower-than expected of new-application adoption and related ecosystem using the Company's products. The Company has plans to continuously co-develop new products in the NFC group in collaboration with customers, particularly in the industrial NFC, authentication, and sensor groups, to drive revenue growth from these product groups in the near future.

Cost of Goods Sold and Gross Profit

Cost of goods sold (COGS) for 2024 accounted for 374.6 million Baht, increasing 12.6 million Baht or 3% from the previous year.

Gross Profit was 287.2 million Baht, decreasing 17.2 million Baht or 6% compared to the previous year, due to an increase in the cost of sales and services. Gross profit margin in 2024 stood at 43%, declining from 46% from 2023, due to changes in the product mix. However, releasing new products in the future according to the Company's plan will help increase the level of gross profit margin. In addition, the Company is in the process of implementing a cost structure analysis plan to improve cost management and pricing strategies to be more efficient.

Other Income

The Company had other incomes in 2024 amounting to 2.5 million Baht, rising from the previous year at 2.3 million Baht or 7%. 2024 other income mainly came from realized gain from foreign exchange occurred during the year.

Selling and Administrative Expenses

Selling expenses in 2024 accounted for 36.6 million Baht, decreasing 1.8 million Baht or 5% from the previous year due mainly to a decrease in sales commission.

Administrative expenses in 2024 accounted for 144.2 million Baht, increasing 15.8 million Baht or 12% from 2023, due mainly to an increase in research expenses in line with the Company's plan and partly from employee's salary and benefits expenses.

Other Expenses

The Company had no other expenses in 2024.

Other Gains (Losses)

This is the net unrealized gain (loss) from the foreign exchange forward contracts that do not designate as a qualify for hedge accounting and the net unrealized gain (loss) from the revaluation of foreign currency-denominated assets and liabilities into Thai baht.

For 2024, the Company had other losses of 3.0 million Baht, turning from other gains of 6.1 million Baht from 2023. This is due to the recognition of unrealized losses from the revaluation of assets and liabilities in foreign

currencies as of the end of the period, which was impacted by the fluctuation of the Thai baht during the year.

Currently, the Company implements natural hedge methods to manage risk regarding exchange rates by creating a balance between the timing of foreign currency payments and revenue recognition. This included using foreign currency income to pay for raw materials or operating expenses in the same currency, converting foreign currencies into Thai baht in advance to pay for operating expenses and repay baht-denominated loans before maturity, and considering the use of forward contracts in some cases. The company also closely monitored exchange rates and interest rates from the Bank of Thailand and commercial banks to minimize the long-term impact on the company.

Finance costs

Finance costs in 2024 accounted for 5.8 million Baht, increasing 2.1 million Baht or 57% from 2023, due to short-term loans from financial institutions for ordering raw materials at the end of 2023, and the short-term loans have been gradually repaid during the year. This can be seen from the decrease in the amount of short-term borrowing from financial institutions.

Share of loss from joint ventures

The Company has an investment in a joint venture with a 25% stake in Adaptrics Company Limited. In 2024, it recorded a share of losses amounting to 0.3 million Baht. However, the joint venture has already started to recognize revenue in the second half of 2024.

Tax income (expense)

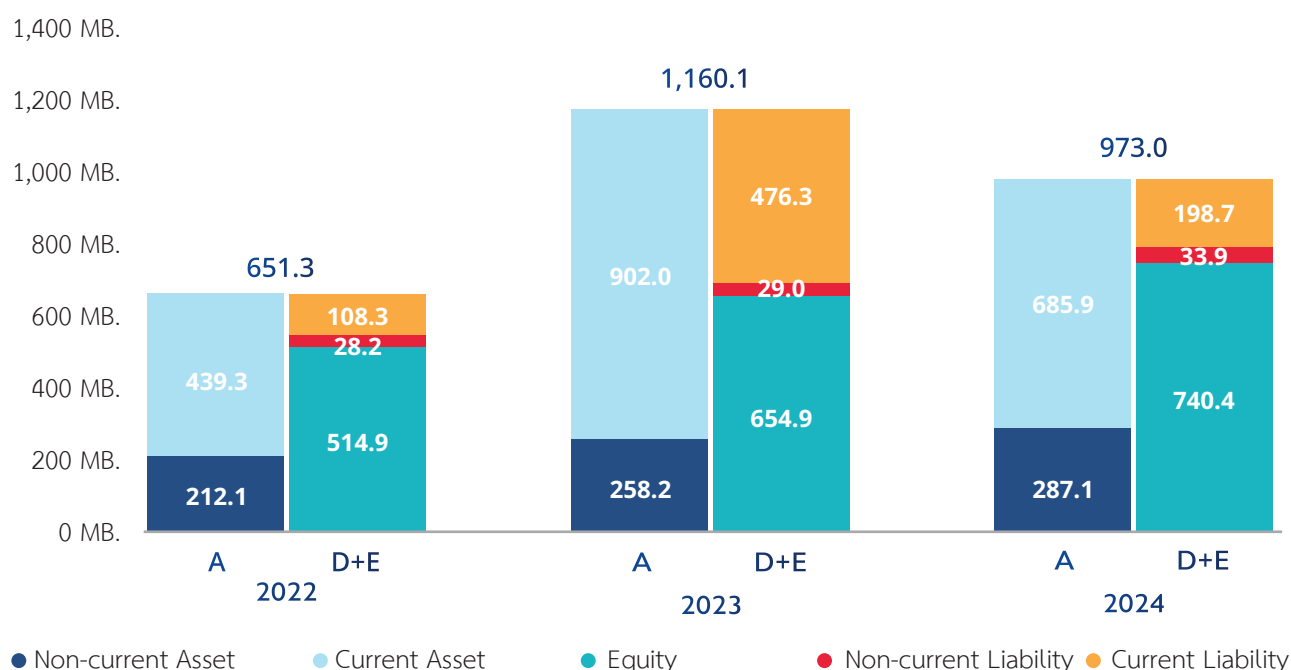
In 2024, the Company had a tax income of 0.8 million Baht, turning from the tax expenses of 2.4 million Baht from the prior year, as revenue from sales and services in 2024 was subject to the rights and benefits from the Board of Investment (BOI), as well as there is a tax reversal of 2023 that can be used for additional BOI rights, and recording the deferred tax income.

Net Profit

In 2024, the Company had a net profit of 101.2 million Baht, decreasing 39.2 million Baht or 28% from the previous year. The main reasons for this decline were

from lower gross profit margins and an increase in administrative expenses mainly from research expenses as the Company's plan to create long-term growth. The decline was partly due to the unrealized loss from the foreign exchange resulting from the fluctuation of the exchange rate during the year. As a result, the Company's net profit margin in 2024 was 15%, decreasing from 21% in 2023.

Statement of Financial Position



Total assets of the Company at the end of 2024 were 973.0 million Baht, decreasing 187.1 million Baht from 1,160.1 million Baht at the end of 2023. This was due to decreased current assets of 216.0 million Baht, resulting from a reduction in inventory level, as the production and the delivery of products to customers, and a reduction in cash from repayment to the trade payables and financial institutions. For non-current assets, increasing by 28.9 million Baht mainly from an increase in intangible assets. This is due to the increased number of ongoing development projects for new product launches to support future growth.

The Company had total liabilities at the end of 2024 equal to 232.6 million Baht, decreasing 272.7 million Baht from the end of 2023, which was 505.2 million Baht, primarily due to the repayment of trade payables and short-term loan from financial institutions. Non-current liabilities accounted for 33.9 million Baht, increasing 4.9 million Baht from 2023, which was at 29.0 million Baht, primarily came from an increase in non-current liabilities for employee benefits and finance lease liabilities.

The Company's shareholders' equity at the end of 2024 was at 740.4 million Baht, increasing 85.6 million Baht from the end of 2023 which was 654.9 million Baht. The rise was due mainly to an increase in the unappropriated retained earnings of approximately 84.4 million Baht, corresponding to the net amount between 2024 net profit and dividends paid for 2024 of 101.2 million Baht and 16.8 million Baht respectively.

Key Financial Ratios

Financial Ratios	2022	2023	2024
Current Ratios (times)	4.06	1.89	3.45
Average Sale Period (days)*	121	197	223
Average Collection Period (days)	34	31	27
Average Payment Period (days)	41	91	75
Cash Conversion Cycle (days)	114	137	174
Return on Assets (ROA)	24%	16%	10%
Return on Equity (ROE)	30%	24%	15%
Debt to Equity Ratio (times)	0.27	0.77	0.31

*Inventory excludes raw materials

In 2024, the Company had a current ratio of 3.45 times, reflecting its ability to manage overall liquidity effectively and sufficiently to cover short-term debts. Cash Conversion Cycle in 2024 was 174 days, rising from 137 days at the end of 2023, due to an increase in the average sales period. Debt to Equity ratio was 0.31 times in 2024, decreasing continuously from the end of 2023 as a result of gradual repayment to trade creditors and financial institutions. This reflects a low-risk capital structure for operations and funding ability to support future growth.

4.2 Factors or events that may significantly impact the financial position or operations in the future (forward looking)

Semiconductors play a crucial role in driving almost all types of modern technologies, including medical devices, communications, defense, artificial intelligence (AI), advanced transportation, and many other technologies. It is an industry with a very strong long-term outlook, supported by government policies in many countries, including Thailand, investments in research and development (R&D), increasing demand for electronic devices, and the growth of related technologies.

Furthermore, the Company recognizes significant opportunities for collaboration with strategic partners and participation in joint projects that can help expand market reach and create synergies. By partnering with organizations that share a common vision and strengths, we can leverage their expertise, resources, and networks to drive mutual growth and innovation. This collaboration will enhance our competitive capabilities, create added value for all stakeholders, and ultimately lead to long-term success that benefits all parties involved.

However, there are still risk factors and uncertainties that may impact the overall industry and the Company's operations, which need to be closely monitored. These include geopolitical changes and trade policies from various relevant countries, supply overcapacity during certain periods, shortages in production capacity and raw materials in some sectors, intense competition, technological changes, and concerns regarding data security / cybersecurity.

5 General Information and Other Important Information of the Company

5.1 General Information and Other Important Information

Information of the Company

Company Name	Silicon Craft Technology Public Company Limited
Registered Number	0107562000114
Head Office Location	40 Thetsabanrungsunnua Road, Ladyao, Chatuchak, Bangkok 10900
Telephone No.	0 2589 9991
Facsimile No.	0 2589 8881
Type of Business	Research and development of Integrated Circuit Design (IC) or Microchip, as a fabless/factoryless company under “SIC” trademark
Website	www.sic.co.th
Registered capital	263,999,936 Baht
Registered and paid-up capital	239,999,942 Baht
Type and Total Number of Shares	Common Shares 479,999,884 shares at par value of 0.50 Baht per share

Securities Registrar

Thailand Securities Depository Company Limited

Head office location	1 st Floor, Tower B, The Stock Exchange of Thailand Building, No. 93 Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok 10110
Telephone No.	0 2009 9000
Facsimile No.	0 2009 9991

Auditor

D I A International Audit Company Limited

Head office location	No. 316/32 Soi Sukhumvit 22, Sukhumvit Road, Klongtoey Sub-district, Klongtoey District, Bangkok 10110
Telephone No.	0 2259 5300
Facsimile No.	0 2260 1553

5.2 Other information

-None-



02 Corporate Governance

6. Corporate Governance Policy



6.1 Overview of Corporate Governance Policy and Practices

Silicon Craft Technology Public Company Limited (“the Company”) intends to continuously conduct business under the policy of good governance and business ethics. The Company believes that conducting business that is fair, transparent, auditable, socially beneficial, environmentally conscious, and accountable to all stakeholders will help promote the Company’s business efficiency, competitiveness, adaptability under various changes, good turnovers, and sustainable growth, as well as gaining the confidence and trust of the shareholders, investors, and all stakeholders. This practice is in line with the principles of good governance of the Securities and Exchange Commission (“SEC”) and the Stock Exchange of Thailand (“SET”).

The Board of Directors has defined the Company’s corporate governance policy in writing. It is considered and reviewed regularly to be applied according to the business context on an annual basis. It is also communicated to all departments of the Company to acknowledge and comply with the guidelines incessantly. The key overview of the Company’s corporate governance policy can be divided into the following eight practical principles.



The full version of Corporate Governance Policy and Practices can be studied at Company’s website under the topic of Corporate Governance > Corporate Governance Policy: <https://investor.sic.co.th/en/corporate-governance/corporate-governance-policy> or please scan QR Code.

6.2 Policies and Practices for the Board of Directors

The Board of Directors, as the supreme leader of the organization and appointed by the shareholders and representing the shareholders, plays an important role in supervising the operation of the Company, allocating resources, supervising the performance of the sub-committees, and formulating business policies and strategies, etc. To ensure the long-term good performance of the business and gain the confidence of all shareholders, investors and stakeholders, the Board of Directors shall therefore perform its duties with responsibility, carefulness, and integrity, as well as supervise the Company's operation in accordance with the laws, regulations, resolutions of the meetings of the Board of Directors and the Shareholders and the relevant policies of the Company.

Therefore, to support and strengthen the performance of the Board of Directors, the Company has established and reviewed policies and the charter of the Board of Directors, which specify the qualifications, composition, scope, authorities, duties and responsibilities of the Board of Directors and its sub-committees as well as reviewed Company's vision, mission and business strategy on an annual basis to be consistent with the Company's corporate governance policy and business strategy. The policies and practices related to the roles, duties and responsibilities of the Board of Directors cover the following matters:

6.2.1 Nomination and Appointment of the Company's Directors

The Company has a recruitment process for persons to be appointed as directors. The Nomination, Remuneration, and Corporate Governance Committee shall be appointed to support the nomination and appointment of qualified directors through a transparent process, taking into account the benefits of diversity of the Board of Directors in various aspects. The Company also provides an opportunity for minority shareholders to nominate qualified persons to be appointed as directors in a bid to acquire directors who meet the qualifications specified in the Board of Directors Charter. The board consists of directors who do not possess any prohibited characteristics as defined by law and who have relevant

beneficial knowledge and experience to business operations. In addition, they are able to use independent discretion from the management and do not operate a business of the same nature or in competition with the Company. They have to devote sufficient time to the Company with morals, ethics, and a transparent working history while providing expertise from various fields for operations, advice, and comments on different matters. The Nomination, Remuneration and Corporate Governance Committee will nominate a list of the selected persons with their profiles and details sufficiently to be useful for the deliberation of the Board of Directors such as Board Skill Matrix arrangement for checking the Board of Directors composition in the present and also for executive planning to be connected with company's business strategy before presenting the list to the shareholders' meeting for approval of the appointment of directors.

6.2.2 Remuneration for the Board of Directors, Sub-committees, and Executives

The Company has set monthly remuneration for the Board of Directors and a meeting allowance for them on a case-by-case basis. To determine the remuneration of sub-committees, namely the Audit Committee, the Risk Management Committee, the Nomination, Remuneration and Corporate Governance Committee, and the Executive Committee, the Company has established the meeting allowance on a per-time basis. For the executives, they will receive a fixed remuneration on a monthly basis and variable compensation according to the Company's performance.

Besides, the Company has a policy to determine remuneration for the directors, sub-committees, and executives to be at an appropriate level both financially and non-financially, taking into account the Company's performance, scope of responsibilities, and working performance at a comparable rate to similar businesses so as to motivate the Board of Directors, sub-committees, and executives, leading to the Company's achievement and operations according to the goals. The remuneration must be consistent with the Company's strategy and

goals. The Nomination, Remuneration, and Corporate Governance Committee will consider each form of compensation to be appropriate by setting fair and reasonable remuneration criteria for the confidence of shareholders, with a transparent process and disclosure in the Form 56-1 One Report.

For the remuneration of the Board of Directors and sub-committees, it will be reviewed by the Nomination, Remuneration and Corporate Governance Committee before proposing to the meeting of the Board of Directors then to the Annual General Meeting of Shareholder for official approval on an annual basis.

6.2.3 Independence of the Board of Directors from the Management Team

The Board of Directors will appoint the appropriate person to be the Chairman of the Board of Directors. In case the person who is the Chairman of the Board of Directors is not an independent director, the Board of Directors will assign one of the independent directors to participate in the deliberations on the agenda of the Board of Directors' meetings to promote balance between the Board of Directors and the management team and be in accordance with the principles of good corporate governance for listed companies.

6.2.4 Development of the Directors

The company always promotes and facilitates the Board of Directors to develop their knowledge and ability through training or seminars in courses that are useful for the performance of the Board of Directors' duties, such as courses from the Thai Institute of Directors Association (Thai IOD), Capital Market Academy (CMA), development trainings and seminar from The SEC and the SET in order for the directors to continuously improve their performance to build confidence in investors, shareholders, and stakeholders so that the Board of Directors has the knowledge, competence and expertise to act as the representatives of shareholders and comply with the Company's good corporate governance in strengthening effective directors.

6.2.5 Evaluation on the performance of the duties of the Board of Directors

The Board of Directors shall complete a self-assessment form for the Board of Directors at least once a year. The Board of Directors' performance appraisal is divided into three sets as follows:

- Self-Assessment for the Board of Directors as a whole (Assessment on the entire Board of Directors)
- Self-Assessment for Sub-committees (Assessment on the entire sub-committees)
- Individual self-assessment for the Board of Directors and sub-committees (Self-assessment)

In addition, the Board of Directors will conduct an assessment on the performance of the Chief Executive Officer (CEO). The results of the various assessments will be used by the Nomination, Remuneration and Corporate Governance Committee to determine the suitability of the composition and performance of the Board of Directors and its sub-committees, including monitoring the Chief Executive Officer's performance to plan and improve the operations in line with the business strategy and to plan the continuous development of the necessary knowledge of directors and senior executives.

6.2.6 Meetings of the Board of Directors

The Board of Directors requires at least quarterly meetings of the Board of Directors, and meetings are held between non-executive directors without the management team attending. The company provides the Company Secretary to support the operation of the Board of Directors, including coordinating for the directors to comply with the resolutions of the Board of Directors, as well as arranging for meetings of the Board of Directors and shareholders' meetings. The Board of Directors will work with the Company Secretary to set meeting dates and agendas in advance throughout the year. The Company Secretary will notify all directors of the meeting dates and regular agendas for the whole year in advance at the end of the year prior to the next year's meeting. This is so that the directors can allocate the time and attend meetings.

For each meeting, the Company Secretary is responsible for sending the meeting invitation letters and agendas, as well as the meeting documents to the Board of

Directors for consideration at least 7 days in advance of the meeting to allow all directors to have sufficient time for consideration of the information before attending the meeting. The meeting agenda will be clearly stated whether to acknowledge, consider, or approve, including the follow-up on operating performance on a regular basis.

The quorum of the Board of Directors' meeting shall not be less than half of the total number on the Board of Directors. The Board of Directors can invite sub-committees, executives, external and internal auditors of the Company to attend the meeting as necessary and appropriate. Moreover, the total of directors that joining the meeting for voting shall not be less than two out of three of the total number on the Board of Directors. Voting will use the majority voting system as a resolution. In the event that the number of votes is equal, the Chairman of the Board of Directors can cast one additional vote to decide. In the case of considering matters involving one of the directors, the directors who have an interest in that matter must abstain from joining the meeting on that agenda and voting on the matter. In 2024, the Risk Management Committee reported progress on the status of various risk factors of the Company's business operations and the Company's risk management plan to the Board of Directors' meeting on a quarterly basis as well as the Nomination, Remuneration and Corporate Governance Committee along with management team regular report on the organization's sustainability performance in various dimensions both economic dimensions, social dimensions, and environmental dimensions to the meetings of Boards of Directors on a regular basis.

In 2024, the Company held a total of seven meetings of the Board of Directors. The attendance proportion of the entire Board of Directors was 100%. Additionally, the Company held one non-executive director meeting without the attendance of the management on December 20, 2024 to discuss on the succession plan for top executives and strategies for enhancing the board's performance in various areas and The results of the meeting were reported to the Chief Executive Officer for acknowledgment (details of attendance of the Board of Directors' meetings appear in Section 8.1.2).

6.3 Shareholder and Stakeholder Policies and Practices

6.3.1 Shareholders' Rights and Equal Treatment of Shareholders

The Board of Directors gives precedence to the Company's shareholders by taking various actions to ensure that the shareholders are treated equally and can fully exercise their fundamental rights as shareholders, such as:

- 1) The right to buy, sell, or transfer shares;
- 2) The right to a share of the Company's profits;
- 3) The right to receive sufficient relevant information and news through the Company's website or the Stock Exchange's website or by any other means;
- 4) The right to attend meetings to exercise the voting rights at the shareholders' meeting independently to appoint or remove directors, determine the remuneration of directors, appoint auditors, pay dividends, increase capital and issue new shares, as well as the right to question the Board of Directors about the report of the Board of Directors and any other matter presented to the meeting for consideration and approval. Moreover, the company shall ensure to facilitate and encourage shareholders, including institutional investors, to exercise their rights to attend and vote at the shareholders' meetings equally.
- 5) The right to propose the agenda in advance and to nominate persons for election to the Board of Directors and participation in decisions on important matters of the Company.

All shareholders are stipulated to have the right to vote according to the number of shares held, and each share has the right to one vote.

Moreover, the Board of Directors also recognizes and values the rights of the shareholders by not doing anything that violates or deprives the shareholders' rights to enable the shareholders to participate in the decision making on important matters of the Company. The Company will take care to ensure that the shareholders' meeting is neat, transparent, effective and allows the shareholders to exercise their rights and take care to disclose the resolutions of the shareholders' meeting and that the preparation of the minutes of the shareholders' meeting is correct and complete.

Other than the basic rights mentioned above, the Company has also set guidelines for various matters to promote the equitable treatment of shareholders and facilitate the exercising of shareholders' rights including institutional investors in holding the shareholders' meeting as follows:

Preparation before the meeting

- The Company arranges the Annual General Meeting of Shareholders within 4 months from the end of the Company's fiscal year in compliance with the Company's Articles of Association, as well as the laws and regulations of the SET, including good corporate governance principles of the SEC. The Company has a policy not to hold meetings on weekends and public holidays, while determining the form and venue of the meeting that shareholders can easily travel to for their attendance. Additionally, The Company ensures that there are sufficient personnel and implement technology for shareholder registration, vote counting, and result display, to enable the meeting process to be conducted quickly, accurately, transparently, and verifiably.
- The Company held the 2024 Annual General Meeting of Shareholders on April 24, 2024, in electronic meeting format (E-AGM) regarding the Emergency Decree on Electronic Meetings B.E. 2563 (2020), the Announcement from the Ministry of Digital Economy and Society regarding Standards for Ensuring Security of Electronic Meetings B.E. 2563 (2020) and the related laws and regulations. The Company arranged for the service provider to conduct the meeting in electronic format with expertise and certification from relevant institutes such as the meeting control system (Cisco Webex) which has been certified, and the Inventech Connect scoring system which has been passed the self-assessment by the Electronic Transactions Development Agency (ETDA). The meeting was broadcast live from the Townhall meeting room on the 3rd floor at the Company's headquarters which the Company notified all shareholders in advance, together with the meeting invitation letter.
- The Company provides an opportunity for shareholders to ask questions, propose agendas, and nominate persons to be elected as directors in advance for the 2024 Annual General Meeting of Shareholders from 9 October 2023 to 9 January

2024. The Company also clearly publishes relevant regulations through the Company's website. Additionally, the shareholders are notified about those regulations through the news system of the SET. Moreover, at the end of the period that shareholders can propose questions, agendas, and nomination of persons to be elected as directors in advance, the Company will also inform the results to all stakeholders through the Company's website and the news system of the SET. Additionally, there were no shareholders proposed the questions, agenda items and nominate candidates for appointment as directors for the 2024 Annual General Meeting of Shareholders in advance.

- The Company discloses the resolution of the Board of Directors on setting the date for the Annual General Meeting of Shareholders, meeting format, date to determine the list of shareholders (Record date) for the rights to attend the meeting, and meeting agenda through the Company's website and news system of the SET, as well as dissemination of meeting invitation letter with complete details and supporting documents, including the minutes of the previous meeting, Form 56-1 One Report, information on identity verification and meeting attendance, voting process, proxy and proxy forms, etc., both in Thai and English, which can be found on the Company's website at least 30 days in advance of the meeting.
- The Company sends the meeting invitation letter to shareholders in advance by mail at least 21 days before the meeting, together with complete supporting documents for the meeting agenda, including objectives and reasons, opinions of the Board of Directors on each agenda. This is so that the shareholders have enough time and information to consider the information. Also, the Company advertises the notice of the meeting in a newspaper for 3 consecutive days and not less than 3 days before the meeting date. Moreover, no meeting agendas or any other details are added without notifying shareholders in advance.

Operations on the day of the shareholders' meeting

- The Company facilitates shareholders to fully exercise their rights to attend meetings and vote, while refraining from any actions to limit the opportunity of shareholders to attend the meeting,

such as providing stamps for proxy forms. At the 2024 Annual General Meeting of Shareholders, the Company allowed shareholders to register in advance prior to the meeting time and continued until the end of meeting. The Company also promotes the use of technology in the shareholders' meeting, such as registration of shareholders, score counts and display of the results to make the meeting process more efficient, faster, and more accurate.

- The Company Secretary introduced the directors who attended the meeting, auditors, and legal advisors who supervise and verify the vote counts in the meeting to be transparent, while reporting to the meeting on the number of shareholders who attended the meeting in person and by proxy. At the start of the meeting, there were 17 shareholders attended the meeting in person, holding 28,190,321 shares, and 41 shareholders attending the meeting by proxies, holding 274,145,292 shares, representing a total of 58 shareholders attending the meeting 302,335,613 shares, or 62.9866% of the total number of the Company's shares of 479,999,884 shares. This could then form a quorum under Section 103 of the Public Limited Companies Act B.E. 2535 (1992) and the Company's Regulations.
- The Company Secretary informed the results of shareholders' rights to submit questions, agenda, and names of persons to be elected as directors at the Annual General Meeting of Shareholders in advance to the meeting. Then, the Chairman of the meeting gave welcome remarks to shareholders who attended the meeting, introduced the Leader, to lead and facilitate the given agendas in the invitation letter, and subsequently opened the meeting to start agendas as shown in the invitation letter. The Company Secretary explained that during the meeting, the Company will collect, use, and disclose personal information, including still images, audio, and video recordings of all meeting attendees, for the purpose of documenting and preparing meeting reports, managing the meeting, and discussing meeting practices such as methods, criteria, and meeting protocols. The Company Secretary clarified the meeting practices, including rules, vote counts, and methods for asking questions or expressing opinions in various agendas as follows:

Methods and Criteria

- 1) When voting at the meeting, a shareholder's vote will be equal to the number of shares they hold and are authorized to vote, with 1 share equal to 1 vote.
- 2) Each shareholder has the right to vote either for, against, or abstain from voting, and cannot divide their vote unless it is a Custodian's vote.
- 3) For the agenda regarding the appointment of a director to replace a retiring director, the method of election will be by individual voting to comply with good corporate governance principles.

Meeting Practices

- 1) The meeting will consider the agenda items in the order specified in the invitation letter. Information for each item will be presented and shareholders will be given an opportunity to ask questions before a vote is taken. The meeting will announce the voting results for each item in the order they were considered.
- 2) To cast a vote, shareholders should select the agenda item they wish to vote on and then click on the "vote" button. The system will display three voting options: "agree", "disagree", and "abstain".

For shareholders or proxies, the system will display the list of names. Votes will be counted on a per-user basis.

If a shareholder wishes to cancel their vote, they can click on the "cancel vote" button. Shareholders who do not cast a vote within the specified time frame will be considered to have agreed with the agenda item, and their vote can be modified until the voting period for that item is closed. The voting period for each item is one minute. The voting results for each item will be announced after the voting period is closed.

- 3) If a shareholder is acting as a proxy for multiple shareholders by using the same email and phone number for identity verification, the system will consolidate the list of proxy givers into one user account, unless different email addresses and phone numbers are used for identity verification. In such case, the system will not consolidate the

list of proxy givers but separating user accounts. If the proxy holder wishes to access the accounts of the other shareholders, the Proxy holder should select the "user account" menu and then click on the "switch account" button to access the accounts of the other shareholders. The system will not remove the votes from the meeting record.

- 4) In the event that a shareholder wishes to withdraw from the meeting before the close of any agenda item, their vote will not be counted for that agenda item, nor will their vote be counted for any remaining agenda items. However, withdrawing from a meeting during any agenda item will not result in the loss of voting rights for the shareholder or proxy holder to rejoin the meeting and cast votes in the remaining agenda items via the system.
- 5) Shareholders who have submitted a proxy form to allow others to attend the meeting and vote on their behalf, the Company has recorded the votes in accordance with the shareholders' wishes, whether they vote for, against, or abstain. These votes have been recorded and registered for voting purposes in accordance with the agendas.
- 6) During the meeting, before voting on each agenda item, the Company will provide an opportunity for attendees to ask questions or make comments on the relevant agenda item, as appropriate. To ask a question, attendees can select the agenda item they wish to ask about and click the "Ask Question" button. There are two ways to ask a question:
 - Ask a question via message by typing a message in the chat box and then clicking the "Send Question" button. The Company will read and answer the question based on related agenda during the meeting. However, if there are too many questions submitted, the Company reserves the right to select questions based on relevance, or,
 - Ask a question via video and audio (VDO conference) by clicking the "Ask Question via Video and Audio" button and then clicking "Agree" to confirm the reservation. The Moderator then will state name-surname of the authorized attendees. The authorized

attendees then can open their cameras and microphone. Attendees are asked to state their name and whether they are a shareholder or proxy holder before asking their question, so that the Company can record the information accurately in the meeting report.

The company reserves the right to cut off the image and sound of shareholders who ask impolite questions or make disrespectful comments towards others, violate any laws, infringe on the rights of others, disrupt the meeting, or cause heated arguments among other meeting attendees.

- 7) If shareholders have a large number of questions that require audio and visual aids during the meeting, in order to save time, shareholders should submit their questions in writing via message. The staff will then answer the questions during or at the end of the meeting or post them on the company's website for future reference.
- 8) In case shareholders encounter any problems with accessing the meeting system or the voting system, please refer to and follow the instructions provided along with the meeting invitation or select the "Help" menu in the system. You can contact Inventech Call Center staff for assistance at 02-931-9151 or via Line Official@inventechconnect
- 9) If there is a system failure during the meeting, shareholders will receive an email to rejoin the meeting through the backup system.

- The Company arranged for voting by separating the counting of votes according to the subsequent agenda, while providing the opportunity for shareholders to vote in the election of directors individually according to the agenda. In addition, during the meeting of each agenda, the Chairman of the meeting allowed shareholders to ask questions or express their opinions before voting.

Preparation after the shareholders' meeting day

- After the 2024 Annual General Meeting of Shareholders had been completed, the Company informed the resolutions of shareholders' meeting through the news system of the SET on the meeting date and disseminated the results on the Company's

website, with the summary on meeting attendees and the results of voting (approved/disapproved/abstained/voided ballots) for each agenda.

- The Company prepared the minutes of shareholders' meeting with complete subject matters in both Thai and English within 14 days from the date of the meeting by disseminating through news system of the SET and on the Company's website, including the delivery to the Ministry of Commerce within the specified period.

6.3.2 Protection against the Use of Inside information

The Company adheres to the ethical principles in doing business and to ensure that shareholders, stakeholders, and investors in the Company's securities are promptly and adequately exposed to accurate information. Therefore, the Company has established a policy for the use of inside information and trading of the Company's securities (Blackout Period). The directors, executives, including management level positions in the accounting or financial line at the level of the manager or above or equivalent and the operators who has become aware of inside information that is important or affects the change in the price of securities must suspend the purchase, sale, transfer, or receipt of transferred securities of the Company during one month before disseminating the quarterly financial statements and annual financial statements and within 24 hours after the information disclosure to the public, including the duty to strictly follow the guidelines for the use of inside information of the SET, as well as other related rules.

Furthermore, the Department of Investor Relations of the Company has set a silent period during 14 days before the Company announces its financial statements to the SET. The Department of Investor Relations will not make any appointments, provide information, or answer any inquiries about the financial statements to securities analysts, investors, or shareholders, except for providing information that the Company has already disclosed or responding to facts that affect the Company's share price.

6.3.3 Prevention of Conflicts of Interest

The Company emphasizes good corporate governance and business operations with ethics, honesty, transparency, fairness, and accountability. Therefore, the Company has

established a policy to prevent conflicts of interest for directors, executives, and employees to understand and comply with the law and related rules and regulations in the best interests of the Company. The guidelines for directors, executives, and employees are as follows:

1. Refrain from operating a business of the same nature and competition with the Company's business, which may cause damage to the Company, either directly or indirectly, or from becoming a partner, shareholder with decision-making authority, director, or executive in a business of the same nature and competition with the Company's business, unless it can be shown that there is a mechanism to ensure that such action will not affect the Company and is in the best interest of the Company and its shareholders.
2. Avoid making transactions connected with himself or herself and/or related parties that may cause a conflict of interest with the Company and do not act in any manner that is in pursuit of personal interests and contrary to the Company's ethics or code of conduct.
3. Do not perform work for other companies or any other business that is not owned by the Company during working hours, and do not perform any work that is in competition with the work assigned by the Company or related to the business that competes with the Company, even if it is outside of working hours. This includes not using any information about the Company in all cases, whether in the condition of employment or out of employment status.
4. Disclose and submit the information about own interests and related third parties as required and strictly comply with the Company's related third parties policy.
5. Do not use the opportunity or information provided by the Company to benefit himself or herself or others, and strictly comply with the Company's internal information protection policy.
6. Strictly comply with the Company's business ethics and code of conduct and corporate governance policy, as well as the laws, rules, and regulations of the relevant regulatory authorities, including the disclosure of information in accordance with the rules of the Stock

Exchange of Thailand and other relevant agencies.

7. Supervise and be responsible for the Company's internal control system, risk management system, and anti-corruption system adequately, appropriately, and effectively to ensure that the Company's operations comply with relevant laws, regulations, and good corporate governance guidelines for listed companies.

The Company has established a connected transaction policy to regulate and prevent conflicts of interest or stake; for example, where the Company has a need to make connected transactions with persons who may have a conflict, the Company will ask the Audit Committee to give its opinion on the necessity and appropriateness of the transaction. In case the Audit Committee does not have expertise in considering the connected transaction that may occur, the Company shall appoint an independent expert or the Company's auditor to give an opinion on the said connected transaction to be used in the decision of the Board of Directors and/or the Audit Committee and/or the shareholders, as the case may be. Those who may have a conflict of interest or have a stake in the transaction shall not have the right to vote on the approval of such related transaction.

The Board of Directors shall comply with the Securities and Exchange Act and regulations, notices, orders, or requirements of the SET, as well as complying with the requirements regarding the making of connected transactions and the acquisition or disposition of significant assets of the Company, so that the decision to make such transactions does not create a conflict of interest and is in the best interest of all shareholders. The company will disclose such connected transaction in its in the Form 56-1 One Report and the accompanying notes to the audited financial statements by the Company's auditors.

It is required that the Company's directors, major shareholders, and executives prepare an annual report on their conflicts of interest, including the changes to various information that must be notified to the Company every time. In the meantime, the directors and executives, including their spouses or those living together as husband and wife as well as minor children, must be monitored for a duty to notify the Company Secretary

Department before purchasing, selling, transferring, or accepting transfer of the Company's securities at least 1 day in advance (in case of knowing the information), or they need to inform the Company after buying, selling, and transferring the Company's securities within the same day as the date of conducting any transactions related to the Company's securities. It also includes the follow-up for the Company's directors and executives to report any changes in their securities holdings (Form 59) to the SEC Office when there is a change in the Company's securities holdings with transparency and accountability.

6.3.4 Responsibility to Stakeholders

The Board of Directors monitors the management team to operate the business along with creating benefits for all involved stakeholders and having social and environmental responsibility. It promotes actions to increase the value of the Company according to changing environmental factors. It covers the formulation of the business model, a way of thinking and the perspective of designing and developing goods and services, research, improvement of production process and work process, including cooperation with partners. The company is committed to doing business with integrity, transparency, fairness, which is the core, ready to provide excellent service to customers and visitors, willing to compete in the business fairly, not taking advantage or seeking unlawful benefits, and strictly performing in the governance framework. The Board of Directors recognizes the importance of the role of stakeholders and treats all stakeholders in a transparent, appropriate, equitable and fair manner. Stakeholders include:

- **Employees:** Provide compensation to employees by considering fair and measurable performance under established regulations aimed at promoting and developing employees to be continuously knowledgeable and competent. Besides this, the Company also takes employees' rights into account and gives them the opportunity to make complaints about unfair practices through various channels.
- **Customers:** Build long-term relationships and cooperation with customers based on integrity, reliability, and trust. The company has a duty to maximize customer satisfaction by taking responsibility and giving importance to their problems and needs first with ethics, and provision of good and efficient service including the

implementation of policies and guidelines regarding the protection of customer personal information in accordance with the Act. Personal information protection

- **Creditors:** Build relationships and treat creditors with integrity, reliability, and accountability, and take responsibility and give importance to various conditions made with creditors to the best of their ability.
- **Partners:** Treat partners with integrity and equality to ensure fair business practices, mutual benefits, sustainable development, and long-term partnership with the Company by choosing to do business with partners under conditions, such as price, quality, trust, adherence to the right things, as well as with technical, legal, and environmental protection expertise.
- **Communities and the environment:** Ensure that the Company and employees conduct their business responsibly and benefit society and communities and are responsible for treating nearby communities in a friendly and supportive manner.
- **Fair competition:** Keep the Company operating the business openly, transparently and in a way that does not create an unfair competitive advantage. In 2024, the Company did not encounter any disputes with competitors.
- **Relevant government authorities:** Ensure that the Company complies with all applicable laws and regulations, including treating the public sector and government agencies with neutrality as set out in the Charter, business code of conduct, anti-corruption policy and other relevant policies

6.3.5 Anti-Corruption and Whistleblowing or Complaints of Misconduct or Corruption

The Board of Directors intends to conduct its business under the principles of good corporate governance and compliance with the law, adheres to transparency and morality and campaigns to dissuade employees at all levels in the organization, including outsiders, from all forms of corruption. The Company has established an anti-corruption policy, the policy on whistleblowing or complaint of wrongdoing or corruption, the policy for giving or receiving gifts and entertainment, and the business ethics manual. The Board of Directors reviews

relevant policies annually and communicates them to all departments in the organization to be aware of and strictly follow.

The Company provides a channel for complaints and takes action in the event that there are clues, observations about the operation of the Company, including guidelines on reporting, investigating, violating the code of conduct, and receiving complaints of corruption and misconduct in the anti-corruption policy, and the policy of whistleblowing or complaining of wrongdoing or corruption clearly by asking for details, notifying complaints and clues about fraud and corruption, legal offense, inaccuracy of financial reports, faulty internal control system, or breach of business ethics, rights violation etc. The Company has a mechanism for protecting complainants, whistleblowers, complaint information, Complaints about personal information and evidence documents as confidential. Stakeholders can comment or give a whistleblowing or complaints of misconduct or corruption through communication channels with the Company as follows:

1) By Post:

Send to the Chairman of the Board of Directors or Chairman of the Audit Committee
Silicon Craft Technology Public Company Limited
40 Thetsabanrangsannua Rd., Ladyao, Chatuchak, Bangkok 10900

2) By Email:

Audit Committee: ac@sic.co.th
Company Secretariat: comsec@sic.co.th

3) On the Company's Website: <http://www.sic.co.th/>

4) By Phone: 0-2589-9991

6.3.6 Personal Data Protection Policy

The Personal Data Protection Act 2019 stipulates the protection of personal data in accordance with international standards. The company recognizes the importance of the protection of personal data and the restriction of the rights and freedoms of individuals; therefore, the personal data protection policy is established to provide a framework and guidelines for correct legal compliance and to be trusted by all customers, employees and stakeholders. The company has appointed a personal data protection officer (DPO) to advise and monitor the operation of the personal data processor and related persons.

The scope of application of the policy covers all the Company's operations related to the collection, disclosure, correction, alteration, or any other actions to personal data including the implementation of policies and guidelines regarding the protection of customer personal information in accordance with the Act. Protect personal information. The personal data protection policy is reviewed every 3 years or when there are changes, amendments, changes to related laws or regulations or changes according to the environment.

Collection, use, disclosure, and destruction of personal data

- 1) The company shall collect, use, and disclose personal data as necessary and appropriate under the objectives for the benefit of carrying out the Company's mission. The Company must ask for consent from the data subject in collecting, using or disclosing personal data and arrange for the data subject to be notified on such matter or at the time of data collection, unless the provision of law on personal data protection or other related laws allow the Company to do otherwise. The request for consent must be made in writing or through an electronic system, except on the condition that the consent cannot be obtained by such means.
- 2) The Company shall not collect personal data from sources other than the data subject directly without the consent of the data subject, unless exempted by law.
- 3) The Company shall not collect personal data on race, ethnicity, political opinions, religious doctrine or philosophy, sexual behavior, criminal records, health data, disabilities, union information, genetic and biological data or any other similar information without the consent of the data subject, unless exempted by law.
- 4) The Company shall record various transactions according to the law for inspection by the data subject and the Office of the Personal Data Protection Commission.
- 5) The Company shall collect, use or disclose personal data in order to provide services in accordance with contractual obligations and relevant laws, rules, regulations, while increasing the efficiency of such services as deemed beneficial to the data subject.

- 6) The Company shall not disclose personal data to third parties without the consent of the data subject, unless it is a disclosure required by law.
- 7) The Company shall delete or destroy personal data or make the data non-identifiable to the data subject after the expiration of the storage period according to the Company's order or the period specified in other relevant laws or when the data subject withdraws consent or opposes the collection, use or disclosure of data as permitted by law.

Security for personal data

- 1) The Company shall provide appropriate security measures for personal data to prevent data loss, unauthorized access, destruction, use, alteration, modification, or disclosure of personal data without permission, and review measures when necessity or technological changes.
- 2) The Company shall supervise the personal data processor to collect, use or disclose personal data with safety, according to relevant laws, rules, and regulations.
- 3) In a bid to disclose personal data to other persons or juristic persons, the Company must prevent those persons from unauthorized or inappropriate use or disclosure of personal data.
- 4) Provide an investigation process to perform deletion or destruction of data after the expiration of the storage period or upon the request or withdrawal of consent by the data subject.
- 5) In case of a breach of personal data which is at risk of affecting the rights and freedom of individuals, the Company shall notify the personal data breach to the Office of the Personal Data Protection Commission within 72 hours from the knowledge of such incident. If the breach is at risk of affecting the rights and freedom of individuals, the data subject of personal data shall be notified without delay.

The rights of data subject of personal data

The data subject of personal data can exercise their rights as specified by law as follows:

- 1) The right to request to access and obtain a copy of personal data or disclosure of the acquisition of data without the consent, which the Company must process within 30 days from the date of receiving such request.

- 2) The right to object the collection, use or disclosure of personal data as permitted by law.
- 3) The right to obtain or request for personal data to be sent or transferred to other persons for the purposes which the Company can manage with automatic tools or devices.
- 4) The right to request deletion of personal data from the system or destruction or suspension or de-identification of the personal data of data subject unless in compliance with relevant laws.
- 5) The right to request the correction of personal data to be accurate, current, complete, and not misleading.
- 6) The right to withdraw previously given consent or to not allow personal data to be collected, used, disclosed, except as required by law.
- 7) The right to request for suspension of personal data use as permitted by law.

All stakeholders can contact the Company's Data Protection Officer (DPO) at privacy@sic.co.th.

6.3.7 Innovation Promotion

The Board of Directors values and encourages creation of innovation creating value for the business. It focuses on product research and development to innovate into the products developed by the Company and help customers to gain a competitive advantage. The company also promotes innovation in higher education institutions, such as lectures to educate students about electronic innovation, organizing engineering competitions, accepting summer interns and cooperatives to learn through project work, participating in project advice at the undergraduate level and research at the master/doctoral level, supporting scholarships and research grants, and having cooperation between research laboratories and the Company.

On October 30, 2024, Dr. Bodin Kasemset, Chief Executive Officer (CEO), represented the Company in receiving the "Best Innovative Company Awards 2024" at the SET Awards 2024. These prestigious awards reflect the dedication, hard work, and commitment of professionals in the capital market industry who collaborate to achieve quality results and drive widely recognized social change. The Best Innovative Company Award honors outstanding innovation development of RFID microchip for universal immobilizer key (SIC61AU), awarded to the company for the second consecutive year.

6.3.8 Supervision of Subsidiaries and Associates

For investment policy in subsidiaries, associated companies or joint ventures, the Company considers for investment in a business or an industry with maximum support and benefits to its operations, potential growth, capacity and expertise towards a goal to acquire technology, distribution channels or lower risks which may occur in the value chain. Moreover, the Company focuses on the rate of return and its sustainable growth. In case of an investment in subsidiaries, the Company provides its supervision by sending representatives as directors in those subsidiaries according to the proportion of their shareholding. For subsidiaries with business operations significantly affecting the Company, there must be the authorized approval for various issues by the Executive Committee or the Board of Directors before making any transactions.

Besides, the representatives appointed by the Company must ensure that the subsidiaries have policies for associated transactions, acquisition or disposal of assets or any other important transactions of the Company with accuracy and comprehensiveness. This also includes the application of criteria related to disclosure of information in the same manner as the Company, including the supervision on information storage and accounting records of those subsidiaries, so that the Company can verify and obtain in preparation for consolidated financial statements on time.

In part of associated companies and joint ventures, the Company does not have much involvement and supervision. Only the Company's representatives are appointed as directors in those companies. Also, the number of representatives to serve as directors depends on the proportion of shareholding. For joint ventures, the appointment of representatives for supervision and management is based on the agreement between the parties.

6.4 Business Ethics and Code of Conduct

Silicon Craft Technology Public Company Limited is committed to giving an importance on fair treatment to all departments and realizes that the cooperation at work with honesty and ethics of all employees with every position and duty, including directors and executives can be a key factor to lead the organization towards success. The Company has therefore prepared “Business Ethics and Code of Conduct Manual” in writing as a standard for all departments, as follows:



This is to ensure that the Company’s operations are in compliance with standards, good ethics, and efficiency in line with good corporate governance policies, as guidelines for cooperation at work towards the organizational development with sustainability. The Company has communicated the Business Ethics and Code of Conduct Handbook to directors, executives, and employees to regular review their understanding and sign for acknowledgment. Furthermore, The Company has integrated this content to the orientation for new employees to create awareness of the importance of working and performing duties with honesty.

In 2024, the Board of Directors, executives, and employees reviewed their understanding of business ethics and work conduct guidelines, with 100% of them participating in the review. The breakdown is as follows:



8 Board of Directors members

Representing 100%. They reviewed the Business Ethics and Code of Conduct, the Charters, and Company policies, with all members presented at the meeting. The resolution to approve the review of the Business Ethics Manual was made at the Board of Directors meeting no. 4/2024 on July 18, 2024.



5 Executives members

Representing 100%. They participated by signing and completing the Business Ethics and Code of Conduct Test. The Human Resources department set a passing criterion that the executives must achieve a score of over 70% to pass the test.



165 Employees members

Representing 100%. They participated by signing and completing the Business Ethics and Code of Conduct Test. The Human Resources department also required employees to achieve a score of over 70% to pass the test.



The full version of the Business Ethics and Code of Conduct Manual (Full version) can be studied at Company’s website under the topic of CG report and download: <https://investor.sic.co.th/en/corporate-governance/cg-report-and-download> or please scan QR Code.

6.5 Significant changes and developments regarding policies and practices of governance system in the past year

6.5.1 Significant changes and developments regarding the review of policies and practices of governance system or charter in the past year

The Company has established a written Corporate Governance Policy in accordance with the principles of good corporate governance for listed companies as set out by the SEC in 2017. It was firstly approved by the Board of Directors' meeting on April 19, 2019 by defining for the policy and compliance with the said policy to be reviewed at least once a year. In 2024, the Corporate Governance Policy, the book of Business Ethics and Code of Conduct in Work, the Charter of the Board of Directors, the Charters of Sub-Committees, and other relevant policies were reviewed and approved by the Board of Directors at the meeting no. 4/2024 on July 18, 2024. The key points of the amendments and improvements to the company's charters and policies in line with the principles of good corporate governance are summarized as follows:

- **Charter of the Board of Directors :** It is specified the number of listed companies in which a director may hold a position. A director is allowed to serve as a director in other companies, but such positions must not interfere with the performance of their duties as a director of the company and shall be in accordance with the guidelines of the SEC and the Stock Exchange of Thailand. In this regard, the total number of listed companies in which a director may hold positions (including the Company) shall exceed 5 listed companies.
- **Charter of Chief Executive Officer :** The duties and responsibilities of the Chief Executive Officer (CEO) have been further defined by adding that The Chief Executive Officer can hold the position of Director in another company. However, such directorship must not be an obstacle to the performance of the duties of the Chief Executive Officer of the Company and it shall be notifying the Board of Directors or the Company Secretary before holding the position of director in another company.
- **Insider Information and Securities Trading Policy :** The guidelines regarding the purchase, sale, transfer, and receipt of the company's securities by directors and executives have been amended. It is now required that they must notify the Company Secretary at least 1 day in advance (in case of awareness of the information) before purchasing, selling, transferring, accepting transfer of securities or after buying, selling, transferring, accepting the transfer of securities within the same day of securities trading.

Moreover, the Board of Directors review the organization's strategy, vision, and mission every year and also require management team to report plans and progress under the Company's long-term strategy at the Board of Directors' meeting periodically in order to follow up on the implementation of the Company's strategy and improve plans to be consistent with the strategy and business goals in the future. Moreover, The Company supervises the performance of the Board of Directors and sub-committees in accordance with good corporate governance policies. There is a performance evaluation of the Board of Directors and sub-committees in groups and individuals, including the executive officers, while arranging the meetings among non-executive directors without the attendance of the management so as to provide an opportunity for both independent directors and non-executive directors to freely discuss issues related to the Company's management.

From the results of operating the business according to the principles of good corporate governance, the Company received the results of the Corporate Governance Report of Thai Listed Companies 2024 (CGR 2024) under the 5-star "Excellent" for 3 consecutive years from the Thai Institute of Directors Association, a project that is conducted annually to promote good corporate governance and develop the role of the board of directors professionally towards long-term sustainability development.

6.5.2 Summary on Non-conformity to Good Governance Principles for Listed Companies in 2017 (CG Code)

The Company has applied the principles of good corporate governance for listed companies in 2017 (CG Code) to continuously review and adapt it to suit the organization. This mostly makes it possible to adapt it to the business context of the Company. However, any practice has not been defined as a policy because such principles may not be in line with the current direction and business context of the Company, the Board of Directors will consider, monitor, and implement it comprehensively to be appropriate to the organization's strategy.

Compliance with CG Code	Reasons or Substitute Measures of the Company
The board of directors should consist of more than 50% of independent directors.	The board of directors in current structure has three independent directors, representing 37.5% of all directors, which is still in the acceptable criteria according to good corporate governance principles. In addition, the Company has established policies and guidelines regarding granting authority to independent directors, such as holding meetings of non-executive directors to consider various matters without the participation of the management team which also included in the Company's Corporate Governance Policy.
The Chairman of the Board of Directors should be an independent director.	Currently, the chairman of the board is a non-executive director. However, the board of directors has clearly defined the role and responsibilities of the chairman, with a focus on prioritizing the best interests of the company, shareholders, and all stakeholders. The Company has established policies and guidelines regarding the authorization of independent directors, such as organizing a meeting of independent directors to consider various matters to be presented to the Board of Directors' meeting without the participation of the management team, as well as authorizing independent directors to consider the agenda of the Board of Directors' meetings with the Chairman of the Board of Directors in order to balance the power appropriately. In addition, the Company has clearly stipulated guidelines for preventing conflicts of interest.
The board of directors should set a policy for the term of office of independent directors not to exceed 9 years.	The structure of the Company's Board of Directors consists of a total of 3 independent directors. At present, there are no independent directors of the Company who have held the position of independent directors for more than 9 years. However, the Company is aware and recognizes the importance of setting a formal and clear policy on the tenure of independent directors in accordance with the principles of good corporate governance. This will be considered in accordance with the Company's business strategy.

6.5.3 Summary of Compliance with Other Matters according to the Good Governance Principles

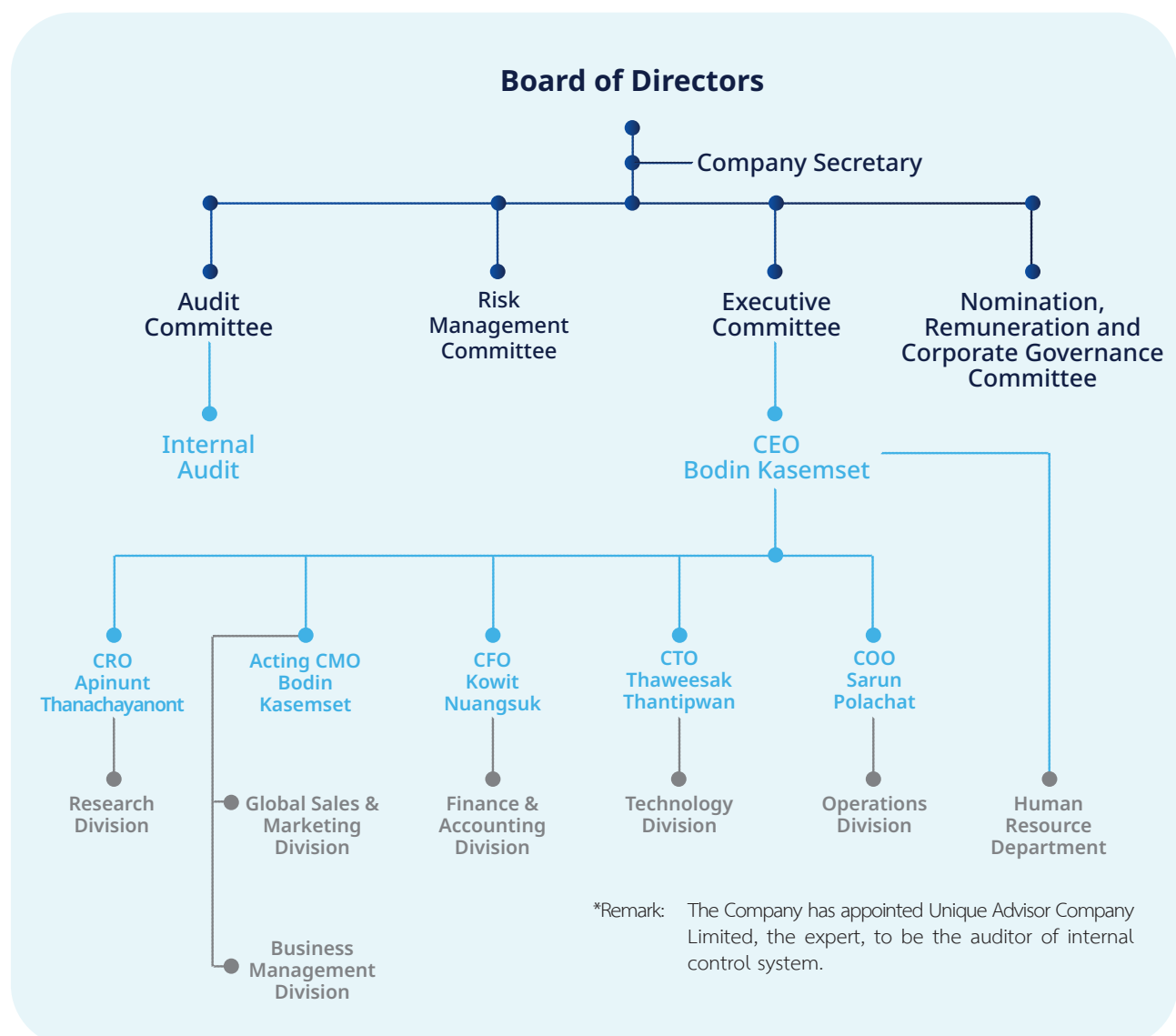
- the Company was assessed by an assessment project of the quality of the shareholders' meeting (AGM Checklist) at a "Excellent" level, represented 100%, organized by the Thai Investors Association.
- The Company has been selected by Thaipat institute, a public-interest organization, for "2024 List of ESG100 Companies" for 3 consecutive years, with outstanding performance on the Environmental, Social, and Governance (ESG). This assessment reflects our performance and vision to be a strong and sustainable company, as well as confirm to investors who focus on ESG issues and our stakeholders.
- The Company has successfully met the criteria to be included in the list of sustainable stocks for the year 2024 (SET ESG Rating) for 3 consecutive years. The company received a rating of "A", reflecting the company's strong commitment to fostering business growth, innovations, and generating sustainable returns while prioritizing environmental, social, and corporate governance (ESG) factors throughout the business operations and considering benefit for all stakeholders.
- The Company received the "Best Investor Relations Awards" at the IAA Awards for Listed Companies 2024, organized by the Investment Analysts Association (IAA). This recognition reflects the company's outstanding performance in investor relations activities, sufficient information disclosure for investments with quality, thoroughness, equality, transparency, and accessibility via various effective communication channels, as well as sustainability policy and emphasizing on the importance of shareholders, investors and all stakeholders.

7. Corporate Governance Structure and Key Data of the Board of Directors, Sub-Committees, Management, Employees and Others

7.1 Corporate Governance Structure

As of December 31, 2024, the Company's corporate governance Structure comprises of the Board of Directors and the sub-committees as follows: (1) The Audit Committee; (2) The Risk Management Committee; (3) The Nomination, Remuneration and Corporate Governance Committee and (4) The Executive Committee. The Chief Executive Committee (CEO) is the top executive.

Corporate Governance Structure of Silicon Craft Technology Public Company Limited on 31 December 2024.



7.2 Information on the Board of Directors

7.2.1 Composition of the Board of Directors

The Board of Directors plays a role in driving the organization and has a duty to set plans and policies for business operations as well as supervising management to be in line with goals and guidelines that bring maximum benefit to shareholders and taking into account the interests of all stakeholders under good corporate governance. The Board of Directors must therefore perform duties with transparency, responsibility, caution, and honesty including ensure that business operations meet the Company's objectives, the Company regulations, Board Meeting's resolutions, the Shareholder meeting's resolutions as well as related laws, criteria, and regulations.

The Board of Directors recognizes the importance of diversity within the structure of the Board and therefore has established a policy on board diversity to guide the composition of the Board in an equitable and non-discriminatory manner. This includes selecting individuals with diverse skills, gender, age, educational backgrounds, knowledge, experience, and specific expertise that are beneficial to the Company's business and align with the organization's strategy. The Board has developed a Board Skill Matrix, which is valuable for driving the business and the organization's direction toward success, without restrictions or distinctions based on gender, race, nationality, religion, etc. In 2024, the details of the diversity of the Board of Directors are as follows:

Targets	Indicators	Results
1 Number of independent directors	One independent director in three of the total number of directors, but not less than three persons	3 Persons
2 one director with knowledge and experience to review the reliability of financial statements	At least 1 person	1 Person
3 Number of female directors	At least 1 person	1 Person
4 Non-executive director with working experience related to the Company's business	At least 1 person	3 Persons

- The structure of the Board of Directors at present is appropriate and balance. For instance, there should be at least one independent director in three of the total number of directors, but not less than three persons, while having at least three members of the Audit Committee who are independent and have qualifications as specified by the SEC, the SET, including relevant announcements, rules, and/or related regulations. The Audit Committee must have at least one director with knowledge and experience to review the reliability of financial statements, including one non-executive director with working experience related to the Company's business.
- The Company appointed a non-executive director as Chairman of the Board of Directors. The Chairman of the Board of Directors and the Chief Executive Officer are not the same person, which is in accordance with the principles of good corporate governance, has a balance between the Board of Directors and the management team, and clear management review. Additionally, no director of the Company holds a directorship in more than 5 listed companies.
- As of December 31, 2024, the Board of Directors consisted of eight directors residing in the Kingdom and Thai nationality.

3 non-executive directors, representing
37.50%
of the total number of directors



2 executive directors, representing

25.00%
of the total number of directors

3 independent directors, representing

37.50%
of the total number of directors

Male **7** Persons

87.50%

Female **1** Person

12.50%



Independent directors to all directors



Non-executive directors to all directors

Board Skill Matrix



Macromanagement

Accounting and Finance	5 person
Semiconductor Business Knowledge	6 person
Business Acumen	8 person
Organization and Human Resource Management	7 person
Risk Management and Business Continuity Management	7 person
Crisis Management	5 person
International Marketing	5 person
Strategic Planning	8 person
Mergers and Acquisitions	5 person



Specific knowledge, experience or expertise

Technology, Research and Development	7 Persons
IP Management	6 Persons
Legal Knowledge	5 Persons
Supply Chain	3 Persons
IT Management	5 Persons



Corporate Governance

Corporate Governance	7 Persons
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7.2.2 Board of Directors

As of December 31, 2024, the Board of Directors consists of 8 members, namely:

Name - Surname	Position / Type	Position in Sub-Committee
1. Mr. Manop Dhamsirianunt	Chairman of the Board of Directors/Non-Executive Director	-
2. Mrs. Monluedee Sookpantararat	Director/Independent Director	- Chairman of the Audit Committee - Member of the Risk Management Committee
3. Mr. Wuthipong Suponthana	Director/Independent Director	- Member of the Audit Committee - Chairman of the Risk Management Committee - Member of the Nomination, Remuneration and Corporate Governance Committee
4. Mr. Sarote Phornprapha	Director/Independent Director	- Member of the Audit Committee - Chairman of the Nomination, Remuneration and Corporate Governance Committee
5. Mr. Naiyavudhi Wongkomet	Director/Non-Executive Director	- Member of the Risk Management Committee - Member of the Nomination, Remuneration and Corporate Governance Committee - Chairman of the Executive Committee
6. Mr. Apinetr Unakul	Director/Non-Executive Director	-
7. Mr. Apinunt Thanachayanont	Director/Executive Director - Chief Research Officer	- Member of the Executive Committee
8. Mr. Bodin Kasemset	Director/Executive Director - Chief Executive Officer - Chief of Sales & Business Development Officer	- Member of the Risk Management Committee - Member of the Executive Committee

Ms. Katalee Krachangsaeng is the Company Secretary who has been appointed by the Meeting of the Board of Directors No.5/2021 dated August 11, 2022 which has been effective from August 12, 2022. Moreover, Information of the Board and Directors appears in attachment no.1.

The Authorized directors who have authority to sign on behalf of the Company

Mr. Manop Dhamsirianunt, Mr. Naiyavudhi Wongkomet, Mr. Bodin Kasemset. Two directors from these directors sign together and affix the Company's seal.

7.2.3 Role and Duties of the Board of Directors

The Board of Directors, as the supreme leader of the organization appointed by the shareholders and their agents, plays an important role in supervision of the Company's operations, allocation of resources, supervision of the performance of the sub-committees, formulation of policies and business strategies to ensure the long-term good turnover of the business to gain the confidence of shareholders and stakeholders, which is value creation for sustainable business. The Board of Directors must perform its duties with responsibility, carefulness, integrity, and supervise the Company's operations in accordance with relevant laws, regulations, resolutions of the Board of Directors' meeting, and shareholders' meeting, and policies of the Company. The duties and responsibilities of the Board of Directors and the Chairman of the Board of Directors must be as stipulated in the Charter.

Material authorities, Duties, and Responsibilities of The Board of Directors

1. To have power and duties pursuant to the Company's articles of association, as well as to oversee and manage the operations of the Company to ensure compliance with the laws, objectives, articles of association of the Company and the resolutions of shareholders' meetings;
2. To specify the Company's vision, mission, target, strategy and policy;
3. To approve the significant strategies, policies, objectives and targets with regards to business operations, assets management, finance, fund raising, investments and risk management of the Company as well as to follow-up on efficiently compliance with the specified plans;
4. To consider the matters which are required to propose to the shareholders for consideration and approval during the shareholders' meeting. Main agenda during the annual general meeting of shareholders are:
 - To consider the report of the Board on the Company's performance proposed to the meeting;
 - To consider and approve the financial statements;
 - To consider on allocation of the Company's profits;
 - To propose a list of new director to replace the director who shall retire by rotation;
 - To nominate an auditor and fix the auditor's remuneration;
 - To consider any transaction which may have conflict of interest, in the part which is required to request for approval from the shareholders;
 - Other matters.
5. To prepare the report on general information and financial information of the Company in order to report to the shareholders and the stakeholders or the general investors correctly, on timely manner and pursuant to the applicable laws;
6. To acknowledge important audit report of the Audit Committee or the supervisory agency and the internal audit unit as well as the auditor and the consultants of the Company and to specify guidelines on improvement or correction, in case material defects have been found;
7. To specify clear and appropriated operating guidelines in order to make internal control system transparently and effectively;
8. To review adequacy and appropriateness of the Company's internal control system and risk management system;
9. To arrange the succession plan continually;
10. To consider and evaluate performance of the Board of Directors and the sub-committees as well as supervise the Company to ensure that it has efficient process for evaluation performance of the top management;
11. To appoint the Audit Committee and to give comment on power and duties of the Audit Committee;
12. To appoint the representative to oversee the subsidiary, the associated company or the joint venture;
13. To consider and specify management structure, power to appoint the Executive Committee, the President and other sub-committees, as appropriated, as well as to specify scope of power and duties of the Executive Committee,

the President and the sub-committees appointed to assist and support operations of the Board; However, the delegation of authority pursuant to the specified scope of power and duties shall not be in the manner which can entitle the Executive Committee, the President and the subcommittees consider and approve any transactions which may have interests or other conflict of interests against benefits of the Company or the subsidiary (if any), unless it is the approval of transaction which conforms to policy and criteria already considered and approved by the Board of Directors;

14. To consider, define and amend name of the directors authorized to sign and bind the Company;
15. To authorize one or more directors or any person to act on behalf of the Board. However, the abovementioned authorization shall not include the delegation of authority which can entitle such authorized person to approve any undertaking that such person or a person who might have conflict of interest (the definition of “a person who might have conflict of interest” shall be as per defined in the notification of the Securities and Exchange Commission), interests or any benefits in any other manners against benefits of the Company;

However, the following undertakings shall be exercised only after they have obtained an approval from the shareholders’ meeting first, provided that, any director or any person who might have any conflicts, interests or conflict of interest regarding any transaction with the Company and/or its subsidiary shall not have the right to vote for such transaction:

- Any matter that the laws has specified that it must have an approval from the shareholders’ meeting;
- Any transaction that any director may have some interests and in scope that the laws or regulations of the Stock Exchange of Thailand prescribed that it must have an approval from the shareholders’ meeting;

- In addition, the following activities are required to have approval with majority votes from the Board of Directors’ meeting presenting at the meeting and from the shareholders’ meeting with the votes not less than three fourths of votes of shareholders present at the meeting and have the voting rights:
 - Disposition or transfer of total or some material parts of the Company’s businesses to other persons;
 - To enter into, amend or revoke the contract concerning rental of total or some material parts of the Company’s businesses; the assignment of other person to manage business of the Company or merger of the other’s business for profit sharing purpose;
 - Issuance of new securities to repay to the Company’s creditors pursuant to debt to equity conversion project;
 - Registration to decrease the Company’s registered capital by reducing the number of shares or devaluation of shares;
 - Increase, decrease, issuance of debentures, merger or dissolution of the Company;
 - Other matters, as per specified by the laws.

In addition, a transaction that the director or the person authorized by the director or the person who might have any conflicts, interests or conflict of interest regarding any transaction with the Company or its subsidiary, shall not have the right to vote on such matter.

In addition, the Board shall have duties to oversee and ensure that the Company shall comply with the laws on securities and exchange, requirements of the stock exchange, such as connected transactions, acquisition and disposition of assets pursuant to criteria of the Stock Exchange of Thailand or as per the notification of the Securities and Exchange Commission, the Capital Market Supervisory Board or the laws relevant to the Company’s businesses.

Material authorities, Duties, and Responsibilities of Chairman of the Board of Directors

The Chairman of the Board of Directors has a very important role in supporting the Board of Directors to fully perform their duties in accordance with the Company's strategy. The Chairman of the Board of Directors has to lead the meeting and encourage the directors to have prudent considerations and give their opinions freely, while strengthening good relationships between the Board of Directors and related parties, with duties and responsibilities as follows:

1. To ensure the overall company's strategy and policy guidelines in accordance with the laws, relevant regulations of government agencies and the company, as well as the resolutions of the shareholders' meeting.
2. Establish a system to monitor and evaluate the company's performance in order to comply with the policy on a regular basis.
3. Promote compliance with corporate governance and corporate social and environmental responsibilities and promote ethical creation for people at all levels.
4. Encourage all directors to participate in development training to enhance knowledge in areas that are useful for the performance of directors' duties in reputable and respected institutions such as the Thai Institute of Directors Association and the Stock Exchange of Thailand.
5. Act as chairman of the meeting and attend every meeting to ensure the effectiveness of the Board of Directors' meeting, as well as encourage all directors to express their opinions; ensure that the authority of the management of the organization is assigned to the management in an appropriate manner; ensure that all directors receive the correct company information, on time and clear for decisions making that will effectively lead to the success of the company.
6. Act as chairman of every shareholder's meeting and assign supervisors to shareholders' meeting to ensure compliance with laws and regulations; ensuring that all directors attend the shareholders' meeting and allows shareholders to fully exercise their right to attend the meeting, vote, questioning or requesting additional clarification

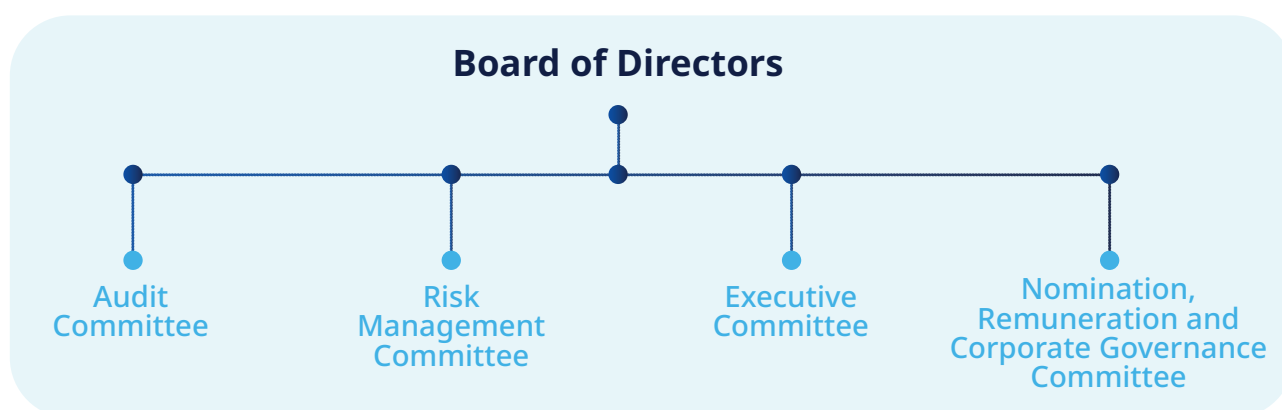
7.3 Information on the Sub-Committees

7.3.1 Structure and Composition of Sub-Committees

The Board of Directors elected four Sub-Committees to support the company's good corporate governance and facilitate the company's business as follows:

- (1) The Audit Committee;
- (2) The Risk Management Committee;
- (3) The Nomination, Remuneration and Corporate Governance Committee; and
- (4) The Executive Committee.

Structure and composition of sub-committees are as follows.



The Company has prepared a charter for all related sub-committees, with clearly defined information on composition, appointment, scope of duties, and responsibilities. There are important details as follows:

1) The Audit Committee

Material authorities, Duties, and Responsibilities of The Audit Committee

1. To review accuracy and adequacy of the Company's financial reporting by coordinating with the external auditor and the executives who are responsible for preparing of quarterly and yearly financial reports. The Audit Committee may recommend the auditor to review or audit any transaction which it deems necessary and materially during the Company's auditing process;
2. To review the Company's internal control system and internal audit jointly with the external auditor and the internal auditor to ensure that they are suitable and efficient, to determine independence of the internal audit unit and/or the outsourced internal auditor, including to approve the appointment, transfer and dismissal of the chief of the internal audit unit and/or the outsourced internal auditor;
3. To review the Company's compliance with the laws on securities and exchange, regulations of the stock exchange and the laws pertaining to the Company's businesses;
4. To select and propose an independent person to be the Company's auditor and to fix his/her remuneration based on creditability, adequacy of resources and amount of auditing work of such auditing firm, including the experiences of the personnel assigned to perform the Company's audit works, as well as to attend the meeting with the auditor without any participation of the Company's Management at least once a year;
5. To consider the connected transactions or transactions that may lead to conflicts of interest to ensure their compliance with the laws, notifications and regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board to make sure that such transactions are reasonable and for the best interests of the Company.

6. To consider transactions on acquisition or disposition of the Company's assets of which transaction size is required to obtain approval from the Audit Committee as per specified in the laws, notifications, regulations of the Stock Exchange of Thailand and criteria of the Office of the Securities and Exchange Commission and the Capital Market Supervisory Board.
7. To prepare the Audit Committee's report and disclose in the Company's annual report. Such report must be signed by the Chairman of the Audit Committee and at least it must contain the following information:
 - Recommendation on accuracy, completeness and creditability of the Company's financial report;
 - Recommendation on adequacy of the Company's internal control system;
 - Recommendation on compliance with the laws on securities and exchange, regulations of the Stock Exchange of Thailand, or laws related to the Company's businesses;
 - Recommendation on suitability of the auditor;
 - Recommendation on transaction which may have conflict of interest;
 - Number of the Audit Committee's meetings arranged and attendance of such meetings by each committee member;
 - Overall recommendations or observations that have arisen while the Audit Committee performed its duties in accordance with the Charter;
 - Other matters which should be made available to the shareholders and general investors within scope of duty and responsibilities assigned by the Company's Board of Directors.
8. The Audit Committee shall conduct self-evaluation on its performance and report such evaluation results together with problems or obstacles found in performing the works which may make them unable to achieve objectives as per specified to the Board for acknowledgement every year;
9. To approve the internal audit plan, as well as to consider on acknowledgement of performance report of the Internal Audit Unit and/or the outsourced internal auditor;
10. To consider, review and improve the Audit Committee Charter and propose to the Board for consideration and approval;
11. In carrying out duties, if the Audit Committee has found or is suspicious about any of the following transactions or activities which may have material impacts to the financial position or performance of the Company, the Audit Committee must report the Board of Directors to take corrective action within a period of time it deems appropriated. Such transaction include:
 - Recommendation on accuracy, completeness and creditability of the Company's financial report;
 - Transaction with the conflicts of interests;
 - Fraud or unusual transaction or significant deficiency in the Company's internal control system;
 - Violation or breach of laws on securities and exchange, notifications and regulations of the Stock Exchange of Thailand and the laws related to the Company's business.
12. To conduct an investigation of the matter notified by the Company's auditor. If the Company's auditor discovered any suspicious circumstance concerned with the director, manager or any person responsible for the Company's operations, which can be regarded as the fraudulent act as per specified in the Securities and Exchange Act and the auditor has reported such issue to the Audit Committee, the Audit Committee must conduct an investigation and shall report the result of the preliminary investigation to the Office of Securities and Exchange Commission and the auditor within 30 days from the date notified by the auditor.
13. To perform any other tasks as assigned by the Board of Directors and approved by the Audit Committee.

In performing the operations pursuant to the scope of authority and duty, the Audit Committee shall have power to invite or order the concerned management, the department head or the employee of the Company to provide recommendation, participate in the meeting or submit document which is deemed relevant and necessary. Moreover, in performing duties under

scope of authority and duty of this regulation, the Audit Committee may consult with the external independent consultant or the expert in various professions, if it deems necessary and appropriated, at the Company's expenses.

Nomination and appointment of The Audit Committee

1. The Board of Directors shall appoint the Audit Committee which consists of at least 3 persons and all of them must be the Independent Directors
2. The independent directors who have been appointed as the Audit Committee shall possess qualifications as per stipulated by the regulations of the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand and at least one member of the Audit Committee shall have adequate knowledge, understandings or experiences on accounting and/or finance.
3. Term of office of each member is 3 years each. The Audit Committee may be re-appointed pursuant to the agenda approved by the Board of Directors but the term of office shall not be renewed automatically.
4. The Audit Committee shall jointly elect one of the members to be the Chairman of the Audit Committee.
5. The Audit Committee shall appoint the secretary to assist the works pertaining to summoning of meetings, preparation of the meeting agenda, submission of the meeting document and record the minutes of meeting.
6. Apart from vacating office upon expiry of the term, the Audit Committee may vacate from holding office upon occurrence of the following circumstances:
 1. Resignation;
 2. Expiration of the term or termination from the being the Company's Director;
 3. The Board of Directors passed a resolution to remove from office;
 4. Lack of qualification and possess any prohibited characteristic, as per specified by the laws;
 5. Death.

Qualifications of The Audit Committee

1. Be an Independent Director and have qualification as prescribed by the Office of the SEC and the SET (please see more details in topic "Qualifications of the Independent Director);
2. Must not be a director who is appointed from the Board of Directors to make decision with regards to the business operations of the Company, its parent company, its subsidiary, its associated company, a subsidiary in the same level, a major shareholder or a controlling person of the Company;
3. Must not be a director of the parent company, its subsidiary, or a subsidiary in the same level, only of the listed company;
4. To have duty in the same manner specified in the notifications, regulations and/or rules of the Stock Exchange of Thailand on qualifications and scope of work of the Audit Committee;
5. To have adequate knowledge, understandings and experiences on accounting or finance that can audit credibility of the financial statement as well as perform other duties as the Audit Committee.

2) The Risk Management Committee

Material authorities, Duties, and Responsibilities of The Risk Management Committee

1. To specify risk management policy and risk appetite to propose to the Board;
2. To specify overall policies and guidelines of the Company's risk management which shall cover financial risks, investment risks and other risks which might impact the Company's reputation, and etc. to propose to the Board for approval;
3. To specify the Company's risk management plan, framework and processes to make them correspond to risk management policy, then monitor on implementation, as well as review efficiency of risk management framework;
4. To review risk management report and operation to make sure that risk management is continually conducted and risk appetite can be adequately and suitably managed;
5. To develop and review the Company's risk management system to make it efficiently and effectively on continued basis by constantly

evaluating and monitoring risk management process pursuant to the specified policy.

6. To appoint the Risk Management Steering Committee (RMSC), as appropriate, as well as to support the Risk Management Steering Committee on personnel, budget and other necessary resources which are consistently with its scope of responsibility;
7. To constantly coordinate with the Audit Committee by exchanging knowledge and information on risk and internal control which has or may have impact to the Company;
8. To make decision and provide recommendation concerning important issues occurred in the risk management process;
9. To present performance report of the Risk Management Committee to the Audit Committee for acknowledgement and/or consideration every quarter;
10. To perform other duties as per assigned by the Board.

Nomination and appointment of the Risk Management Committee

1. The Board of Directors shall appoint the Risk Management Committee and also appoint Chairman of the Risk Management Committee. The Risk Management Committee will consist of;
 1. At least one of Independent Director
 2. At least one of Executive Director
 3. One of executives shall be appointed as secretary of the Risk Management Committee
2. The directors shall have a term of office of 3 years at a time. A retired director may be re-appointed by the Board of Directors but the term of office shall not be renewed automatically.
3. Apart from vacating office upon expiry of the term, The Risk Management Committee may vacate from holding office upon occurrence of the following circumstances:
 1. Resignation;
 2. Expiration of the term or termination from the being the Company's Director;
 3. The Board of Directors passed a resolution to remove from office;
 4. Lack of qualification and possess any prohibited characteristic, as per specified by the laws;
 5. Death.

3) The Nomination, Remuneration and Corporate Governance Committee

Material authorities, Duties, and Responsibilities of The Nomination, Remuneration and Corporate Governance Committee

On Nomination

1. To specify criteria and policy on nomination of the directors and the sub-committees by considering from appropriateness of the number, structure and component of the Board; specify 115 qualifications of the director to propose to the Board and/or to propose to the shareholders' meeting for approval, as the case may be;
2. To consider, recruit and propose suitable persons to be the Company's director or replace the director whose term shall be expired and/or when such position is vacant and/or when it is required to appoint additional director;
3. To consider a list of the proposed candidates then select the person whose qualifications conform to the specified criteria;
4. To approach the person whose qualifications, conform to the criteria specified to make sure that such person is willing to accept the position of the Company's director, if he/she appointed by the shareholders;
5. To perform other tasks assigned by the Board of Directors pertaining to nomination;
6. To nominate and evaluate performance of the Chief Executive Officer to propose to the Board of Directors' meeting for consideration and approval.

On Remuneration

1. To prepare criteria and policy on determination of remuneration of the Company's Board of Directors and the sub-committees to propose for approval from the Board and/or the shareholder's meeting, as the case may be;
2. To specify necessary and suitable remuneration, both pecuniary benefits and non-pecuniary benefits, of the Board of Directors, individually in each year based on scope of authority, duties and responsibilities (Accountability and Responsibility), performance and from comparing with other companies engaging in similar

- businesses as well as benefits expected to be obtained from the director to propose to the Board of Directors for consideration and further propose for approval from the shareholder's meeting;
3. To be responsible for the Board and to have duty to clarify and answer any queries on remuneration of the Board during the shareholders' meeting;
 4. To consider evaluation criteria of performance of the Chief Executive Officer, as per assigned by the Board;
 5. To report policy, principle/reason on determination of remuneration of the directors and the management pursuant to regulations of the stock exchange, by disclosing in the annual registration statement (Form 56-1) and the annual report of the Company;
 6. To determine annual remuneration of the directors and the Chief Executive Officer, pursuant to the payment criteria considered then propose to the Board of Directors for consideration on approval of remuneration of the Chief Executive Officer. For remuneration of the directors, the Board shall propose to the shareholders' meeting for approval;
 7. To consider on appropriateness and to give consent in case of offering of newly issued securities as incentives to the Company's directors and employees, by adhering to fairness to the shareholders in order to motivate the directors and the employees to perform duties on enhancement of value to the shareholders in the long term and to be able to truly retain the qualified employees;
 8. To perform other tasks relevant to the determination of remuneration as per assigned by the Board; The management and the department heads shall report or present relevant information and document to the Nomination, Remuneration and Corporate Governance Committee to support its operations in order to achieve the assigned duties;
 9. To consider bonus framework, salary increase and key index performance of the organization to propose to the Board for consideration.

On Corporate Governance

1. Consider to set guidelines and policy regarding business ethics, as well as anti-corruption policy, in accordance with the principles of good corporate governance to the Board of Directors and management to establish an organization's code of conduct which has standardized and appropriate
2. Supervise, consult, evaluate and review policies and adhere to good corporate governance principles and business ethics, including social and environmental responsibility, as well as sustainability development, to develop and enhance the company's corporate governance to international standards.
3. Suggest on guidelines about social and environmental responsibility, as well as supervising, consulting, supervising, and monitoring the progress of the organization's sustainable development actions and evaluating the effectiveness of the operation.
4. Review the suitability of the Charter of the Nomination, Remuneration and Corporate Governance Committee and present to the Board of Directors for approval if the charter has been updated.
5. Perform any other duties as assigned by the Board of Directors.

Nomination and appointment of the Nomination, Remuneration and Corporate Governance Committee

1. The Nomination, Remuneration and Corporate Governance Committee is appointed by the Board of Directors and consists of at least 3 directors and/or executives, with more than half of the total directors having to be independent directors.
2. The Nomination, Remuneration and Corporate Governance Committee shall jointly elect one of the members to be the Chairman of the Nomination, Remuneration and Corporate Governance Committee.
3. The directors shall have a term of office of 3 years at a time. A retired director may be re-appointed by the Board of Directors but the term of office shall not be renewed automatically.

4. Apart from vacating office upon expiry of the term, the Nomination, Remuneration and Corporate Governance, may vacate from holding office upon occurrence of the following circumstances:
 1. Resignation;
 2. Expiration of the term or termination from the being the Company's Director;
 3. The Board of Directors passed a resolution to remove from office;
 4. Lack of qualification and possess any prohibited characteristic, as per specified by the laws;
 5. Death.
5. The Board of Directors has the power to appoint a member of the Nomination, Remuneration and Corporate Governance committee for carrying out the objectives or to replace the directors in the committee who retired from the office. The person who is appointed to the Nomination, Remuneration and Corporate Governance committee, substitute for resignation or resolved to vacate, will only be in office as long as the remaining term.

4) The Executive Committee

Material authorities, Duties, and Responsibilities of The Executive Committee

1. To have power to make decision on important operations of the Company by specifying scope, type or size of business, objectives, guideline and policy of the Company within the scope of power assigned including to supervise overall operations, productivity, relationship with the customers as well as to be responsible for the Board;
2. To oversee and manage the Company's business operations pursuant to the policy specified by the Board of Directors and to report operating results to the Board;
3. To formulate strategy and business operation plan, annual budget including management structure so that the works can be undertaken pursuant to the policy and target specified by the Board, as well as to propose to the Board for consideration;
4. To specify approval authority of each person appropriately, segregate duties which may be prone to corruption then propose to the Board for approval then supervise to ensure that the approved principles and regulations have been adhered to;
5. To have power to manage salary structure, to specify scope of duty on work, appointment, transfer, wages cutting or reduction, removal, dismissal, disciplinary penalty, awarding and merit of the employees;
6. To consider on approval of financial transactions with the bank or the financial institutes to support normal course of business operations, such as opening or closing of bank account, loan, borrowing, credit line financing, pledge, mortgage, guarantee and etc., including purchase, sale and register for ownership in any land for normal course of business operation pursuant to the approval power approved by the Board of Directors;
7. To consider on investment, work expansion as well as acquisition and disposition of the Company's fixed assets to propose to the Board;
8. To have power to act and represent the organization with the third party in the activities related to and beneficial to the organization;
9. To consider about the Company's fund raising activity to propose to the Board;
10. To approve on appointment of consultants in various fields necessary for business operations;
11. To manage general business of the Company;
12. To consider and approve operation plans of each department and consider and approve the requested application of any department which exceeds power of such department;
13. To jointly work with the Risk Management Committee on formulation of risk management policy and risk appetite to propose to the Board;
14. To jointly work with the Risk Management Committee to specify overall risk management policy and guidelines of the Company covering various material types of risks, i.e. financial risk, investment risks and risks which may impact to the business's reputation, and etc. to propose for the Board's approval;

15. To jointly work with the Risk Management Committee to specify the Company's risk management plan, framework and process to make them consistent with the risk management policy and follow-up on its implementation as well as review efficiency of the risk management framework;
16. To jointly work with the Risk Management Committee to review management report and to operate to make sure that risk management is continually conducted and risk appetite can be adequately and suitably managed;
17. To jointly work with the Risk Management Committee to develop and review the Company's risk management system to make them efficiency and effectiveness continually by constantly evaluating its results and to monitor risk management processes to ensure that they are consistently with the specified policy;
18. To jointly work with the Risk Management Committee on appointment Risk Management Steering Committee (RMSC) as well as to support on personnel, budget and other necessary resources which are consistently with its scope of responsibility;
19. To jointly work with the Risk Management Committee on coordination with the Audit Committee constantly by exchange knowledge and information on risk and internal control which has or may have impact to the Company;
20. To jointly work with the Risk Management Committee on making decision and provision of recommendation with regards to material problem occurred in the risk management processes;
21. To jointly work with the Risk Management Committee to present the performance report of the Risk Management Committee to the Audit Committee for acknowledgement and/or consideration every quarter;
22. To perform any other tasks assigned by the Board of Directors.

However, the delegation of authority and responsibility of the Executive Committee shall not entitle the authorized person to have authority to approve any

undertaking that such person or a person who might have conflict of interest (the definition of "Person who might have conflict of interest" shall have meaning as per specified in the Notification of the Securities and Exchange Commission), interests or any benefits in any other manners against benefits of the Company. Approval of such transaction is required to be proposed to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval, pursuant to the Articles of Association of the Company or the relevant laws, except it is the approval of the transaction which is normal course of business operation pursuant to the policy and criteria already considered and approved by the Company.

Nomination and appointment of the Executive Committee

1. The Board of Directors shall appoint the Executive Committee with reasonable amount preference. The Executive Committee shall consist both the company's executives or external members. The Board of Directors shall jointly elect one of the members to be the Chairman of The Executive Committee.
2. Chief Executive Officer shall be the member of the Executive Committee automatically.
3. The Executive Committee shall appoint secretary of the Executive Committee
4. The directors shall have a term of office of 3 years at a time. A retired director may be re-appointed by the Board of Directors but the term of office shall not be renewed automatically.
5. Apart from vacating office upon expiry of the term, the Executive Committee may vacate from holding office upon occurrence of the following circumstances:
 1. Resignation;
 2. Expiration of the term or termination from the being the Company's Director;
 3. The Board of Directors passed a resolution to remove from office;
 4. Lack of qualification and possess any prohibited characteristic, as per specified by the laws;
 5. Death.

7.3.2 List of Sub-Committee

1) The Audit Committee

As of December 31, 2024, the Company's Audit Committee consisted of 3 members, namely:

Name - Surname	Position/Type
1. Mrs. Monluedee Sookpantararat	Chairman of the Audit Committee/Independent Director
2. Mr. Wuthipong Suponthana	Member of the Audit Committee/Independent Director
3. Mr. Sarote Phornprapha	Member of the Audit Committee/Independent Director

In this regards, Mrs. Monluedee Sookpantararat, has knowledge and understanding on accounting and experiences to review the Company's financial statements and Ms Usanee Intachit is the Secretary of the Audit Committee.

2) The Risk Management Committee

As of December 31, 2024, the Company's Risk Management Committee consisted of 4 members, namely:

Name - Surname	Position/Type
1. Mr. Wuthipong Suponthana	Chairman of the Risk Management Committee/Independent Director
2. Mrs. Monluedee Sookpantararat	Member of the Risk Management Committee/ Independent Director
3. Mr. Naiyavudhi Wongkomet	Member of the Risk Management Committee/ Non-Executive Director
4. Mr. Bodin Kasemset	Member of the Risk Management Committee/ Executive Director

In this regards, Mr. Karn Opasjumruskit is the Secretary of the Risk Management Committee.

3) The Nomination, Remuneration and Corporate Governance Committee

As of December 31, 2023, the Company's Nomination, Remuneration and Corporate Governance Committee consisted of 3 members, namely:

Name - Surname	Position/Type
1. Mr. Sarote Phornprapha	Chairman of the Nomination, Remuneration and Corporate Governance Committee/Independent Director
2. Mr. Wuthipong Suponthana	Member of the Nomination, Remuneration and Corporate Governance Committee/Independent Director
3. Mr. Naiyavudhi Wongkomet	Member of the Nomination, Remuneration and Corporate Governance Committee/Non-Executive Director

In this regards, Ms. Thamon Vichienson is the Secretary of the Nomination, Remuneration and Corporate Governance Committee.

4) The Executive Committee

As of December 31, 2024, the Company's Executive Committee consisted of 6 members, namely:

Name - Surname	Position/Type
1. Mr. Naiyavudhi Wongkomet	Chairman of the Executive Committee/Non-Executive Director
2. Mr. Bodin Kasemset	Member of the Executive Committee/Executive Director
3. Mr. Kowit Nuangsuk	Member of the Executive Committee/Executives
4. Mr. Sarun Polachart	Member of the Executive Committee/Executives
5. Mr. Thaweesak Thantipwan	Member of the Executive Committee/Executives
6. Mr. Apinunt Thanachayanont	Member of the Executive Committee/Executive Director

In this regards, Ms. Katalee Krachangsaeng is the Secretary of the Executive Committee.

7.4 Information of Executives

7.4.1 Names and Positions of Executives

The Company maintains appropriate and transparent criteria and procedures for selecting personnel to take responsibility in the Company's important management positions. This is to ensure that the Company retains qualified executives with skills, good work experience and ethics, compatible with organizational culture and professional abilities. Recruiting and appointing at the level of the top executives/Chief Executive Officer will be considered and determined by the Nomination, Remuneration, and Corporate Governance Committee and approved by the Board of Directors accordingly.

As of December 31, 2024, the Company's has 5 executives, namely:

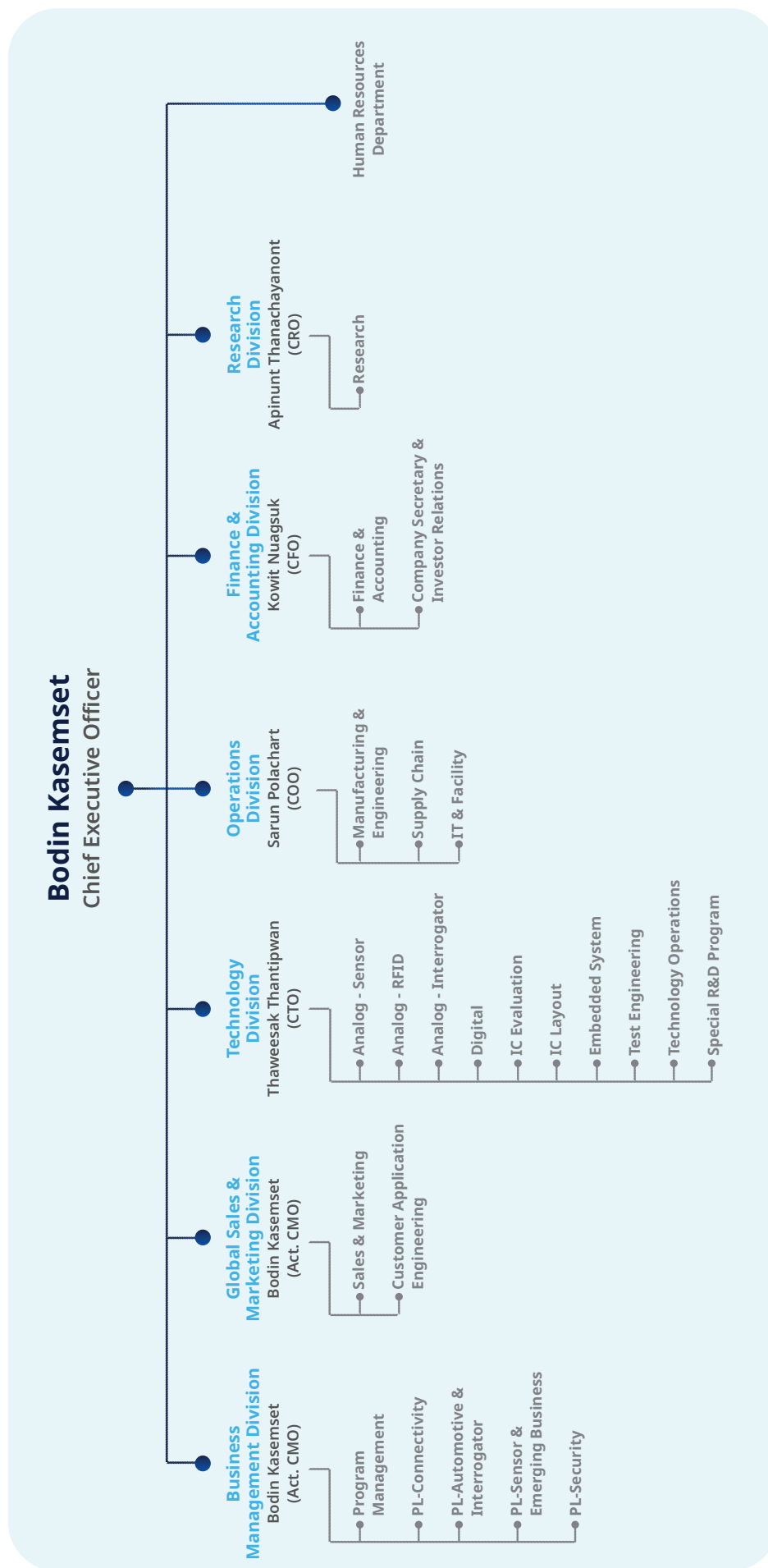
Name – Surname ^[1]	Position
1. Mr. Bodin Kasemset	Chief Executive Officer/Acting Chief of Sales & Business Development Officer
2. Mr. Kowit Nuangsuk	Chief Financial Officer
3. Mr. Sarun Polachart	Chief Operating Officer
4. Mr. Thaweesak Thantipwan	Chief Technology Officer
5. Mr. Apinunt Thanachayanont	Chief Research Officer

Remark: ^[1] According to the Notification of the Securities and Exchange Commission No. KorJor. 17/2551 RE: Determination of Definitions in Notifications Regarding Issuance and Offer for Sale of Securities (including amendments), an executive means a manager or the first four executive positions after the manager, persons holding positions equivalent to every fourth executive position, and persons holding executive positions in accounting or finance who are at the level of department manager or equivalent. The information of the Company's executives appears in Attachment 1.

7.4.2 Organization Structure

Company's organization structure of Silicon Craft Technology Public Company Limited

As of December 31, 2024



Material authorities, Duties, and Responsibilities of Chief Executive Officer

1. To comply with the applicable laws including the laws on securities and exchange, notification of the Securities and Exchange Commission, notification of the Capital Market Supervisory Committee, notification of the Stock Exchange of Thailand, other related notifications, rules, and/or regulations and resolutions of the shareholders' meeting and the Board of Directors' meeting;
2. To oversee, manage, operate and perform day-to-day works pursuant to normal business operations for the Company's interest to ensure compliance with the policy, vision, target, business operation plan and budget specified by the Board of Directors' meeting ;
3. To manage the Company's business operations pursuant to main missions specified by the Board to ensure that they are consistent with the business operation plan and budget of the Company including relevant business operation strategy specified by the Board of Directors;
4. To supervise overall operations on finance, marketing, personnel management and other operations, so that they conform to the Company's policy and business operation plan specified by the Board of Directors;
5. To have power to employ, appoint, transfer, dismiss, terminate employment, specify wages and remuneration of the Company's employees and power to appoint the sub-attorney-in-fact to perform duties instead;
6. To specify gratuity, reward, increase salary, remuneration, special bonus apart from normal bonus of the Company's employees from vice chief executive officer downwards;
7. To negotiate and enter into contract and/or other transaction relevant to normal business operations of the Company, provided that credit line of each transaction shall be as per specified in the delegation of authority approved by the Board of Directors;
8. To issue orders, rules, announcement and records of the Company, so that operations of the Company shall be as per policy and for the

Company's interests, as well as to maintain discipline within the organization;

9. To have power to specify trading terms/condition for benefits of the Company;
10. To consider on investment in new business or dissolution of business to propose to the Executive Committee and/or the Board of Directors;
11. To Approve and appoint consultants in various aspects necessary for the operation;
12. To perform other tasks assigned by the Board and to have power necessary to perform such duty;
13. To have authority to sub-authorize power and/or assign other person to perform any specific work. However, authorize of such power and/or assignment shall be within the scope of delegation of power, pursuant to the notice on delegation of power and/or pursuant to the rules, regulations or orders specified by the Board of Directors.

In addition, delegation of authority and responsibility of the Chief Executive Officer shall not entitle the Chief Executive Officer or the person authorized by the Chief Executive Officer to have authority to approve any undertaking that he/ she or a person who might have conflict of interest (the definition of "Person who might have conflict of interest" shall have meaning as per specified in the Notification of the Securities and Exchange Commission), interests or any benefits in any other manners against benefits of the Company, except it is the approval of the transaction pursuant to policy and criteria already considered and approved by meetings of the shareholders or the Board of Directors.

14. The Chief Executive Officer can hold the position of Director in another company. However, such directorship must not be an obstacle to the performance of the duties of the Chief Executive Officer of the Company and it shall be notifying the Board of Directors or the Company Secretary before holding the position of director in another company.

7.4.3. Remuneration Policy for the Executive Committee, Chief Executive Officer and Executives

The Company has a policy to set the remuneration of the Executive Committee, Chief Executive Officer and Executives to be in an appropriate level, both financially and non-financially by setting criteria to determine fair and reasonable remuneration in consistent with the Company's performance to the Executive Committee, Chief Executive Officer, including executives, as disclosed in the Form 56-1 One Report. The Remuneration for the Executive Committee, Chief Executive Officer and Executives must be consistent with the Company's strategy and goals.

For the Executive Committee, which is one of the Company's sub-committees. The Board of Directors has assigned the Nomination, Remuneration, and Corporate Governance Committee to be responsible for carefully considering and screening the remuneration of the Company's Board of Directors and sub-committees by considering the duties, responsibilities, performance, and expected outcome, with a rate comparable to businesses in the same industry for motivation to the Board of Directors and sub-committees in leading the Company to operate according to its goals as well as taking into account the highest benefits for the Company and shareholders. Moreover, the remuneration for the Board of Directors and sub-committees will be presented to the Board of Directors' meeting for resolution and proposed to the shareholders' meeting for approval every year. The Company has set a fixed monthly remuneration for directors and meeting allowances on a per-time basis. The remuneration of sub-committees is also determined in the form of meeting allowances on a per-time basis.

As for the remuneration of the Executive Committee approved by the shareholders' meeting in 2024 on April 24, 2024, it can be concluded that the executive directors who receive regular salary will not receive remuneration as directors of the Company as well as all sub-committees. While directors holding two or more positions will receive monthly remuneration only for the one with the higher position.

In considering the remuneration of the Chief Executive Officer, the top executive, the Board of Directors has assigned the Nomination, Remuneration, and Corporate Governance Committee to consider and approve the criteria for evaluating the performance of the Chief Executive Officer in order to determine remuneration rate according to the scope of authority, duties and responsibilities, performance, and a rate that is comparable to businesses in the same industry and taking into account the maximum benefit to the Company and shareholders.

The Company ensures fair, clearly and appropriate remuneration both in the short such as salary and bonus as well as welfares and long term such as provident fund or programs that the Board of Directors will consider and approve each time, such as Employee Joint Investment Program (EJIP). The Board of Directors assigned Chief Executive Officer as the top executive to have authorities of specify wages and remuneration of the Company's employees as well as specify gratuity, reward, increase salary, remuneration, special bonus apart from normal bonus of the Company's employees from vice chief executive officer downwards regarding indicated in the Charter of the Chief Executive Officer. The Company will consider the consistency with roles and responsibilities, successful results of the executives' performances, the Company performance and the average of the same industry Including salary structure policy and salary increase rates for the Company's executives and employees.

7.4.4 Remuneration of Executive Committee and Executives

1) Monetary Remuneration

Year	Details	Number (Person)	Amount (Million Baht)
2024	Salary and bonus (Representing 12.56% compared to the total remuneration of business)	5	23.09
2023	Salary and bonus (Representing 14.17 compared to the total remuneration of business)	5	23.21
2022	Salary and bonus (Representing 15.76% compared to the total remuneration of business)	7	23.43

2) Other Remuneration

Year	Details	Number (Person)	Amount (Million Baht)
2024	Provident fund, social security fund and other welfares	5	2.92
2023	Provident fund, social security fund and other welfares	5	2.50
2022	Provident fund, social security fund and other welfares	7	2.04

7.4.5 Performance assessment of the Chief Executive Officer

The Board of Directors of the Company are responsible for evaluate the Chief Executive Officer for the past year performance at least once a year in order to comply with the principles of good corporate governance and ensure a effectiveness and efficiency framework for monitoring the performance of the Chief Executive Officer's duties. The Board of Directors has assigned the Nomination, Remuneration and Corporate Governance Committee to consider and determine the criteria of performance assessment for the Chief Executive Officer as referred to the good corporate governance by SEC and SET. The performance evaluation criteria for the Chief Executive Officer consist of 10 topics as follows:

1. Leadership	6. Relationship with the external persons
2. Strategy determination and sustainability management	7. Relationship with personnels
3. Strategy execution	8. Succession plan
4. Financial planning and practice	9. Knowledge of products and services
5. Relationship with the Board of Directors	10. Personal characteristics

The Nomination, Remuneration and Corporate Governance Committee will submit the performance assessment to the Chief Executive Officer to the Board of Directors for evaluation and suggestion of strengths and operational development for the Chief Executive Officer every January – February of each year. This is served for bringing this assessment to consider with the achievement key performance indicators (KPIs) with an average score ratings as follows.

Rating	Grade	Score
Excellent	A	4.01 - 5.00
Very Good	B	3.01 - 4.00
Meet Expectations	C	2.01 - 3.00
Meet Some Expectations	D	1.01 - 2.00
Improvement Required	E	0.00 - 1.00

The Nomination, Remuneration and Corporate Governance Committee will consider and determine appropriate remuneration to the Chief Executive Officer by considering this performance assessment in line with the Company's operating results.

7.4.6 Succession plan for the top executive position

The Company recognizes the importance of conducting continuous and efficient business operations, thus establishing a policy for succession plan with the objectives as follows.

1. To always assess the readiness for the organization to have manpower with qualifications and competencies.
2. To proactively plan recruitment and selection in advance by planning the recruitment and development from personnel in the organization with potential for the supervisory level or higher or personnel from outside.
3. To plan the replacement and succession for retirement and competent personnel management or job positions which targeted by the market/ competitors.
4. To reduce the rate of loss of personnel with knowledge and experience.
5. To motivate and retain competent and potential employees for the replacement and succession positions, with the opportunity to develop and move up to a higher position.
6. To prepare employees who will hold critical positions in the Company for the potential, knowledge, and ability to effectively replace vacant positions in the future.

The Company maintains appropriate and transparent criteria and procedures for selecting personnel to take responsibility in the Company's important management

positions. This is to ensure that the Company retains qualified executives with skills, experience, and professional abilities through the Nomination, Remuneration and Corporate Governance Committee and/or a committee appointed for recruitment/selection and planning for job succession in the position of Chief Executive Officer (CEO) as the highest level of management. The Nomination, Remuneration and Corporate Governance Committee will consider by selecting a person with knowledge, competence, and complete qualifications, including experience suitable for the position, which will benefit the Company's operations to be presented to the Board of Directors for further approval.

Moreover, the Board of Directors realizes the importance of understanding the structure and relationships of major shareholders which may affect the management of business and the power to control the Company's operations to avoid any obstacles to the performance of the Board of Directors, while ensuring appropriate disclosure of information which may affect business control.

When the position of Chief Executive Officer is vacant or the one in position is unable to perform duties under employment contract, the Company will have a system for executives at a similar level or secondary level to act in the position until having the recruitment and selection of qualified persons in compliance with the criteria set by the Company. This may be personnel in the Company who is in the succession plan or an outsider who must have a visionary knowledge and experience suitable for the organizational culture. The Nomination, Remuneration and Corporate Governance Committee

will process the recruitment and present to the Board of Directors for appointment approval of a suitable person to replace the position.

The Company's succession plan will cover Chief Executive Officer, Chief Financial Officer, and executive level positions, with the process as follows:

1. Analyze the Company's business situation in terms of strategy, policy, investment plan, and expansion plan, along with the assessment of readiness for manpower according to the Company's strategy in both short term and long term.
2. Consider and prioritize critical positions for a succession plan.
3. Determine the qualifications of critical positions (success profile), including characteristics, knowledge, abilities, necessary skills, personality, and desirable attitude to succeed the critical positions as identified in No. 2.
4. Create a recruitment plan as well as a training and development plan for high-potential employees as successors in advance for the preparation of manpower towards the ability to replace and take responsibility in the position before those employees early retire or leave their positions according to the steps as follows:
 - 4.1 Consider the selection of employees with high potential (talent) who are qualified to succeed in critical positions.
 - 4.2 Apply personnel testing and evaluation tools to measure and analyze the readiness and potential of each individual employee.
 - 4.3 Determine the development plan for high-potential individuals towards the knowledge and abilities according to the qualifications specified by each critical position (success profiles).
 - 4.4 Prepare the individual development plan.
 - 4.5 Implement the development plan and periodically evaluate those selected employees to review their development and achievement for the expected results. If not, consider changing to new potential employees.

5. When a replacement is required, a successor shall be identified based on the evaluation and analysis of the employee's potential and performance. There must be a notification of such replacement in advance so that the successor can prepare for assignments and learn the job, along with the determination of next successor recruitment.

The Board of Directors regularly follows up on the progress of operations regarding the succession plan for the top executive positions and people development plan. In the past year 2024, the Board of Directors assigned the management to report on the progress and timelines of the succession plan for the top executive, executives, and potential employees at various levels of the department including the organization's personnel development plan for this succession to the Board of Directors' meeting a total of 3 times, namely the Board Meeting No. 1/2024 on February 22, 2024, the Board Meeting No. 5/2024 on August 9, 2024, and the Board Meeting No. 6/2024 on November 13, 2024. In addition, the non-executive committee meeting held discussions and shared useful opinions on the progress of the succession plan of the top executives. The Company Secretary Department summarized the results of the meeting for the Chief Executive Officer to acknowledge in accordance with the principles of good corporate governance.

7.5 Information of Personnel

The Company believes that all employees play an important role in supporting operations to achieve the set goals and objectives. The Company is committed to selecting, developing, promoting, and motivating employees to use their knowledge and abilities, together with regular working skill development. The Company realizes the suitability of having an adequate number of employees in each line according to the business plan. The Company has a project for its personnel to introduce people to work with the organization to increase its recruitment channels and inspire internal personnel to help with the recruitment. This can lead to having applicants with reliable information and good reference persons. However, the significant change in the number of employees during the past 3 years is in compliance with the context of the Company's organizational restructuring. In 2024, the change rate was at a normal level with no significance.

7.5.1 Headcount

As of December 31, 2024, the total number of employees of the Company (excluding 5 executives) was 165 people. The breakdown by department according to the organizational structure at the end of 2022- 2024 is as follows.

Division	Number (People)		
	2022	2023	2024
Global Sales & Marketing	19	21	19
Business Management	15	16	16
Finance & Accounting	11	11	11
Operation	24	26	29
Technology	57	71	80
Research	2	4	3
Human Resources	4	5	7
Total	132	154	165

Remark: Based on the current organizational structure as of 3 October 2025 onwards.

Significant labor dispute during the past 3 years

-None-

7.5.2 Headcount Employees' Remuneration

The Company has a policy to set remuneration appropriately and fairly, including criteria to increase salary based on the nature of the work, responsibilities, performance evaluation, and level of wages in the labor market, including the Company's operational results. In 2024, the details of remuneration for employees (excluding 5 executives) were as follows:

Details	2022		2023		2024	
	Number (Person)	Amount (Million Baht)	Number (Person)	Amount (Million Baht)	Number (Person)	Amount (Million Baht)
Salary, bonus, traveling expenses, per diem, contribution to social security fund, contribution to provident fund and other welfares	132	123.46	154	137.06	165	156.18

Details	2023	2024
The proportion of employee remuneration, calculated as the ratio of male employee compensation to female employee compensation.	61.69 : 38.31	64.07 : 34.73

Provident fund

The company established a provident fund for its permanent employees on August 27, 2010, to provide future security for employees and encourage them to work with the company in the long term.

The Company has a policy to support the Provident Fund Committee of the Company in selecting fund managers who adhere to responsible investment governance principles, considering Environmental, Social, and Governance (ESG) factors. This investment approach is aimed at achieving the best long-term benefits for fund members, who are the Company's employees.

Provident fund (Year)	2022	2023	2024
Number of employees participating in the provident fund (People)	96	123	128
Proportion of employees participating in the provident fund/ total employee (%)	70.00%	77.36%	75.29%
Provident fund contribution by the Company (Million Baht)	3.5	4.1	4.8

The employer's (Company) contribution and the benefits from the contribution for executives and employees range from 3% to 7%. When any member terminates their membership, the fund will pay out the contribution and its benefits according to the following criteria:

Employee's years of service	The contribution rate and the benefits from the contribution that the fund will pay when a member terminates their membership (as a percentage of the received contributions and their benefits) are as follows:
Less than 2 years	0
From 2 years and over but less than 3 years	25
From 3 years and over but less than 5 years	40
From 5 years and over but less than 7 years	60
From 7 years and over but less than 9 years	80
From 9 years and over	100

Employee Joint Investment Program (EJIP)

Refer to the resolution of the Board of Directors' Meeting No.4/2021 held on May 13, 2021 for Employee Joint Investment Program (EJIP) Group 1 and the Board of Directors' Meeting No.5/2021 held on August 11, 2021 for Employee Joint Investment Program (EJIP) Group 2, the details are as follows.

Employee Joint Investment Program (EJIP) for Group 1

1 The period of EJIP	September 1, 2021 – September 6, 2024
2 Eligible employees under EJIP	Employees with high potential and responsibility, dedicated to working and being in a key position in the organization, including having good performance from the assessment results in 2020.
3 EJIP arrangement	The ratio between the Company's contributions and the employee's investment is 99% to 1 of the investment. The project will be operated through Phillip Securities (Thailand) Public Company Limited to provide investment management for the Company by investing in SICT shares on the date specified by the Company every month and the Company will cut off the investment through the employee's payroll, starting from September 2021 to August 2024.
4 Conditions for holding the securities	The participants have the right to sell their shares directly on the stock exchange once the program reaches the maturity of 1 and 2 years and can sell all shares in the account. The company will cease such payments to employees when the employee is retired from being an employee during the period that the project has not ended.

Employee Joint Investment Program (EJIP) for Group 2

1 The period of EJIP	September 1, 2021 – September 6, 2024
2 Eligible employees under EJIP	Employees in the supervisor group with high potential and responsibility, dedicated to working and are in a position that is important in the organization (Key Position)
3 EJIP arrangement	The ratio between the Company's contributions and the employee's investment is 72% to 28 of the investment. The project will be operated through Phillip Securities (Thailand) Public Company Limited to provide investment management for the Company by investing in SICT shares on the date specified by the Company every month and the Company will cut off the investment through the employee's payroll, starting from September 2021 to August 2023.
4 Conditions for holding the securities	The participants have the right to sell their shares directly on the stock exchange at the end of the program in September 2023, can sell all shares in their accounts. The company will cease such payments to employees when the employee is retired from being an employee during the period that the project has not ended.

In 2022, refer to the resolution of the Board of Directors' meeting No.4/2022 held on August 10, 2022 for the EJIP Group 3, the details are as follows.

Employee Joint Investment Program (EJIP) for Group 3

1 The period of EJIP	September 1, 2022 – September 6, 2025
2 Eligible employees under EJIP	Employees in with high responsibilities, dedicated, determined and being in key positions with having good performances in the year of 2021.
3 EJIP arrangement	The proportion between the Company's contributions and the employees' investments is 99% to 1% of the said project investment. It will be done through Phillip Securities (Thailand) Public Company Limited to provide investment management for the company by investing in SICT shares within the date the company designated every month. The company will deduct the investment through the employee's payroll from September 2022 to August 2025.
4 Conditions for holding the securities	Program participants have the right to sell shares directly in the stock market when the project has been passed to the first and the second year of this program by being able to sell all the shares held in the account. The company will cease payment to employees in the event that the employee has ceased from being an employee while the program has not yet expired.

In 2023, refer to the resolution of the Board of Directors' meeting No.3/2023 held on May 12, 2023 for the EJIP Group 4, the details are as follows.

Employee Joint Investment Program (EJIP) for Group 4

1 The period of EJIP	September 1, 2023 till September 6, 2026
2 Eligible employees under EJIP	Employees in with high responsibilities, dedicated, determined and being in key positions with having good performances in the year of 2022
3 EJIP arrangement	The proportion between the Company's contributions and the employees' investments is 99% to 1% of the said project investment. It will be done through Phillip Securities (Thailand) Public Company Limited to provide investment management for the company by investing in SICT shares within the date the company designated every month. The company will deduct the investment through the employee's payroll from September 2023 to August 2026.
4 Conditions for holding the securities	Program participants have the right to sell shares directly in the stock market when the project has been passed to the first and the second year of this program by being able to sell all the shares held in the account. The company will cease payment to employees in the event that the employee has ceased from being an employee while the program has not yet expired.

In 2024, refer to the resolution of the Board of Directors' meeting No.3/2024 held on May 13, 2024 for the EJIP Group 5, the details are as follows.

Employee Joint Investment Program (EJIP) for Group 5

1 The period of EJIP	Starting from the period of July 2024 - September 2027
2 Eligible employees under EJIP	Employees in with high responsibilities, dedicated, determined and being in key positions with having good performances in the year of 2023
3 EJIP arrangement	The proportion between the Company's contributions and the employees' investments is 99% to 1% of the said project investment. It will be done through Phillip Securities (Thailand) Public Company Limited to provide investment management for the Company by investing in SICT shares within the date of 28th every month that the Company designated. The Company will deduct the investment through the employee's payroll from July 2024 to September 2027.
4 Conditions for holding the securities	Program participants have the right to sell shares directly in the stock market when the project has been passed to the first and the second year of this program by being able to sell all the shares held in the account. The Company will cease payment to employees in the event that the employee has ceased from being an employee while the program has not yet expired..

7.6 Other Key Information

7.6.1 Information of Company Secretary, Person appointed to be directly responsible for control and supervision of accounting matter, Head of Internal Audit and Head of the Compliance of the Company

Company Secretary

Section 89/15 of Public Limited Companies Act B.E. 2535 specified that the Board of Directors shall appoint the Company Secretary to take responsibility on behalf of the company or the Board of Directors. The Meeting of the Board of Directors No. 5/2021 dated August 11, 2021, has resolution to appoint Ms. Katalee Krachangsaeng to be the Company Secretary which has been effective on August 12, 2021. Details on biodata of the Company Secretary is specified in Attachment 1.

Roles and responsibilities of the Company Secretary are as follows:

1. To provide preliminary advice to the directors on laws and regulations that the Board of Directors should be acknowledged, then monitor on compliance to ensure that they are correctly and constantly complied, as well as to report on any change in significant laws and regulations to the Board of Directors.
2. To arrange the shareholders' meeting and the Board of Directors' meeting as per specified by the law, the Company's regulations and practices.
3. To prepare and keep the following document:
 - Register of directors
 - Notice calling the Board of Directors' meeting, minute of meeting of the Board of Directors and the Form 56-1 One Report of the Company;
 - Notice calling the shareholders' meeting and minute of shareholders' meeting.
4. To supervise on disclosure of information and information technology report for the part responsible by the unit regulating the Company pursuant to regulations and requirement of the official agencies;
5. To keep a report on interest filed by the director or the executive and submit a copy of interest report to the Chairman of the Board of Director

and the Chairman of the Audit Committee for acknowledgement within 7 days from the date the Company receives such report.

6. To arrange for the complete and accurate storage system of relevant document or evidences that they can be readily available for inspection.
7. To contact and communicate with general shareholders so they can acknowledge the shareholders' right and the Company's news.

Person appointed to be directly responsible for control and supervision of accounting matter

Ms. Usanee Intachit, Accounting Manager, is a person appointed to be directly responsible for efficient control and supervision of accounting matter of the Company pursuant to the Company's rules, regulations and criteria since July 15, 2024 onwards. Information and details of the person appointed to be directly responsible for control and supervision of accounting matter are appeared in Attachment 1.

Head of Internal Audit and Head of the Compliance of the Company

The Company has a policy to outsource the internal The Company has a policy to outsource independent internal audit service who is also related to the compliance of the Company. During the meeting of the Board of Director Meeting of the Company No. 7/2024 on December 20, 2024, the meeting considered and resolved to appoint of Unique Advisor Co. Ltd., the current Internal Auditor in 2024, to be the Company's Internal Auditor in 2025 in accordance with the consideration and determined by the Audit Committee of the Company.

The Board of Director resolved to appoint Mr. Kosol Yamleemul the managing director of Unique Advisor Co. Ltd. which has been agreed by the Audit Committee of the Company, to be the main person as the Head of Internal Audit and Head of the Compliance of the Company. The main responsibilities are to perform internal audit duties and oversee the Company's operations governance. This includes reviewing and assessing the Company's internal control systems, as well as providing recommendations on the internal control systems and operational governance of the Company. The Head of Internal Audit and Head of Compliance of the Company will report directly to the Audit Committee.

The Company has assigned Ms. Usanee Intachit, Accounting Manager and Secretary of the Audit Committee, to be the coordinator with the independent internal audit company that has been appointed by the Company.

The Audit Committee has considered the qualifications of The Head of Internal Audit and Head of Compliance, who possesses the necessary knowledge, skills, expertise, qualifications, and experience to perform the duties effectively. The individual also has a good understanding of the Company's operations and regularly participates in internal audit training. Therefore, this individual is deemed suitable to fully perform these duties in accordance with the correct approach. Mr. Kosol Yamleemul has experiences in internal audit for more than 17 years. Its main operators already passed the training courses that related to the internal audit functions such as Adopting Data Science & Automation in Internal Audit, Personal Data Protection Act for IA, IIAT Annual Seminar, Working paper training course for anti-corruption measures in organizations, COSO 2013 on the theory and practice, IT Audit course from Federation of Accounting Professions etc. Moreover, the internal auditors do not have any relationship with the Company, so they can independently and impartially audit and present the recommendation to the Company. Information and details of Head of Internal Audit and Head of the Compliance of the Company are appeared in Attachment 2.

In addition, consideration on appointment, removal or transfer of the Company's internal auditor is required to pass selection process and approval from the Audit Committee first. After that the Audit Committee shall propose the qualified auditor to the meeting of the Board of Directors for further consideration and approval as well as on negation on relevant expenses.

7.6.2 Head of Department of Investor Relations and Contact Information

The Company has assigned the Investor Relations Department for communicating and publicizing information and news useful to shareholders, investors, analysts, and related parties in an appropriate, equal, and timely manner, along with helping to supervise the dissemination of the Company's information according to the criteria set forth by the SEC, SET, and related entities in the Form 56-1 One Report and/or the Company's website, etc., as well as helping to disseminate important information affecting the price of the Company's securities, which affects the decision-making process of investors and its stakeholders correctly, adequately, and usefully for the investor's decision making.

With this regard, The Company has assigned Ms. Katalee Krachangsaeng, Company Secretary and also the Company Secretary and Investor Relations Manager as the Head of Department of Investor Relations of the Company. Investors can contact the Department of Investor Relations of the Company from the following details :

Department of Investor Relations

Silicon Craft Technology Public Company Limited

40 Thetsabanrangsan Rd., Ladyao, Chatuchak, Bangkok 10900

Telephone: 02 589 9991

Fax: 02 589 8881

E-mail: ir@sic.co.th

In 2024, there were various investor relations activities to disclose the Company's information to investors can be summarized as follows:



7.6.3 Information of Auditor's Remuneration

For the fiscal period ending December 31, 2024, the Company has paid auditing fee to D I A International Audit Co., Ltd., the Company's auditor, amounting to 1,850,000 Baht as shown in the following details.

1. Audit fee

Details	2022	2023	2024
Quarterly and annual auditing fees	1,650,000	1,700,000	1,750,000

2. Non-Audit fee

Details	2022	2023	2024
Auditing fee on compliance with the condition of the BOI Privilege Certificate at 50,000 Baht/each (Total 2items)	100,000	100,000	100,000

The Company has paid other service fees for auditing the compliance with investment conditions. According to the regulations of the Board of Investment, it is required that projects with certain conditions of promotion must submit an application for corporate income tax exemption rights and privileges, as well as reports on operational results audited by a licensed auditor.

Objectives of the investigation

1. Real investment in machinery for each promotion certificate as approved for investment promotion
2. Volume of production and distribution of products/services in accordance with the conditions of each promotion certificate

The auditor on behalf of D I A International Audit Co., Ltd. has no relationship or transaction that causes a conflict of interest with the Company, executives, major shareholders. or those related to such persons. Therefore, it is independent and impartial in auditing and expressing opinions on the financial statements and auditing the Company's compliance with the conditions of Board of Investment (BOI) promotion projects, with the approval of the Audit Committee.

8. Corporate Governance Milestones

8.1 Summary of Performance of the Board of Directors over the Past Year

The Board of Directors has reviewed the Company's corporate governance policy, manual of business ethics and code of conduct, including the Charter of the Company's Board of Directors, sub-committees and other related issues, to be in compliance with the principles of good corporate governance of the SEC. Also, there is a communication to employees of all levels towards the efficient management and good organizational ethics with transparency and verifiability, leading to the confidence among investors, shareholders and all groups of stakeholders in supporting the Company's sustainable growth.

The Board of Directors consists of those with the capacity, expertise and experience to perform their duties for the Company's maximum benefits. The Company's Board of Directors must have qualifications and none of the prohibited characteristics as specified by the laws. They have their duties and responsibilities in determining and reviewing the structure of the Board of Directors. Moreover, the Board of Directors has appointed sub-committees to support the Board of Directors in management and administration within the scope as specified in each committee's charter with efficiency and effectiveness.

8.1.1 Recruitment, Development, and Performance Assessment of the Board of Directors

1. Independent Directors recruitment

Qualifications of the Independent Director

The Nomination, Remuneration and Corporate Governance Committee has the process to nominate the independent director by considering from qualifications and prohibited qualifications of the directors pursuant to the Public Limited Companies Act, laws on securities and exchange, notifications of the Office of the Securities and Exchange Commission, the Market Capital Supervisory Board, the

Stock Exchange of Thailand, as well as the relevant notifications, regulations and/or rules. The Board shall consider and select the independent directors from the experts who have working experiences and other appropriated aspects. The Company has policy to appoint the independent directors at least one-thirds of total number of directors and the number shall be at least 3 persons with qualifications as follows.

1. Holding shares not exceeding 1.00 percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliated company, principal shareholder or controlling person of the Company. Shares held by the related persons of such independent director shall also be included;
2. Not being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliated company, same-level subsidiary, major shareholder or controlling person of the Company unless the foregoing status has ended not less than 2 years prior to the date being appointed as the independent director. However, such prohibited characteristics exclude the case where such Independent Director used to be the government official or the advisor of the government entity who is the major shareholder or the controlling person of the Company;
3. Not being a person related by blood or registration under laws, i.e. father, mother, spouse, sibling, and child, including spouse of the children of the executive, major shareholder, controlling person, or person to be nominated as executive or controlling persons of the Company or its subsidiary;
4. Not having a business relationship with the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person of the Company, in the manner which

may interfere with his or her independent judgment, and neither being nor having been a significant shareholder or controlling person of any person having business relationship with the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person of the Company unless the foregoing relationship has ended not less than 2 years prior to the date being appointed as the independent director. Such business relationship includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the Applicant or its counterparty being subject to indebtedness payable to the other party in the amount of three (3) percent or more of the net tangible assets of the Applicant or twenty (20) million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Securities and Exchange Commission concerning rules on connected transactions, mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of one (1) year prior to the date on which the business relationship with the same person commences.

5. Neither being nor having been an auditor of the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person of the Company, and not being a significant shareholder or controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the Company unless the foregoing relationship has ended not less than two (2) years from the date being appointed as the independent director.
6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding 2 million Baht from the Applicant, its parent

company, subsidiary, affiliated company, major shareholders or controlling person of the Company, and neither being nor having been a significant shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended not less than 2 years from the date being appointed as the independent director.

7. Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the major shareholders.
8. Not operate any business which has the same nature as and is in significant competition with the business of the Company or subsidiary, or not being a significant partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or holding shares not exceeding 1.00 per cent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the Company or its subsidiary.
9. Not having any characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs.

2. Nomination and appointment of persons to serve as directors of the Company

The Company has a policy and process for nomination and appointment of individuals to serve as the Company's directors in a transparent manner. The Board of Directors has assigned the Nomination, Remuneration and Corporate Governance Committee to consider, screen and nominate qualified individuals for the Board of Directors' meeting to present at the shareholders' meeting towards the appointment of the Company's directors.

In the process of selection and nomination of directors, the Company realizes the importance of shareholders and promotes a good corporate governance on the shareholders and stakeholders' right by treating all shareholders with fairness. The Company therefore provides an opportunity for shareholders to nominate qualified persons for appointment as directors in advance

for the shareholders' meeting. For the recruiting new directors process, the Nomination, Remuneration and Corporate Governance Committee will consider the composition of the board of directors as well as the Board Skill Matrix. This is to select directors who possess the appropriate qualifications in terms of skills, knowledge, qualifications, and experience, and who have the ability to contribute to the Company's direction, plans, needs, and strategies. The proposed candidates will be presented to the board of directors for consideration and subsequently submitted to the shareholders' meeting for consideration and approval of the appointment of the Company's directors.

The Nomination, Remuneration and Corporate Governance Committee will select individuals to serve as directors of the Company in accordance with the qualifications criteria under Section 68 of the Public Limited Companies Act, B.E. 2535 (1992), and the Announcement of the Securities and Exchange Commission and/or other relevant laws. This also includes considerations based on the following key factors:

1. Knowledge and expertise as required on the Board of Directors - The Company has established the Board Skill Matrix for necessary skills in the composition of the Board of Directors in accordance with the Company's current business strategy plan and based on the diversity of directors, appropriateness of number, structure, and composition of the Board of Directors.
2. Specific characteristics required of each director, such as background and expertise in various fields with efficient benefits to the Company's operations in providing advice and opinions on various issues matters from the perspectives of those who have direct experiences and broad visions of morals and ethics, transparent work history and free expression of opinions.

The Nomination, Remuneration and Corporate Governance Committee has a process for nomination and appointment of directors in the following steps:

1. Establish the planning guidelines for recruiting, selecting and nominating qualified persons to serve as the Company's new directors of new companies, directors with expired term of office and/or vacant positions and/or additional

appointments within a specified time frame.

2. Recruit and prepare a list of qualified individuals for being nominated as new directors, directors with expired term of office and/or vacant positions and/or additional appointments through various channels. This includes the nomination by shareholders of individuals with qualifications corresponding to the specified qualification criteria and/or list of names from various reliable sources, etc. to propose at the meeting of the Nomination, Remuneration and Corporate Governance Committee for consideration of the names of nominated individuals and selection of those with qualifications according to the specified qualification criteria.
3. The Nomination, Remuneration and Corporate Governance will present the list of individuals proposed to serve as directors of the Company to the board of directors' meeting for consideration and the shareholders' meeting for approval of the appointment of directors accordingly.

In case the director position is vacant for reasons other than the expired term, the committee shall select individuals with qualifications and no prohibited characteristics according to Section 68 of the Public Act B.E. 2535 (1992) and/or related laws in replacement at the next meeting of the Board of Directors, except that the remaining term of director is less than 2 months. The Board of Directors' resolution must consist of votes of not less than three-quarters of the number of remaining directors. The individual as a replacement director shall hold the director position only for the remaining term of such replaced director.

Qualifications of the Directors

1. Have qualifications and have no prohibited attributes by the Securities and Exchange Act or by the rules of the SEC as well as having no characteristics that demonstrate the lack of suitability to be entrusted with the management of a publicly held enterprise as determined by the SEC.

2. Have knowledge, competence, and experience that is useful for the conduct of business; have good intentions and ethics in the conduct of business.
3. Be able to exercise honest and independent discretion from the management team and any other interest groups.
4. Be able to dedicate sufficient time to the Company and be attentive to fulfilling their duties and responsibilities.
5. Must not operate business in the same condition and compete with the Company's business, or be partners in a general partnership or unlimited liability partners in a limited partnership, or be directors of a private company or other companies operating in the same condition and competing with the Company's business, whether for their own benefit or for the benefit of others, unless notified to the shareholders' meeting before the resolution of appointment.
6. Be able to hold a director's position in other companies, but that directorship shall not be an obstacle to performing the Company's director duties and shall be in accordance with the guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand. An individual director shall not hold directorship of more than 5 listed companies (including the Company).

Composition of the Board of Directors

1. The Board of Directors consists of not less than five directors, and not less than half of the total number of directors shall be resident in the Kingdom, and not less than three-quarters of the total number of directors must have Thai nationality. The appointment of the Board of Directors must be approved by the shareholders' meeting.
2. The Board of Directors consists of independent directors of at least one-third of the total number of directors, but there must not be less than three individuals, provided that the independent directors have full qualifications according to the announcement of the Capital Market Supervisory Board and relevant announcements by the SET.
3. The directors shall have a term of office of 3

years at a time. At every annual general meeting, one-third of the directors shall be removed from office. If the number of directors to be retired cannot be divided into the whole numbers, the number shall be as close as possible to the proportion of one-third. The directors who have already left office may be re-elected. The directors who shall retire in the first and the second years after the Company's registration shall be drawn through lots. For following years, the directors who are in the position the longest shall retire. The directors who retire under that term may be re-elected.

In addition to the end of a term of office, the directors shall retire upon:

1. Resignation
2. The shareholders' meeting has a resolution to leave the position (with a minimum of three-quarters of the number of shareholders present and entitled to vote)
3. Lack of qualifications and having prohibited attributes required by law
4. Death

In case the position of director becomes vacant for any reason other than the end of an office term, the directors shall select a person who is qualified and does not have prohibited qualifications under Section 68 of the Public Limited Companies Act B.E. 2535 (1992) and/or relevant laws to become a substitute director at the next meeting of the Board of Directors. Unless the remaining term of the director is less than 2 months, the person becoming the substitute director shall remain as a director for as long as the remaining term of the directors he/she represents and shall obtain a resolution of the Board of Directors by not less than three-quarters of the votes of the remaining directors.

The appointment of the Board of Directors must be approved by the shareholders' meeting in compliance with the criteria and process as follows:

1. One shareholder has one vote per share.
2. Shareholders vote to elect directors individually.
3. Individuals with the highest number of votes in descending order are elected as directors equal to the number of directors that should be or shall be elected at that time. In case that the those elected in descending order have the same number of votes exceeding the number of directors that should be or shall be elected at that time. The Chairman shall have the final vote.

In 2024, no candidates were nominated by the shareholders' meeting to be sent to the Nomination, Remuneration, and Corporate Governance Committee for consideration. Therefore, the Nomination, Remuneration, and Corporate Governance Committee considered the directors whose terms were up for renewal at the 2024 Annual General Meeting of Shareholders. The committee took into account their educational qualifications, work experience and performance in the previous year, as well as other qualifications that align with the Company's business strategy. At the 2024 Annual General Meeting of Shareholders held on April 24, 2024, 3 directors whose terms had expired were as follows:

Name - Surname	Position/Type
1. Mr. Apinetr Unalkul	Director/Non-Executive Director
2. Mr.Wuthipong Suponthana	Director/Independent Director/Member of the Audit Committee/Chairman of the Risk Management Committee/Member of the Nomination, Remuneration and Corporate Governance Committee
3. Mr.Naiyavud Wongkomet	Director/Non-Executive Director/Member of the Risk Management Committee/Member of the Nomination, Remuneration and Corporate Governance Committee/Chairman of the Executive Committee

Directors nominated this time have been considered according to the process established by the Company and qualifications in compliance with the Public Limited Companies Act B.E. 2535 (1992) and the Announcement of the Capital Market Supervisory Board and the Stock Exchange of Thailand, including any other related announcements. The three directors as aforementioned are skillful, knowledgeable and capable with good experience in the Company's business which shall benefit for determining the direction and operating plans of the Company. By the resolution of the agenda for approval of the election of directors to replace those with expired terms in 2024, all of the three directors could be approved at the shareholders' meeting to return to their positions for another term as proposed.

3. Orientation for new directors

The Company recognizes the importance of new directors to perform their duties as crucial for the direction of various management policies towards corporate sustainability. Therefore, there are guidelines for an orientation of new directors to know their roles and responsibilities according to business goals, as well as understand the Company's nature of business and operations. In the meantime, it provides important and necessary information for the performance of duties among directors, such as the Charter of the Board of Directors, Articles of Association and the Company's policies, manual of business ethics and code of conduct at work, relevant laws, regulations of the SET and the SEC, Form 56-1 One Report, meeting information of the Board of Directors, etc. This includes meeting arrangement among the new directors with the Chairman of the Board of Directors, Board of Directors, and sub-committees to get information about the Company's business operations and build good relationships between directors.

The Company has guidelines for orientation of new directors, in line with good corporate governance guidelines on the orientation of new directors of the SET as follows:

1. Information when inviting for appointment as a director
 - 1.1 The Company's history and nature of business
 - 1.1.1 The Company's history
 - 1.1.2 Nature of business
 - 1.2 Structure of the Company, major shareholders and directors, organization, and governance
 - 1.2.1 Structure of the Company
 - 1.2.2 Structure of major shareholders and directors
 - 1.2.3 Organizational structure and governance
 - 1.3 Remuneration and benefits of directors
 - 1.4 Financial position and performance of at least the past 3 years
 - 1.5 Roles and duties of the Board of Directors in accordance with relevant laws
 - 1.5.1 Legal duties
 - 1.5.2 Corporate governance duties
2. Information for orientation when appointed as a director from the shareholders' meeting
 - 2.1 Information or legal reporting documents
 - 2.2 Memorandum and the Company's regulations
 - 2.3 Scope of duties and responsibilities of the Board of Directors and sub-committees
 - 2.4 Minutes of meeting of the Board of Directors and meeting schedule
 - 2.5 Good Corporate Governance Policy and Manual of Business Ethics and Code of Conduct at Work
 - 2.5.1 Supervision on the use of internal information
 - 2.5.2 Risk policy
 - 2.5.3 Internal control system
 - 2.5.4 Related transactions
 - 2.5.5 Whistleblowing
 - 2.6 Legal disputes (if any)
 - 2.7 Report of the supervisory organizations for the Company's improvement and compliance (if any)
3. Meeting with the Chairman of the Board of Directors and Chief Executive Officer before the first meeting of the Board of Directors
4. Disclosure of information in the Form 56-1 One Report

4. Director Development

The Company has supported and encouraged directors to develop knowledges which are practical and useful for working continually through trainings and seminars. There are seven directors who joined the director training courses such as Director Certification Program (DCP) and eight directors who joined the Director Accreditation Program (DAP) which have been arranged by Thai IOD, totaling eight directors (100%)

In 2024, all directors had participated director training courses arranged by Thai Institute of Directors (Thai IOD) and significant institutes are as follows.

Name - Surname	Training courses and seminars
1. Mr. Manop Dhamsirianunt	• Seminar of THE STANDARD ECONOMIC FORUM 2024: Brave New World on the topic "Semiconductor Strategy: Thailand's Path to Becoming a Technology Leader",
2. Mrs. Monluedee Sookpantararat	• Strategic Board Master Class (SBM 46/2024) arranged by Thai IOD • Successful Formulation & Execution of Strategy (SFE 46/2024) arranged by Thai IOD • Seminar of "Prevention, deterrence, and elimination of inappropriate behavior of listed companies" arranged by the SET and SEC • Seminar of Director's Briefing 1/2024 for the topic of "ESG Integration for Sustainable Business Success" arranged by Thai IOD • Seminar of National Director Conference 2024 for the topic of Sustainable Future: The Board as a Catalyst for Value arranged by Thai IOD • Seminar of Audit Committee Forum 2024 for the topic of Emerging Audit Standards and Implications for the Audit Committee arranged by Thai IOD • Seminar of Independent Director Forum 2024 for the topic of "Maximizing Board Effectiveness: The Role of Lead Independent Directors in Thai Business" arranged by Thai IOD • Online Seminar of Director's Briefing 2/2024 for the topic of Leading with Urgency : Climate Action for Board arranged by Thai IOD • Seminar of "Insight in SET: AC Focus of Comprehensive knowledge for growth and sustainability in the capital market arranged by SET
3. Mr. Wuthipong Suponthana	• The Board's Role in Mergers and Acquisitions (BMA 7/2024) arranged by Thai IOD • Online Seminar of Director's Briefing 2/2024 for the topic of Leading with Urgency : Climate Action for Board arranged by Thai IOD
4. Mr. Sarote Phornprapha	• Director's Guide to Legal Obligations and Duties (DLD 1/2024) arranged by Thai IOD
5. Mr. Naiyavudhi Wongkomet	• Seminar of National Director Conference 2024 for the topic of Sustainable Future: The Board as a Catalyst for Value arranged by Thai IOD • Seminar of Director's Briefing 7/2024: Essential Innovation Metrics For Board Members arranged by Thai IOD • Seminar of Chairman Forum 2024: The Art of Chairman-CEO Dynamics: Fostering trust and Collaboration arranged by Thai IOD
6. Mr. Apinetr Unakul	• Director Certification Program (DCP 372/2024) arranged by Thai IOD
7. Mr. Apinunt Thanachayanont	• The Board's Role in Mergers and Acquisitions (BMA 9/2024) arranged by Thai IOD
8. Mr. Bodin Kasemset	• Professional Training: Mergers & Acquisitions for Corporate Growth arranged by Kexxel Group

5. Skill Matrix of the Board of Directors

	Micromanagement Part										Specific knowledge, experience or expertise Part				Corporate Governance Part
	Accounting and Finance	Semiconductor Business Knowledge	Business Acumen	Organization and Human Resource Management	Risk Management and Business Continuity Management	Crisis Management	International Management	Strategic Planning	Mergers and Acquisitions	Technology, Research and Development	IP Management	Legal Knowledge	Supply Chain	IT Management	Corporate Governance
Mr. Manop Dhamsiranunt	X	X	X	X	X	X	X	X	X	X	X	X	X		X
Mrs. Monluedee Sookpantarat	X		X	X	X	X		X				X		X	X
Mr. Wuthipong Suponthana	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Mr. Sarote Phomprapha			X	X	X	X	X	X	X	X	X				X
Mr. Naiyavudhi Wongkomet	X	X	X	X	X		X	X	X	X	X	X			X
Mr. Apinetr Unakul		X	X					X		X				X	
Mr. Apinunt Thanachayanont		X	X	X	X			X		X	X			X	X
Mr. Bodin Kasemset	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

6. Performance assessment of the Board of Directors and sub-committees, as well as the Chief Executive Officer in the past year

The Board of Directors has assigned the Nomination, Remuneration and Corporate Governance Committee for the performance evaluations of the Board of Directors and sub-committees, in line with self-assessment of their performance at least once a year as a framework for the development of directors' performance efficiency and support of joint consideration of performance and problems on various issues in the past year. This also helps to increase efficiency and better understanding of joint performance of the Board of Directors and sub-committees. The results of performance evaluation could be used for the consideration of the appropriateness on the Board of Directors' composition.

The secretary of the Nomination, Remuneration and Corporate Governance Committee, as well as the Human Resources Departments, shall jointly arrange for the preparation of the performance evaluation form and distribution of the said performance evaluation form to the Board of Directors and each sub-committee for all evaluations, before the summarization of results and reports to the Board of Directors' meeting.

The assessment includes:

- Self-assessment form of committee as a group
- Self-assessment form of sub-committee as a group
- Self-assessment forms of the Board of Directors and sub-committees as an individual

In 2024, there were assessment topics and summary reports on performance evaluation of the Board of Directors and sub-committees as follows:

- **Assessment Series 1: Self-Assessment of the Board of Directors by group to assess the overall performance of the Board.**

Topic of Assessment	Average	Percentage
Structure and qualifications of the Board	3.20	80%
Role, duties and responsibilities of the Board	3.10	78%
Board's meeting	3.21	80%
Performance of duties of Directors	2.93	73%
Relationship with the management team	2.90	73%
Self-development of Directors and Executive Development	2.84	71%
Total	3.03	76%

- **Assessment Series 2:** Self-assessment form of sub-committee as a group is for directors who perform their duties as directors in the sub-committee only. This is to assess the performance of sub-committees assigned by the Board of Directors.

Topic of Assessment	Average	Percentage
Structure and qualifications of the committees are appropriate for the efficiency of the Board of Directors' work.	3.20	80%
Meetings of sub-committees in order for the committees to perform their duties in meetings effectively.	3.40	85%
Roles, duties and responsibilities of the sub-committees have given importance to taking sufficient time to consider, review and implement the following matters:		
The Audit Committee	3.67	92%
The Risk Management Committee	3.67	92%
The Nomination, Remuneration and Corporate Governance Committee	3.70	93%
Total	3.53	88%

- **Assessment Series 3:** Self-Assessment of the Board of Directors and Sub-Committees by individual to assess the performance of duties of individual directors and committees.

Topic of Assessment	Average	Percentage
Structure and qualifications of director/committee member	3.25	81%
Meetings of the Board of Directors/sub-committees	3.06	77%
Role, duties and responsibilities of the Board/Committee	3.30	83%
Total	3.20	80%

8.1.2 Meeting Attendance and Remuneration Payment of Individual Board of Directors

- The Information of meeting attendances of the meetings of Board of Directors, Sub-Committees, Non-Executive Directors and Annual General Meeting for the year 2024 are summarized as follows:

Name - Surname	Position/Type	Meetings of Board of Directors, Sub-Committees, Non-Executive Directors and Annual General Meeting for the year 2024						
		Board of Directors	Audit Committee	Risk Management Committee	Executive Committee	Nomination, Remuneration and Corporate Governance Committee	Non-Executive Directors	Annual General Meeting
		7 Times	7 Times	4 Times	12 Times	4 Times	1 Time	1 Time
1. Mr. Manop Dhamsirianunt	Chairman of the Board of Directors/ Non-Executive Committee	7/7	-	-	-	-	1/1	1/1
2. Mrs. Monluedee Sookpantarat	Director/Independent Director/ Chairman of the Audit Committee/ Member of the Risk Management Committee	7/7	7/7	4/4	-	-	1/1	1/1
3. Mr. Wuthipong Suponthana	Director/Independent Director/ Member of the Audit Committee/ Chairman of the Risk Management Committee/Member of the Nomination, Remuneration and Corporate Governance Committee	7/7	7/7	4/4	-	4/4	1/1	1/1
4. Mr. Sarote Phomprapha	Director/Independent Director/Member of the Audit Committee/Chairman of the Nomination, Remuneration and Corporate Governance Committee	7/7	7/7	-	-	4/4	1/1	1/1

Name - Surname	Position/Type	Meetings of Board of Directors, Sub-Committees, Non-Executive Directors and Annual General Meeting for the year 2024						
		Board of Directors	Audit Committee	Risk Management Committee	Executive Committee	Nomination, Remuneration and Corporate Governance Committee	Non-Executive Directors	Annual General Meeting
		7 Times	7 Times	4 Times	12 Times	4 Times	1 Time	1 Time
5. Mr. Naiyavudhi Wongkomet	Director/Non-Executive Committee/ Chairman of the Executive Committee/ Member of the Risk Management Committee/ Member of the Nomination, Remuneration and Corporate Governance Committee	7/7	-	4/4	12/12	4/4	1/1	1/1
6. Mr. Apinetr Unakul	Director/Non-Executive Committee	7/7	-	-	-	-	1/1	1/1
7. Mr. Apinunt Thanachayanont	Director/Executive Committee/ Member of the Executive Committee/ Chief Research Officer	7/7	-	-	12/12	-	-	1/1
8. Mr. Bodin Kasemset	Director/Executive Committee/ Member of the Executive Committee/ Member of the Risk Management Committee/ Chief Executive Officer	7/7	-	4/4	12/12	-	-	1/1
9. Mr. Kowit Nuangsuk	Member of the Executive Committee/ Chief Financial Officer	-	-	-	11/12	-	-	1/1
10. Mr. Thaweesak Thantipwan	Member of the Executive Committee/ Chief Technology Officer	-	-	-	12/12	-	-	-
11. Mr. Sarun Polachart	Member of the Executive Committee/ Chief Operating Officer	-	-	-	12/12	-	-	-

- Summary of attendance at the 2024 Board of Directors' Meeting divided into 7 times of Hybrid Meetings and 0 times of Electronic Meetings from a total of 7 times as follows.

Name - Surname	Position/Type	The meetings of the Board of Directors			
		Total (Time)	Hybrid Meeting Physical Meeting	Electronic Meeting	Electronic Meeting
1. Mr. Manop Dhamsirianunt	Chairman of the Board of Directors/Non-Executive Committee	7/7	6/7	1/7	0/0
2. Mrs. Monluede Sookpantarat	Director/Independent Director/Chairman of the Audit Committee/ Member of the Risk Management Committee	7/7	6/7	1/7	0/0
3. Mr. Wuthipong Suponthana	Director/Independent Director/Member of the Audit Committee/ Chairman of the Risk Management Committee/Member of the Nomination, Remuneration and Corporate Governance Committee	7/7	0/7	7/7	0/0
4. Mr. Sarote Phornprapha	Director/Independent Director/Member of the Audit Committee/ Chairman of the Nomination, Remuneration and Corporate Governance Committee	7/7	0/7	7/7	0/0
5. Mr. Naiyavudhi Wongkomet	Director/Non-Executive Committee/Chairman of the Executive Committee/Member of the Risk Management Committee/Member of the Nomination, Remuneration and Corporate Governance Committee	7/7	5/7	2/7	0/0
6. Mr. Apinetr Unakul	Director/Non-Executive Committee	7/7	4/7	3/7	0/0
7. Mr. Apinunt Thanachayanont	Director/Executive Committee/Member of the Executive Committee/Chief Research Officer	7/7	7/7	0/7	0/0
8. Mr. Bodin Kasemset	Director/Executive Committee/Member of the Risk Management Committee/ Member of the Executive Committee/Chief Executive Officer	7/7	5/7	2/7	0/0

In 2024, the proportion of Directors who attended the Board of Directors' meetings throughout the year was 100%.

Policy on Remuneration for the Company's Directors and Subcommittees

The Company has a policy to determine the remuneration of directors and sub-committees at an appropriate level and in compliance with the Company's strategy and goals as disclosed in Form 56-1 One Report. There are specified criteria or methods to determine fair and reasonable remuneration consistent with the Company's operating results. The Board of Directors has assigned the Nomination, Remuneration and Corporate Governance Committee to consider and screen the remuneration of the Company's Board of Directors and sub-committees based on duties, responsibilities and results of performance at comparable rates to businesses in the same industry group. This aims to motivate the Board of Directors and sub-committees' operations according to the goals, with maximum benefits to the Company and shareholders. The Board of Directors and sub-committees' remuneration will be proposed to the Board of Directors' meeting for approval before presenting at the shareholders' meeting to approve the annual remuneration of the Company's directors and all sub-committees. Moreover, the Company has fixed monthly remuneration and meeting allowances for the Board of Directors. Moreover, the remuneration for sub-committees is determined as meeting allowances on a per meeting basis.

For the remuneration of the Executive Committee approved by the 2024 shareholders' meeting on April 24, 2024, it was concluded that the executive directors with a regular salary will not receive remuneration as Company directors. All sub-committee members and directors holding two or more positions will obtain monthly remuneration only for the higher position.

Remuneration of Directors

The determination of directors' remuneration for the year 2024 which has been reviewed by the Nomination, Remuneration and Corporate Governance Committee who took into account the appropriateness of remuneration in accordance with the duties and responsibilities assigned as well as comparing with the remuneration rate of directors of other listed companies that are in the same industry or similar in size. The Board of Directors decided that it was at a reasonable rate, therefore deemed appropriate to prescribe remuneration to the directors for the year 2024 with the same rates as the year 2023. The Directors' remuneration consists of meeting allowance and monthly remuneration as follows.

1) Monetary Remuneration

The Annual General Meeting of Shareholders 2024, held on April 24, 2024 resolved to approve the remuneration for the Board of Directors and sub-committees for the year 2024, which became effective after the approval at the shareholders' meeting as follows:

Position	Monthly Remuneration	Meeting allowance/Time	Unit
Chairman of the Board of Directors	40,000	15,000	Baht
Independent Director*	30,000	10,000	Baht
Director** (Major shareholders)	20,000	10,000	Baht
Chairman of the Executive Committee***	20,000	10,000	Baht
Member of the Executive Committee**	-	-	Baht

Remark: * Independent Director who serves as the Chairman of the Audit Committee at each meeting of the Audit Committee will receive a meeting allowance of 20,000 baht/meeting.

** Executive directors who are paid on a regular basis are not eligible for remuneration for the position of the Board of Directors and all sub-committees.

*** Directors holding two or more positions will receive monthly compensation only for their higher positions.

The Remuneration for Board of Directors and sub-committees in 2024 are specified as follows.

Remuneration of Directors in 2024

(Unit: Baht)

Name - Surname	Remuneration of Directors						
	Board of Directors		Audit Committee	Risk Management Committee	Nomination, Remuneration and Corporate Governance Committee	Executive Committee	Total
	Monthly remuneration	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	
1. Mr. Manop Dhamsirianunt	-	105,000	-	-	-	-	105,000
2. Mrs. Monluedee Sookpantararat	360,000	70,000	140,000	40,000	-	-	610,000
3. Mr. Wuthipong Suponthana	360,000	70,000	70,000	40,000	40,000	-	580,000
4. Mr. Sarote Phornprapha	360,000	70,000	70,000	-	40,000	-	540,000
5. Mr. Naiyavudhi Wongkomet	-	70,000	-	40,000	40,000	120,000	270,000
6. Mr. Apinetr Unakul	-	70,000	-	-	-	-	70,000
7. Mr. Apinunt Thanachayanont ^[1]	-	-	-	-	-	-	-
8. Mr. Bodin Kasemset ^[1]	-	-	-	-	-	-	-
Total	1,080,000	455,000	280,000	120,000	120,000	120,000	2,175,000

Remark ^[1] Directors in number 7 and 8 were Executive Directors who did not receive both remuneration for Board of Directors and sub-committees since these directors received remuneration as executives.

The comparison of financial remuneration for directors was summarized between 2022-2024.

(Unit: Baht)

Remuneration	2022		2023		2024	
	Person	THB	Person	THB	Person	THB
Monthly remuneration and Meeting attendance	8	1,770,000	6	2,175,000	6	2,175,000

2. Other Remuneration

- None -

The comparison of other remuneration for directors was summarized between 2022-2024

Remuneration Type	2022	2023	2024
Other remuneration	-None-	-None-	-None-

8.1.3 Supervision of subsidiaries and associated companies

The Board of Directors is responsible for supervising subsidiaries and associated companies to comply with the laws on securities and stock exchange, announcement of the Capital Market Supervisory Board, regulations of the SEC and the Stock Exchange of Thailand, such as related transactions, acquisition or disposal of important assets, or laws related to the Company's businesses, etc. Also, the Board of Directors monitors and supervises all subsidiaries and associated companies to comply with the Company's regulations and corporate governance policies. Additionally, the Company strictly adheres to investment policies and guidelines for supervising subsidiaries, associated companies or joint ventures.

The Company's investment policies and guidelines for supervision of subsidiaries, associated companies or joint ventures have already been reported in "Section 6.3.8 Supervision of subsidiaries and associated companies.

8.1.4 Monitoring Compliance with Corporate Governance Policy and Practices

1. Prevention of Conflicts of Interest

The Company's board of directors emphasizes good corporate governance and business operations with ethics, honesty, transparency, fairness, and accountability. Therefore, the Company emphasizes the establishment a policy to prevent conflicts of interest for directors, executives, and employees to understand and comply with the law, based on integrity and in accordance with related rules and regulations in the best interests of the Company. Details and guidelines for directors, executives and employees have been reported to the section of "6.3.3 Prevention of Conflicts of Interest".

The full version of Conflict of Interest Prevention Policy can be studied at Company's website under the topic of Corporate Governance > CG Report and download > Conflict of Interest Prevention Policy: <https://investor.sic.co.th/en/corporate-governance/cg-report-and-download> or please scan QR Code.



The Company has also prescribed the prevention of conflicts of interest in the code of conduct and practices at work, of which the Company has communicated to directors, executives, and employees to review and sign for acknowledgement annually and published on the Company's website as follows:

- Executive, employees, family members, and residents of the family must not conduct any businesses/ activities perceived by the general public as conflicts of interest with the Company directly or indirectly.
- Executive and employees must not join with family members or close persons in any businesses/ activities that may cause conflicts of interest with the Company directly or indirectly to avoid any potential impropriety. Relations with family or other individuals which may cause conflicts of interest shall be immediately disclosed as reports to the supervisor in writing. They also do not participate in the consideration of transactions and do not have voting rights to approve such transactions.

The Company has established policies and practices requiring directors and executives to disclose and report their interests, as well as those of related parties, on an annual basis and whenever there are changes. This is done by filling out a disclosure form for the interests of directors and executives, as prescribed by the Company, and submitting it to the Company Secretary Department.

The Company Secretary Department then forwards this information to the chairman of the board. In cases where a director or executive has an interest in a matter being considered by the Company, that director or executive is prohibited from participating in the meeting or approving

the matter. This ensures that other independent directors or executives, who do not have any conflict of interest, will be freely responsible for making the decision.

In addition, the Human Resources department communicates the conflict of interest policy within the business ethics and code of conduct. The department has developed an E-learning program to provide knowledge and conduct assessments to ensure understanding among the Company's personnel. 100% of the directors, executives, and employees have participated in the review of these policies and practices. Furthermore, the Company communicates and raises awareness about conflicts of interest with the board of directors through board meetings and regular annual policy reviews, ensuring 100% participation of the directors. The Company Secretary Department has also published the conflict of interest policy, as well as the business ethics and code of conduct, on the Company's website to provide additional communication channels and enhance awareness regarding the conflicts of interest policy for the board of directors, executives, and employees.

In the year 2024, the Company did not encounter any violations or receive any complaints or whistleblowing regarding the violation of the Company's conflict of interest.

Besides, regarding Related Party Transactions Policy of the Company, if it is necessary for the Company to enter into related party transactions with individuals who may have a conflict of interest or other interest, the Audit Committee shall be allowed to give opinions on the necessity and suitability of such transactions. In case the Audit Committee does not have expertise in considering the related party transactions that may occur, the Company shall have an independent expert or the Company's auditor give opinions on such related party transactions for decision making by the Board of Directors and/or the Audit Committee and/or shareholders depending on the case. Those who may have a conflict of interest or other interest in transactions shall not have the right to vote for approval of such related party transactions. The Company's policy on related party transactions can be classified by types of transactions as follows:

- Normal business transactions and normal business supporting transactions such as the purchase and sale of goods, and raw materials, must have trading conditions and fair prices which cause no transfer of benefits comparable to the transactions between companies and individuals or between individuals who may have conflicts of interest with the general public or any transactions in the same manner as those of other business operators. The Company has a policy for the Audit Committee to consider and comment on the reasons and necessity of such transactions on a quarterly basis according to the law on securities and stock exchange, as well as regulations, notifications, orders, or requirements of the Stock Exchange of Thailand, including the compliance with the requirements regarding the disclosure of related party transactions.
- Regarding other transactions than normal business transactions and normal business supporting transactions, such as property rental transactions or transactions relating to the purchase and sale of assets or provision of financial assistance, etc., the Company has a policy for the Audit Committee to consider and give opinions on the reasons and necessity for such transactions according to the law on securities and stock exchange, as well as regulations, notifications, orders, or requirements of the Stock Exchange of Thailand, including the compliance with the requirements regarding the disclosure of related party transactions and acquisition or dispositions of the Company's important assets. The Company does not have a policy to lend money to individual persons who may have conflicts of interest to conduct or operate a business on behalf of the Company.

The Board of Directors shall comply with the SEC and regulations, notifications, orders or requirements of the SET, including the compliance with requirements regarding related party transactions and acquisition or disposition of the Company's important assets to avoid a conflict of interest from the decision for such transactions towards the utmost benefit for all shareholders. The Company shall disclose such related party transactions in Form 56-1 One Report and the notes to the financial statements audited by the Company's auditor.

Procedure for storing related party transaction data

1. Directors, executives, and major shareholders fill in the report of interest together with supporting documents and send to the Company Secretary Department for storing.
2. The Company Secretary Department prepares:
 - 2.1 Summary of names of related companies and individuals for the Finance and Accounting Division as a database for storing the related party transactions
 - 2.2 Report form of Directors and Executives' Conflict of Interest, with the notification to the Chairman of the Board of Directors after each change
3. Directors, executives, and major shareholders are obliged to notify the Company Secretary Department whenever there is a change in information.
4. The Company Secretary Department sends the summary of interest reports to directors, executives, and major shareholders to review and update the information annually.
5. Any directors with interests in businesses that may have conflicts of interest with the Company must completely inform this matter at the Board of Directors' meeting and the shareholders' meeting as information for decision making before voting in the appointment of a director.
6. Every quarter, the Finance and Accounting Division is responsible for reviewing and disclosing information about related party transactions to the auditor and presenting information to the Audit Committee's meeting for opinions. The prepared information includes:
 - 6.1 Names of individuals who may have conflicts of interest with the related party transactions
 - 6.2 Characteristics of products/services, such as amount, transaction value, and credit terms, etc.
 - 6.3 Value of comparable transactions in the quarter or last year
 - 6.4 Transaction data in the same manner as other business partners, such as characteristics of products/services, amount, transaction value, and credit term, during a similar period (the same quarter or the same year)
 - 6.5 Reasons and necessities for such transactions

7. The Company Secretary Department and the Finance and Accounting Division are responsible for reviewing the Company's related party transactions according to the rules, regulations, or practices of the Stock Exchange of Thailand, the SEC, and other related agencies to be in proper compliance with relevant regulations before making transactions.

The full version of Related Party Transactions Policy can be studied at Company's website under the topic of Corporate Governance > CG Report and download > Related Party Transactions Policy: <https://investor.sic.co.th/en/corporate-governance/cg-report-and-download> or please scan QR Code.



2. Use of Inside Information for Benefits

The Company's board of directors has overseen the establishment of a written policy a policy for the use of inside information and trading of securities of the Company and communicates the policy to the relevant persons and ensure strict compliance. This is to provide knowledge to the Company's directors, executives, and employees regarding the use of inside information, ensuring fairness and equity for all shareholders, and preventing directors and executives from engaging in securities trading for personal gain or the benefit of others. The directors, executives, including management level positions in the accounting or financial line at the level of the manager or above or equivalent and the operators who has become aware of inside information that is important or affects the change in the price of securities must suspend the purchase, sale, transfer, or receipt of transferred securities of the Company during one month before disseminating the quarterly financial statements and annual financial statements and within 24 hours after the information disclosure to the public, including the duty to strictly follow the guidelines for the use of inside information of the Securities and Exchange Act, as well as other related rules.

In addition, the Company has established a monitoring policy for directors and executives, including spouses, those who live together as spouses, and minor children, to report changes in securities holdings (Form 59) to the SEC when there is a change in the company's securities holdings to demonstrate transparency and accountability.

Guidelines related to the purchase, sale, transfer, acceptance of transfer for the Company's securities of directors and senior executives

1. Directors and senior executives (including spouses or cohabiting persons and minor children) are obligated to notify the Company Secretary before purchasing, selling, transferring, accepting transfer of the securities at least 1 day in advance (in case of knowing the information) or after buying, selling, transferring, accepting the transfer of the securities within the same day of securities trading.
2. Directors and senior executives (including spouse or cohabiting persons and minor children) with the purchase, sale, transfer, acceptance transfer of securities, must submit Form 59 and Form 246-2 to report to the SEC within 3 working days in compliance with the criteria set by the SEC.
3. Directors and senior executives (including spouse or cohabiting persons and minor children) are obligated to report the purchase, sale, transfer, acceptance transfer of securities to the Board of Directors' meeting for acknowledgment.
4. The Company Secretary Department shall disclose information on changes in the Company's securities holdings by directors and top executives, with the number of shares held at the start and the end of the year, as well as the trading during the year in the Form 56-1 One Report.

In 2024, the directors and executives performed the trading of the Company's securities a total of 24 times in compliance with the policy as specified by the Company correctly and completely.

In 2024, the Company Secretary Department sent a letter to inform the suspension of the purchase, sale, and transfer of the company's securities (Blackout Period) to the directors, executives, and relevant employees,

communicated via email total 4 times in advance and found that no directors, executives, or related employees traded the securities during the period specified by the Company. Additionally, no violations or whistleblowing and complaints regarding the misuse of inside information in contravention of the Company's inside information policy have been found or reported.

Moreover, the Company Secretary Department disclosed reports on securities holdings of directors and executives to the Board of Directors' meeting every quarter, including reports on the number of shares held by directors and executives at the beginning of the year, at the end of the year, and trading during the year in the Form 56-1 One report (For more information, please refer to Section 8.4 Securities Portfolios of Directors and executive.)

The Investor Relations Department of the Company has set a silent period during 14 days before the Company announces its financial statements to the SET. The Department of Investor Relations will not make any appointments, provide information, or answer any inquiries about the financial statements to securities analysts, investors, or shareholders, except for providing information that the Company has already disclosed or responding to facts that affect the Company's share price. The Company realizes the importance of inside information, which has been established in the Manual of Business Ethics and Code of Conduct at Work, on the topic of "Not using specific information for illegal purposes," which contains both present and future economic value to be known in a limited manner and no disclosure to outsiders before permission is granted from an authorized person. This includes customer and employee information, sales and marketing information, product and service information, accounting information, business plans, marketing plans, financial plans, project plans, etc. to be used for securities trading or distribute to others for securities trading benefits. In addition, communication and awareness regarding the use of inside information have been provided to the Company's board of directors through board meetings and regular policy reviews, covering 100% of the directors.

Every year, the Company's Human Resources department notifies the board of directors, executives, and employees to review and sign the acceptance and awareness of

the manual of business ethics and practices at work which includes a review of the understanding of the inside information policy. This is done through a regular annual test, with 100% of the directors, executives, and employees participating in the policy and practice review. For new executives and employees, the Human Resources department arranges for them to study the policy and practices related to good corporate governance and the careful use of inside information, which is considered part of the employees' regular obligations. The Company Secretary Department has published the policy on the use of internal information and trading of the Company's securities, as well as the manual of business ethics and practices at work on the Company's website to enhance communication channels and educate directors, executives and employees on the use of internal information.

The full version of Insider Information and Securities Trading Policy can be studied at Company's website under the topic of Corporate Governance > CG Report and download > Insider Information and Securities Trading Policy: <https://investor.sic.co.th/en/corporate-governance/cg-report-and-download> or please scan QR Code.



3. Information Technology Security of the Organization

The Board of Directors of the Company has indicated that risk management and IT control are a must for the sake of effective and efficient IT resources allocation and management as stated in the Business Governance Policy of the Company, as well as determining that the IT security measures must be sufficient and appropriate, considering confidentiality, reliability, and readiness of the information to prevent the misconduct. Moreover, the measure must be regulated to control the Company to align with the law, rules, regulations, and standards related to IT usage. The Company must also provide the Business Continuity Plan (BCP) in case of any emergency or accident.

The Company has assigned IT & Facility Department to overlook the security aspect of information technology and prepared IT Security Policy, with the objectives to use the information technology of the Company appropriately, effectively, and securely, as well as operating the business continually and preventing from any potential threats and issues from using IT system improperly, which covers the scopes as follows.

1. IT System Usage and Access Control

- Access Control consists of controlling the access of information and equipment for processing by considering the stability and security and indicating the criteria of access authorization, rights, types of information, priority, confidentiality of information, levels of access, as well as time and channel of access.
- Business Requirement for Access Control consists of controlling IT access to align with business requirements and security measures, which are also adjusted to be in accordance with changing situations.
- User Access Management consists of training users to realize and understand potential threats and effects from careless usage of IT system, as well as indicating protective measures as appropriate. In addition, the Company must determine steps for user registration after getting authorized to use the IT system and terminating users after finishing the operations for canceling the rights. Proper access right management allows strict user password management and periodic right revision of IT system users.
- User Responsibilities consists of communicating proper guidelines for users in indicating good-quality passwords and changing them regularly; determining proper guidelines so that unauthorized users would not be able to access the Company's equipment when it's not under control; preventing IT assets, such as documents, information recording media, computers, or IT media, from the risk of being accessed by unauthorized users, and monitoring users to abide by the obligations regarding confidentiality level of information.
- Network Access Control consists of indicating specific access rights of users only for authorized services, requiring identity authentication before authorizing

any external users to use the Company's IT system. Moreover, using the internet requires users to connect their computers to the security system provided by the Company only, installing the virus-detected program on the connecting equipment and not using the Company's internet for any improper or illegal transactions or conducts.

- Operating System Access Control consists of indicating steps for signing into the system and creating a secure password. Users are required to provide their specific identity information and the connection duration is limited for a higher level of security of the IT system or applications which contain high risk or high importance.
- Application and Information Access Control consists of limiting or controlling access rights of users or personnel who are responsible for supporting access to the information technology and functions of applied programs or applications. Meanwhile, the access rights need to align with the access and IT usage control regulation, by controlling computers and mobile communicating equipment based on appropriate measures. Furthermore, guidelines are indicated regarding operations of external parties and using emails, applied programs, communicating applications, by determining access rights to the organization systems based on the needs and responsibilities of employees, revising their rights regularly, verifying users by their username and passwords, and preventing damages to the Company, copyright infringement, illegal actions, or unethical behaviors. These rights would be used solely for the sake of the Company and not for personal interests.
- Outsourcing for IT System Development consists of monitoring external parties who are involved in using the Company's information to be responsible for aligning with the related IT security regulations similar to employees of the Company. Besides this, for hiring an outsource, there must be a consideration process in terms of IT security risks toward the Company by the information administrator and IT Department. In case information of the Company is needed to be used, the confidentiality level will be considered. If it is confidential information, the external parties must sign the Non-Disclosure Agreement related to confidentiality of information before receiving approval to use that information.

2. IT Backup System

- Select and prepare the appropriate backup system to be in a ready-to-use condition.
- Prepare the emergency plan in case the electronic operations cannot be processed so that the information technology can be used continually. This emergency plan must be adapted appropriately and in accordance with business operations.
- Indicate the roles and responsibilities of personnel in charge of the backup IT system and emergency plan in case the electronic operations cannot be processed.
- Test the availability of IT system, backup system, and emergency plan regularly at least once a year.
- Execute and review the emergency plan regularly at least once a year.

3. Auditing and Assessing IT Risks and Creating Awareness Regarding IT Security

- Conduct the information security audit and assesment at least once a year.
- The IT Department of the Company should arrange some activities in regards of creating awareness about IT security to publicize the policy and guideline to the users and related parties for their acknowledgment and understanding regarding the importance of IT security.

4. Management of Resources, Network, Computer, and IT System

- Asset Management consists of controlling access to the Company's server room, not allowing any equipment or parts into or out of the server room, not allowing any equipment to connect with the system before getting approval from the IT Department, and not copying any copyrighted information without approval. The roles and responsibilities to the assigned assets of the Company are indicated clearly as if they were the own assets of employees. All receipt and return of assets must be recorded and inspected by the assigned personnel. Computers and laptops must not be lent to anyone in any case and employees must not use assets and IT system provided by the Company for other activities which are not assigned by the Company, or that damage the Company. If this occurs, employees shall be responsible for the

damages arising from violation as this would be considered a personal mistake.

- Organization Information Management consists of creating awareness about information usage, whether it is internal or external information, by prohibiting any disclosure, adjustment, copy, or destruction of organization information, as well as communicating or transferring information via unapproved or personal channels, including social media, which are not possessed by the Company. Communication or transfer of information must align with the regulations regarding the confidentiality level of information. Additionally, responsibilities are indicated in terms of securing organization information and responsibilities toward the damage of information in case of loss, misuse, or unapproved disclosure.
- IT System Management consists of preventing the development of programs or hardware which damages the IT security system and licensed software, preventing any actions in suspect of unapproved use or knowing others' personal passwords in any case, for the purpose of access some information or using resources. Lastly, the presentation is also controlled to not display illegal information, copyright infringement, and inappropriate or unethical pictures and messages.
- Compliance Aspect consists of controlling users to be aware of and strictly comply with the laws of Thailand, as well as rules and regulations stated by the Company, licensed software, and computer traffic information storage (Log), in accordance with the Computer-Related Crime Act B.E. 2560 (2017) (Version 2) stating that this information can be stored on storage that is able to maintain completeness, correctness, and honesty for at least 90 days. In addition, regarding compliance with the Personal Data Protection Act B.E. 2562 (2019), the Company promotes and respects personal rights and does not allow any party to violate personal information without approval from the owner of that information.

5. Protection of Threats to Computer Network and IT System

• Virus and Malicious Software Prevention

- An anti-virus program must be installed as indicated by the Company.
- Information, files, software, or anything from external users must always be scanned for virus before using or recording.
- Information and patch must be updated regularly to prevent potential damages.
- Create awareness regarding virus and malicious software and inform the administrator in case of suspicious act.
- Any computers infected with virus must not be connected to the network system and must be informed to the administrator.
- Users must not copy, adjust, or delete the information, messages, documents, or any assets of the Company or others without approval of the owners.
- Prevent the disclosure of virus, malware, or malicious software with potential damage to the Company.

• Network System Protection and Breach Detection

- Install the breach detection and protection system in any locations with potential for attack or breach.
- Tuning of the breach detection and protection system must be processed for the highest protection and least false positive.
- Inspect the operations of the breach detection and protection system and log.
- Any adjustment to the breach detection and protection system must be recorded and reported to the Chief of IT Department of the Company.
- Equipment of the breach detection and protection system must be protected from physical access and installed in secured room.

• Dealing with IT Security Situations

- The administrator and related parties must be informed immediately when discovering any situations that might affect IT security.
- In case vulnerabilities of the IT system are found, it must not be disclosed, publicized, discussed, or acted on in any form such that the information can leak to others, and the administrator must be

informed immediately.

- There is a dedicated group responsible for IT security to specifically deal with the situations that might affect IT security of the Company.

In 2024, IT & Facility department organized a cybersecurity awareness assessment test for employees in the organization to continuously raise awareness about cyber threats. A total of 80 employees participated in the evaluation, with an understanding rate of 91%. Additionally, the IT & Facility department consistently provided knowledge and alerts related to information security (IT Awareness) to employees within the organization. For example, IT & Facility sends emails about phishing threats and best practices for handling phishing emails and provides communication channels for reporting issues and risks related to information technology security, as well as for IT support within the organization. Furthermore, the Board of Directors encouraged IT & Facility personnel, as the primary cybersecurity guardians, to participate in seminars that promote knowledge of cybersecurity, organized by the Stock Exchange of Thailand and regulatory agencies. This was to ensure that the Company stayed updated on cybersecurity developments, new technologies, and practices, thereby improving its ability to prepare for and respond to cyber threats (Cyber Resilience). Examples of such seminars include the "IT Disruption and IT Risk" seminar organized by the Risk Management and Internal Control from Thai Listed Companies Association and the "IT VISION 2024: AI in Action" seminar.

Moreover, in 2024, the Company participated in the Cybersecurity Resilience Survey 2024, organized by the Stock Exchange of Thailand and ACInfotech Co., Ltd. This survey aimed to elevate the cybersecurity resilience of Thailand's capital market sector. This year, there was a focus on preparing for the management of AI technology. The survey involved 202 listed companies and 40 securities companies. The overall result of the Company's NIST Control Performance evaluation highlighted the following strengths:

- 1) **Oversight:** The Company reviews and improves its cybersecurity measures.
- 2) **Improvement:** The Company has a process for identifying cybersecurity risks.

- 3) **Risk Management:** The Company has a process for managing cybersecurity risks.

However, there were areas for improvement to enhance further development:

- 1) **Cybersecurity Supply Chain Risk Management:** The Company should establish processes for managing cybersecurity risks within the external service provider supply chain.
- 2) **Platform Security:** The Company should ensure that IT equipment (Hardware, Software) is adequately protected according to risk levels.
- 3) **Organizational Context:** The Company should ensure that employees across the organization understand various organizational contexts that impact cybersecurity risks.

4. Anti-Corruption

The Company has the intention to operate the business under the Corporate Governance Code and law, by adhering to operating the business honestly and ethically, as well as advocating to employees in all levels and external parties to oppose all forms of corruption, both directly and indirectly. Therefore, the Company has prepared the Anti-Corruption Policy and Guideline and executed it throughout the organization so that the Board of Directors, executives, and employees would be aware of the importance and insist on implementing it. The details of the Anti-Corruption Policy and Guideline are as follows.

- The directors, executives, and employees must report to the Board and Audit Committee immediately in case of corruption, suspicious corruption, illegal act, or other unusual behavior, which can significantly affect the reputation and financial status of the Company, such as conflict of interest, corruption, and significant abnormalities in internal control.
- The executives and employees must strictly follow the process of procurement, in accordance with the policy and operational process of the Company, in an explicit, impartial, and verifiable manner.
- Any allowance must be on behalf of the company entity only and must be processed in accordance with the regulations of the Company.
- Any behavior suspicious of bribery to or from stakeholders, both directly and indirectly, must be

refrained from. In case employees receive presents of unusual value on a specific occasion (as stated in the Business Code of Conduct) from stakeholders of the Company, that employee must report to their directors accordingly.

- Executives, employees, and relatives or occupants who are living under the same roof must not request or attend socializing activities, sports activities, or reception parties, and not accept gifts, presents, or bribe for their own sake or for others' from anyone they are contacting business with.
- In an inevitable case, the executives and employees might accept interests or presents for business promotion or tradition if the value of those interests or presents is not over 3,000 baht. If the value is over 3,000 baht, the executives and employees must report to their directors in writing and deliver those interests or presents to the Company.
- In the case where executives and employees act as the representatives of the Company to attend partners' parties or field trip and receive any interests or presents with the value over 3,000 baht, whether they are from the prize, drawing lots, or souvenirs, they must report to their leaders in writing and deliver those interests or presents to the Company.
- Anyone who violates this rule will be considered committing an offense and must obtain disciplinary punishment as appropriate, namely verbal warning, warning letter, salary decrease, suspension without pay, termination, etc., and legal action as needed.

The full version of Anti-Corruption Policy and Guideline can be studied at Company's website under the topic of Corporate Governance > Anti-Fraud Policy > Anti-Corruption Policy and Guideline: <https://investor.sic.co.th/en/corporate-governance/anti-fraud-policy> or please scan QR Code.



The Board of Directors has reviewed the Anti-Corruption Policy annually, promoted employees participation in relevant anti-corruption courses. For example, directors and executives are sent to attend the "Anti-Corruption the Practical Guide (ACPG)" course organized by the Thai Institute of Directors and communicated to all departments in the Company to be aware of this matter and execute anti-corruption strictly. In 2024, new employees of the Company receive training on anti-corruption policies, as well as policies regarding the giving and receiving of gifts and hospitality. These topics are included in the code of conduct and business ethics handbook as part of the orientation program for new employees before they begin their work. The Company ensures that directors, executives, and employees understand the policies and measures against corruption, with the aim of fostering understanding and instilling a sense of integrity. This training encourages employees to avoid engaging in corrupt practices and to recognize the serious consequences such actions can have on themselves, their families, and society as well as the procedures for reporting, whistleblowing, or notifying when corruption or misconduct is suspected, in order to foster participation and create a culture of integrity within the organization.

In 2024, the board of directors, executives, and employees reviewed the business ethics handbook and the code of conduct. They also revisited their understanding of the anti-corruption policies and measures through testing and by signing an acknowledgment, with 100% participation. Furthermore, the Company Secretary Department disseminated the anti-corruption policy through the Company's website to provide an additional communication channel for the policy to reach the board of directors, executives, employees, and all stakeholders. Furthermore, the Company has realized and highlighted the importance of joining the Collective Action against Corruption (CAC), which the Nomination, Remuneration and Corporate Governance Committee has agreed to assign the Company to study the information of this associate to prepare itself first. Then, in the future, the results may be expanded, communicated, and raised awareness of the importance of the project to relevant parties and partners. In addition, the Company conducts an assessment of risks related to internal corruption and is in the process of preparing to evaluate anti-corruption

measures. The Company is confident that a robust internal control system, clear division of responsibilities, and organizational structure, along with a review process, will ensure integrity in the operations of directors, executives, and employees. Channels for reporting, protective measures, and confidentiality safeguards are maintained fairly. The consistent communication of anti-corruption policies throughout the organization ensures that the factors leading to corruption can be controlled. Moreover, the Company has a transparent, reliable, and fair process for monitoring, controlling, and addressing corruption issues, with clear penalties in accordance with the organization's ethics and work conduct guidelines. The Company has committed to ensuring adherence to these practices rigorously and continuously.

In 2024, The Company has not found any significant issues or faults related to corruption litigation and has not been subjected to any punishment or fine due to operations inconsistent with the law or related regulations.

5. Whistleblowing of Corruption or Malpractice

The Company adheres to operating the business with honesty and transparency under good governance practice, as well as anti-corruption in any form. The Company provides whistleblowing channels for the directors, executives, employees, subsidiaries, joint ventures, and stakeholders to inform on corruption or malpractice if discovered (both obvious or suspicious acts), as well as violations, actions, or suspicious actions that might violate the law, regulations, and business ethics of the Company so that the investigation can be conducted as stated in the Whistleblowing Policy and report to an independent Audit Committee or assigned Investigation Committee. Moreover, the Company has a policy to protect the whistleblower, information, and evidence as confidential.

Stakeholders can comment or give a whistleblowing or complaints of misconduct or corruption through communication channels with the Company as follows:

1) By Post:

Send to the Chairman of the Board of Directors
or Chairman of the Audit Committee
Silicon Craft Technology Public Company Limited
40 Thetsabanrangsannua Rd., Ladyao, Chatuchak,
Bangkok 10900

2) By Email:

Audit Committee: ac@sic.co.th

Company Secretariat: comsec@sic.co.th

3) On the Company's Website: <http://www.sic.co.th/>

4) By Phone: 0-2589-9991

The full version of Whistleblowing or Complaint of Misconduct or Fraud Policy can be studied at Company's website under the topic of Corporate Governance > Anti-Fraud Policy > Whistleblowing or Complaint of Misconduct or Fraud Policy: <https://investor.sic.co.th/en/corporate-governance/anti-fraud-policy> or please scan QR Code.



Scope

According to this policy, whistleblowers or complainants can report suspicions or complaints about important matters which may have significantly negative impacts on the Company as follows:

1. Unlawful acts or non-compliance with the policy on corporate governance, business ethics, and anti-corruption
2. Breaking the Company's rules and regulations
3. Inaccurate financial reports, defective internal control system, and preparation of false financial documents
4. Actions of conflicts of interest

Procedures when receiving complaints

1. Complaint recipients collect facts related to violations or non-compliance of business ethics, requirements, and working practices.
2. Complaint recipients report facts to executives and/or independent directors and/or the Audit Committee as appropriate for an investigation of facts. There will be reports of information or suspicions (whistleblowing) to the Audit Committee every quarter. The Audit Committee is independent and responsible for considerations and orders in accordance with the Company's complaint handling procedures, while reporting to the Board of Directors and implementing

- measures to protect the rights of informants and storing the information of informants confidentially.
3. Action Measures: Executives and/or independent directors and/or the Audit Committee investigate complaints/suggestions to obtain facts and establish measures to stop violations or non-compliance with business ethics and the code of conduct at work in a timely, appropriate, and fair manner.
 4. Reporting: Executives or independent directors or the Audit Committee notify the results of the investigation to the complainant. If the complainant reveals himself/herself in case of an important matter, results are reported to the Chairman of the Board of Directors and/or the Board of Directors for acknowledgment.

Protection of whistleblowers or complainants

To build confidence, whistleblowers or complainants who report suspicions or complaints in good faith shall be protected by the Company through the following measures:

1. Data of whistleblowers, complainants, or those who cooperate in the investigation of facts shall not be disclosed by the Company, such as the name-surname, address, or any other information which can identify the informants. The Company shall conduct an investigation of facts and truthfulness.
2. The Company shall keep relevant information confidential and disclose such when necessary, taking into account the safety of and damage to whistleblowers or complainants, or those who cooperate in the investigation as sources of information, or related persons.
3. If whistleblowers or complainants or those who cooperate in the investigation of facts feel that they may be insecure or that any damages may occur, they can request the Company set appropriate protection measures. The Company may set measures for whistleblowers or complainants or those who cooperate in the investigation of facts though without a request if it is likely to cause damage or insecurity.
4. Those who suffer damages shall be compensated for such damages through appropriate and fair procedures.

5. The Company shall not take any unfair actions against whistleblowers or complainants, such as changing positions, job descriptions, workplaces, suspensions, intimidation, interference in work, termination of employment, or any other acts which are unfair to whistleblowers or complainants or those who cooperate in the investigation of facts.

False whistleblowing or complaints

If the Company finds false whistleblowing or complaints or any statements or information with evidence to prove such to be dishonest acts and intent to cause damages, in the case of being a Company employee, disciplinary actions shall be imposed according to the regulations. If they are third parties whose actions cause damages to the Company, legal action shall be taken against those individuals.

The Company has established a process where the Company Secretary Department reports a summary of any whistleblowing cases (if any) to the Audit Committee, which consists of independent directors, on a quarterly basis. Additionally, the Company is committed to and promotes adherence to its anti-corruption policy and practices by directors, executives, and all employees. The Company has established processes for monitoring, tracking, and controlling to assess the risks related to internal corruption. The Company also has a clear internal control system, division of duties, and organizational structure. It promotes a culture of integrity and abstaining from corruption, ensuring honesty and transparency in operations by regularly communicating anti-corruption policies and measures through the Company's website. In 2024, the Company did not receive any suspicions or complaints about misconduct or fraud various channels that the Company opened for stakeholders to report for suspicions or complaints. The Company has ensured that there are consistent channels and processes in place for protection according to the measures and guidelines it has established. This includes communication through the Company's relevant policies and the business ethics handbook to directors, executives, employees, and all stakeholders, with the goal of preventing any violations from occurring.

8.2 Reports of the Audit Committee in 2024

8.2.1 Meeting Attendance

Members of the Audit Committee

The Company's Audit Committee consisted of 3 members, namely:

Name - Surname	Position/Type
1. Mrs. Monluedee Sookpantararat	Chairman of the Audit Committee/Independent Director
2. Mr. Wuthipong Suponthana	Member of the Audit Committee/Independent Director
3. Mr. Sarote Phornprapha	Member of the Audit Committee/Independent Director

In this regards, Mrs. Monluedee Sookpantararat, has knowledge and understanding on accounting and experiences to review the Company's financial statements and Ms. Usanee Intachit is the Secretary of the Audit Committee.

Attendance record of the Audit Committee during 2022 - 2024 is summarized as follows.

Name - Surname	Number of Attendance/ Total number of Meetings held (times)		
	2022	2023	2024
1. Mrs. Monluedee Sookpantararat	6/6	7/7	7/7
2. Mr. Wuthipong Suponthana	6/6	7/7	7/7
3. Mr. Sarote Phornprapha	6/6	7/7	7/7

Attendance record of the Non-Executive Directors meeting during 2021 - 2023 is summarized as follows.

Name - Surname	Number of Attendance/ Total number of Meetings held (times)		
	2022	2023	2024
1. Mrs. Monluedee Sookpantararat	1/1	1/1	1/1
2. Mr. Wuthipong Suponthana	1/1	1/1	1/1
3. Mr. Sarote Phornprapha	1/1	1/1	1/1
4. Mr. Manop Dhamsirianunt	1/1	1/1	1/1
5. Mr. Apinetr Unakul	1/1	1/1	1/1
6. Mr. Naiyavudhi Wongkomet	1/1	1/1	1/1

8.2.2 Report of the Audit Committee

The Audit Committee of Silicon Craft Technology Public Company Limited has been appointed by the Board of Directors, consisting of three independent directors who possess knowledge, expertise, and diverse experience, and meet the qualifications specified in the Audit Committee Charter. This is in accordance with the regulations set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Manager of the Accounting Department serves as the Secretary of the Audit Committee.

In the year 2024, the Audit Committee held a total of 7 meetings. As of December 31, 2024, the Audit Committee consisted of 3 members, with the following attendance at the meetings:

Name - Surname	Position/Type	Number of meeting attendance (time)
1. Mrs. Monluedee Sookpantararat	Chairman of the Audit Committee/Independent Director	7/7
2. Mr. Wuthipongt Suponthana	Member of the Audit Committee/Independent Director	7/7
3. Mr. Sarote Phornprapha	Member of the Audit Committee/Independent Director	7/7

In 2024, the Audit Committee performed its duties in accordance with the responsibilities outlined in the Audit Committee Charter with caution, thoroughness, and independence. The Committee regularly reported the meeting outcomes and activities to the Board of Directors. Additionally, the Audit Committee organized meetings between the external auditor and the internal auditor, without the presence of management or executives, to independently review past performance. The Audit Committee also reviewed significant items in the 2024 financial statements and the auditor's opinions on various issues arising from the audit results. Below is a summary of the key activities performed by the Audit Committee in 2024:

- The Audit Committee reviewed the Company's quarterly and annual financial statements by considering the financial reports, accounting policies, and significant business estimates. The Audit Committee asked questions and received clarifications from the management of the Company's Accounting and Finance Division, as well as consulted the auditors regarding the accuracy and completeness of the financial statements, adjustments to significant accounting items, and the sufficiency of disclosures. The Audit Committee agreed with the auditors that the financial statements were accurate and complete in all material respects in accordance with financial reporting standards.
- The Audit Committee also reviewed the summary of internal audit results based on the annual internal audit plan for 2024 and regularly assessed the adequacy and appropriateness of the internal control system. This was done by considering the significant audit findings from the internal auditors and the results of the assessment of the adequacy of the internal control system in line with guidelines and practices set by the SEC. The Committee provided feedback and monitored the progress of corrective actions taken by management on significant issues. In 2024, the Audit Committee concluded that the Company had an adequate and appropriate internal control and risk management system. Furthermore, the Audit Committee reviewed and ensured that the Company complied with laws, regulations, policies, and operated in accordance with the legal requirements of regulatory authorities. In 2024, the Audit Committee did not find any indications suggesting that the Company had significant operational deficiencies in violation of laws, regulations, policies, and requirements of the relevant regulatory authorities, including anti-corruption policies, business ethics manuals, and corporate governance policies.

- The Audit Committee reviewed related-party transactions or transactions that may have conflicts of interest to ensure compliance with the laws and requirements of the Stock Exchange of Thailand (SET). The Audit Committee adhered to the principles of reasonableness, transparency, and sufficient disclosure of information. In 2024, the Audit Committee concluded that the related-party transactions were conducted under normal business terms and were beneficial to the Company's operations. Additionally, the Audit Committee confirmed that adequate disclosure of information was made.
- The Audit Committee has established a regular reporting agenda for whistleblowing matters in each quarterly meeting. This is because the Audit Committee is independent and is responsible for reviewing and directing actions according to the Company's complaint handling process, reporting the outcomes to the Board of Directors. Additionally, the Audit Committee ensures the protection of whistleblower rights and maintains the confidentiality of the whistleblower's information. However, in 2024, the Audit Committee did not receive any whistleblowing reports from any stakeholders.
- The Audit Committee plays a key role in the selection and review of the Company's auditor through a thorough selection process and criteria, which were presented to the Board of Directors. The proposal was approved by the majority of the Board and forwarded to the 2024 Annual General Meeting of Shareholders for approval. The meeting subsequently resolved to approve the appointment of D I A International Audit Co., Ltd. as the licensed auditor, with the following individuals:

1. Mrs. Somjintana Pholhirunrat	Certified Public Accountant registration number	5599 and/or
2. Mr. Nopparoeek Pissanu Wong	Certified Public Accountant registration number	7764 and/or
3. Mr. Chumpot Prairattanakorn	Certified Public Accountant registration number	7645 and/or
4. Mr. Kamolmett Chrityakierne	Certified Public Accountant registration number	10435

as the Company's auditor for the year 2024, with an audit fee of 1,750,000 Baht and other service fees to be paid by the Company as incurred, as outlined in the 2024 Annual General Meeting of Shareholders minutes.

For the consideration and selection of the Company's auditor for the year 2025, as presented in the agenda of the 2025 Annual General Meeting of Shareholders, the Audit Committee followed the process of screening a new auditor from one of the Big 4 firms, in addition to evaluating the current auditor, D I A International Audit Co., Ltd. The key criteria for evaluation included: 1) qualifications and experience, 2) audit quality and independence as assessed by the Securities and Exchange Commission (SEC), and 3) alignment with the Company's organizational culture. After thorough deliberation, the Audit Committee unanimously approved and recommended to the Board of Directors that the 2025 Annual General Meeting of Shareholders approve the appointment of the licensed auditor, EY Office Limited, as the Company's auditor for the year 2025, and also agreed on the proposed audit fee for the year 2025.

- The Audit Committee played a crucial role in selecting and recommending to the Board of Directors the appointment of Unique Advisor Company Limited as the Company's internal auditor, along with the determination of the annual remuneration for 2025, which was duly approved by the Board of Directors. The Audit Committee considered the independence of the internal auditor, the performance results, the scope of work, and the annual audit plan. The Audit Committee also reviewed audit reports, monitored corrective actions on significant issues identified in the audit reports, and provided recommendations for improving operational efficiency. Additionally, the Audit Committee ensured that the Company maintained a database with profile and job description of the Head of Internal Audit.

- The Audit Committee reviewed the Audit Committee Charter annually to ensure alignment with the guidelines and practices of regulations, as well as the Company's business. In 2024, the Audit Committee carried out its duties and responsibilities with caution and adequate independence. It also provided opinions and recommendations beneficial to stakeholders, including reviewing the preparation of financial statements, considering related party transactions or potential conflicts of interest, risk management, anti-corruption measures, and good corporate governance practices. The Audit Committee also evaluated the performance of both the Audit Committee as a whole and individually to enhance the effectiveness of the Audit Committee's work. The results of these evaluations were reported to the Board of Directors for acknowledgment.

The Audit Committee has performed its duties with full knowledge, competence, prudence, and independence in accordance with the duties and responsibilities specified in the Charter of Audit Committee for equal benefits to all stakeholders. In 2024, the Audit Committee had opinions that the Company provided reliable and accurate financial reports with adequate information disclosure, in compliance with the general audit and financial report standards as well as the Company's operations under good internal control system and performance according to the related laws, regulations, and rules.



(Mrs. Monluedee Sookpantararat)
Chairman of the Audit Committee

8.3 Reports of Other Sub-Committees in 2024

8.3.1 Meeting Attendance

1) The Risk Management Committee

The Company's Risk Management Committee consisted of 4 members, namely:

Name - Surname	Position/Type
1. Mr. Wuthipong Suponthana	Chairman of the Risk Management Committee/Independent Director
2. Mrs. Monluedee Sookpantararat	Member of the Risk Management Committee/Independent Director
3. Mr. Naiyavudhi Wongkomet	Member of the Risk Management Committee/Non-Executive Director
4. Mr. Bodin Kasemset	Member of the Risk Management Committee/Executive Director

In this regards, Mr. Karn Opasjumruskit is the Secretary of the Risk Management Committee.

Attendance record of the Risk Management Committee during 2022 - 2024 is summarized as follows.

Name - Surname	Number of Attendance/Total number of Meetings held (times)		
	2022	2023	2024
1. Mr. Wuthipong Suponthana	4/4	4/4	4/4
2. Mrs. Monluedee Sookpantararat	4/4	3/4	4/4
3. Mr. Naiyavudhi Wongkomet	3/4	4/4	4/4
4. Mr. Bodin Kasemset	3/4	4/4	4/4

2) The Nomination, Remuneration and Corporate Governance Committee

The Company's Nomination, Remuneration and Corporate Governance Committee consisted of 3 members, namely:

Name - Surname	Position/Type
1. Mr. Sarote Phornprapha	Chairman of the Nomination, Remuneration and Corporate Governance Committee/Independent Director
2. Mr. Wuthipong Suponthana	Member of the Nomination, Remuneration and Corporate Governance /Independent Director
3. Mr. Naiyavudhi Wongkomet	Member of the Nomination, Remuneration and Corporate Governance Committee/Non-Executive Director

In this regards, Ms. Thamon Vichienson is the Secretary of the Nomination, Remuneration and Corporate Governance Committee.

Attendance record of the Nomination, Remuneration and Corporate Governance Committee during 2022 - 2024 is summarized as follows.

Name - Surname	Number of Attendance/Total number of Meetings held (times)		
	2022	2023	2024
1. Mr. Sarote Phornprapha	4/4	4/4	4/4
2. Mr. Wuthipong Suponthana	4/4	4/4	4/4
3. Mr. Naiyavudhi Wongkomet	3/4	4/4	4/4

3) The Executive Committee

The Company's Executive Committee consisted of 6 members, namely:

Name - Surname	Position/Type
1. Mr. Naiyavudhi Wongkomet	Chairman of the Executive Committee/Non-Executive Director
2. Mr. Bodin Kasemset	Member of the Executive Committee/Executive Director/Chief Executive Officer
3. Mr. Kowit Nuangsuk	Member of the Executive Committee/Chief Financial Officer
4. Mr. Sarun Polachart	Member of the Executive Committee/Chief Operating Officer
5. Mr. Thaweesak Thantipwan	Member of the Executive Committee/Chief Technology Officer
6. Mr. Apinunt Thanachayanont	Member of the Executive Committee/Executive Director/Chief Research Officer

In this regards, Ms. Katalee Krachangsaeng is the Secretary of the Executive Committee.

Attendance record of the Executive Committee during 2022 - 2024 is summarized as follows.

Name - Surname	Number of Attendance/Total number of Meetings held (times)		
	2022	2023	2024
1. Mr. Naiyavudhi Wongkomet	14/15	13/13	12/12
2. Mr. Bodin Kasemset	15/15	13/13	12/12
3. Ms. Kowit Nuangsuk ^[1]	-	13/13	11/12
4. Mr. Sarun Polachart ^[2]	-	13/13	12/12
5. Mr. Thaweesak Thantipwan	15/15	13/13	12/12
6. Mr. Apinunt Thanachayanont ^[3]	-	13/13	12/12
7. Ms. Arunee Poontawe ^[4]	15/15	-	-

[1] Mr. Kowit Nuangsuk was appointed as the Executive Committee Member at the Board of Directors' Meeting No. 6/2022 with effect from December 17, 2022.

[2] Mr. Sarun Polachart was appointed as the Executive Committee Member at the Board of Directors' Meeting No. 6/2022 with effect from December 17, 2022.

[3] Mr. Apinunt Thanachayanont was appointed as the Executive Committee Member at the Board of Directors' Meeting No. 6/2022 with effect from December 17, 2022.

[4] Ms. Arunee Poontawe resigned from the position of Executive Committee Member at the Board of Directors' Meeting No. 6/2022 with effect from December 17, 2022.

8.3.2 Report of Risk Management Committee

The Risk Management Committee of Silicon Craft Technology Public Company Limited (the “Company”) was appointed by the Board of Directors to drive the Company’s approach, risk management processes, and crisis management strategies across various areas, ensuring effectiveness in all dimensions. This is to provide assurance to all stakeholders that the Company’s operations will be stable and continuous, achieving its objectives and goals within an acceptable level of risk, while fostering sustainable long-term growth.

In 2024, the Risk Management Committee held a total of 4 meetings. As of December 31, 2024, the committee consisted of 4 members, and the attendance at the meetings was as follows:

Name - Surname	Position/Type	Number of meeting attendance (time)
1. Mr. Wuthipong Suponthana	Chairman of the Risk Management Committee/ Independent Director	4/4
2. Mrs. Monluedee Sookpantararat	Member of the Risk Management Committee/ Independent Director	4/4
3. Mr. Naiyavudhi Wongkomet	Member of the Risk Management Committee/ Non-Executive Director	4/4
4. Mr. Bodin Kasemset	Member of the Risk Management Committee/ Executive Director	4/4

The key activities of the Risk Management Committee in 2024 are as follows:

- The Risk Management Committee consistently oversees and monitors the risk assessments in various critical areas of the Company, including high-level risks, medium-level risks, and emerging risks. These include risks related to the transition to more advanced wafer production technologies, risks from fluctuations in customer orders, risks from geopolitical issues and trade war tensions, risks related to increasing workforce capacity according to strategic plans, risks in inventory management, regulatory risks, sustainability risks, and emerging risks.
- The Risk Management Committee has established the Risk Management Steering Committee (RMSC), which consists of department heads or relevant officers within the Company. Regular monthly meetings are held to review, discuss, and take action on risk management issues. The RMSC reflects a comprehensive overview of the organization's risk profile to the senior management team to ensure the Company’s risk management is robust and aligns with the policies and guidelines approved by the Board of Directors. The RMSC reports its findings to the Risk Management Committee. Additionally, the Risk Management Committee shares information with the Executive Committee, the Audit Committee, with internal auditors participating in evaluating and providing feedback on the adequacy of risk management practices. The RMSC also supports the operations of the Company’s Management Business Continuity Team (BCM) and encourages employees to develop knowledge and understanding of risk management through educational resources distributed via email across the organization.

- The Risk Management Committee tracks risk issues and ensures that the impacts of changes in political, economic, social, technological factors, cyber threats, and regulatory changes are analyzed. This includes risks arising from industry developments and production technology, which require management and preparedness for new technologies across the entire supply chain. The Risk Management Committee and management collaborate to analyze, assess, and monitor risks continuously, while preparing both short-term and long-term contingency plans. They also ensure regular monitoring to minimize potential impacts on the Company and create business opportunities for sustainable long-term growth.
- The Risk Management Committee reviews the Charter of Risk Management Committee and related policies annually to ensure that the policies and Charter still align with the types and business strategies of the Company, present situations, and rules stated by the authorities.
- The Risk Management Committee promoted the culture of risk management to create the understanding, conscious mind, and responsibilities in terms of risks, control, and effects of risks toward the Company, as well as regularly and continually supporting communication to all departments in the Company to be aware of risk management.
- The performance evaluation was conducted both as a team and individually to support the operations of the Risk Management Committee.

The Risk Management Committee performed their roles cautiously under the Charter of Risk Management Committee and scope of duties as assigned by the Board of Directors, with consideration of interests of the Company, shareholders, and all stakeholders.



(Mr. Wuthipong Suponthana)
Chairman of the Risk Management Committee

8.3.3 Report of the Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee (hereinafter referred to as the “Committee”) is appointed by the Board of Directors to help promote the Company’s good corporate governance in various areas, including the performance of assigned duties as specified in the Charter of Nomination, Remuneration and Corporate Governance Committee.

In the year 2024, the Committee held a total of 4 meetings. As of December 31, 2024, the Committee consisted of 3 members, with the following attendance at the meetings:

Name - Surname	Position/Type	Number of meeting attendance (time)
1. Mr. Sarote Phornprapha	Chairman of the Nomination, Remuneration and Corporate Governance Committee/Independent Director	4/4
2. Mr. Wuthipong Suponthana	Member of the Nomination, Remuneration and Corporate Governance/Independent Director	4/4
3. Mr. Naiyavudhi Wongkomet	Member of the Nomination, Remuneration and Corporate Governance Committee/Non-Executive Director	4/4

The details of the key activities of the Committee for the year 2024 are as follows:

- Since the Company provided an opportunity for shareholders to propose candidates for election as directors at the 2024 Annual General Meeting of Shareholder, from October 9, 2023, to January 9, 2024, it was found that no shareholders proposed any candidates for election at this meeting. Therefore, the Committee proceeded with the selection process, considering the qualifications that are suitable and beneficial to the Company’s operations. The Committee then presented the proposed candidates to the Board of Directors and the 2024 Annual General Meeting of Shareholders, which has already approved the nominations. The Committee recommended the re-election of the following directors, whose terms had expired, to continue serving for another term, namely, 1) Mr. Apinetr Unakul 2) Mr. Wuthipong Suponthana and 3) Mr. Naiyavudhi Wongkomet. This recommendation was made because all three candidates possess the necessary qualifications, knowledge, skills, and experience that align with the Company’s business operations.
- The Committee considered the remuneration rates of the Company’s directors and sub-committees based on the suitability of their assigned duties and responsibilities. Also, the remuneration rates were compared with those of directors in other listed companies of the same industry and similar size to present to the Board of Directors’ meeting and the 2024 Annual General Meeting of Shareholders for approval. The remuneration of directors on that year was the same rate as in the previous year.
- The Committee managed the performance evaluation of the Board of Directors, Sub-committees and the Chief Executive Officer before reporting the results to the Board of Directors for their acknowledgment.
- The Committee considered the framework for increasing employees’ wages and average bonuses, including various retention programs. In 2024, there was a continuous consideration of the 5th Employee Joint Investment Program (EJIP) to retain potential employees by creating incentives and participation in business ownership.

- The Committee established a yearly training and development plan for the Company's directors to enhance the skills and knowledge of directors as the organizational leaders with effectiveness by encouraging the Board of Directors to participate in various training courses for knowledge and ability development in performing their duties. In 2024, there were 4 training courses for the Company's directors at the Thai Institute of Directors, with a total of 4 directors attending the training.
- The Committee has driven and supported the Company's governance to be internationally recognized. In 2024, the Company received an evaluation result from the Corporate Governance Report of Listed Companies 2024 (CGR Checklist) by the Thai Institute of Directors (Thai IOD) at the 5-star level, or Excellence, for the third consecutive year. The Company also received a full score of 100 points from the Annual General Meeting (AGM) Quality Evaluation project by the Thai Investors Association. Furthermore, the Company was selected by the ThaiPhat Institute to be included in the ESG100 list for 2024, due to its outstanding performance in environmental, social, and governance (ESG). This marks the second consecutive year the Company has been included in the ESG100 list. Additionally, the Company has passed the criteria for inclusion in the SET ESG Rating 2024, marking the third consecutive year it has been listed as a sustainable stock. The Company received a "A" rating in the SET ESG Ratings for 2024, reflecting its commitment to business growth, innovation, and sustainable returns by prioritizing environmental, social, and governance (ESG) factors in all business processes and focusing on all stakeholders.
- The Committee considered reviewed the Charter of the Nomination, Remuneration and Corporate Governance Committee, including other related policies to suit current situations and according to the criteria set by regulatory agencies.
-
- The Nomination, Remuneration and Corporate Governance Committee has performed its duties according to the Charter of the Nomination, Remuneration and Corporate Governance Committee, including those assigned by the Board of Directors with prudence, caution, transparency, fairness and independence in compliance with the principles of good corporate governance and development for sustainability for maximum benefits of the Company and all stakeholders as important points.



(Mr. Sarote Phornprapha)
Chairman of the Nomination, Remuneration and
Corporate Governance Committee

8.4 Securities Portfolios of Directors and Executive

It is required that the directors and executives (including spouses or cohabiting persons and underage children) are obligated to notify the Company Secretary Department before purchasing, selling, transferring, accepting transfer of the securities at least 1 day in advance (in case of knowing the information) or after buying, selling, transferring, accepting the transfer of the securities within the same day of securities trading. It also includes the follow-up for the Company's directors and executives to report any changes in their securities holdings (Form 59) to the SEC when there is a change in the Company's securities holdings with transparency and accountability.

Additionally, at the meeting of the Board of Directors, the Company's secretary will report on securities holdings, changes in the Company's securities holdings on a quarterly basis and record on the Form 56-1 One Report.

As of December 31, 2024, the Company had a total of 479,999,884 shares. The summary information on changes in securities holdings of directors and executives for the year 2024 is as follows:

Name -Surname	Number of Shares					
	As of Dec 31, 2023		As of Dec 31, 2024		Increase/ Decrease	% Shares
	Direct	Indirect	Direct	Indirect		
1. Mr. Manop Dhamsirianunt	102,504,212	-None-	102,604,212	-None-	100,000	21.38%
2. Mrs. Monluedee Sookpantararat	480,000	-None-	480,000	-None-	-	0.10%
3. Mr. Wuthipong Suponthana	300,000	-None-	300,000	-None-	-	0.06%
4. Mr. Sarote Phornprapha	600,000	-None-	600,000	-None-	-	0.13%
5. Mr. Naiyavudhi Wongkomet ^[1]	32,772,120	16,795,848	32,441,220	16,795,848	(330,900)	10.26%
6. Mr. Apinetr Unakul	79,637,020	-None-	78,834,820	-None-	(802,200)	16.42%
7. Mr. Apinunt Thanachayanont	24,069,004	-None-	23,818,804	-None-	(250,200)	4.96%
8. Mr. Bodin Kasemset	9,823,640	-None-	11,530,040	-None-	1,706,400	2.40%
9. Mr. Kowit Nuangsuk	111,400	-None-	200,038	-None-	88,638	0.04%
10. Mr. Thaweesak Thantipwan	7,062,384	-None-	7,062,384	-None-	-	1.47%
11. Mr. Sarun Polachart	215,876	-None-	215,876	-None-	-	0.04%

Remark: ^[1] K INVESTMENTS LIMITED, a juristic person registered in Hong Kong and its shareholders are Miss Aiyanuch Wongkomet, holding shares of 50.00% and Miss Unyanuch Wongkomet, holding shares of 50.00% of the registered capital

9. Internal Control and Related Party Transactions

9.1 Internal Control

Adequacy and Appropriateness of the Company's Internal Control

- **Opinion of the Board of Directors regarding the Company's internal control system**

Silicon Craft Technology Public Company Limited held their Board of Directors' Meeting No. 1/2025 on February 20, 2025, with three independent directors, all of whom holding positions in the Audit Committee, attending this meeting to consider and evaluate the adequacy and appropriateness of the Company's internal control system, according to the information of the Securities and Exchange Commission (SEC) on the adequacy of the internal control system evaluation. This also included risk management in compliance with the framework of internal control practice of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), by considering important components in all 5 areas, namely: 1) Control Environment, 2) Risk Assessment, 3) Control Activities, 4) Information and Communication and 5) Monitoring and Activity. Additionally, the consideration was performed together with the internal auditor's reports and observations on the evaluation of the internal control system's effectiveness related to the preparation and presentation of financial reports from the annual audit by the company's auditor. The Audit Committee reviewed all reports before presenting it at the Board of Directors' meeting for acknowledgment in each quarter.

The internal auditor presented a total of 4 audit reports of the internal control system and the results of monitoring the Company's operations to the Audit Committee before presenting it to the Board of Directors' meeting last year. From the internal audit reports of the internal auditor for the period from 1 January 2024 to 31 December 2024, there was no significant deficiencies in the internal control system.

The Company has established internal audit activities which are independent in monitoring and evaluating the internal control system by hiring an outsource to audit the internal control system and report directly to the Audit Committee. The Company has appointed Unique Advisor Company Limited as an internal auditor for the year 2024. The internal auditor has audited the Company's operations according to the annual audit plan, including corporate governance system, risk management process and internal control in each key activity. Moreover, the Audit Committee has ensured that persons holding the position of head of the internal audit department and the supervisors of the Company's operations possess the appropriate educational qualifications, experience, and training adequacy to perform their duties. In the meantime, the consideration and approval of appointment, removal, or transfer of the head of internal audit department and supervision of the Company's operations are performed by the nomination and approval from the Audit Committee before presenting it to the Board of Directors' meeting for final hiring approval.

The details of the head of internal audit department and supervision of the Company's operations have already been reported in "Section 7.6 Other Important Information."

After considering all of the above information, the Board of Directors had opinions that the internal control system related to the Company's key activities was adequate and suitable. The Company has maintained sufficient personnel for overall operations with efficiency, including the adequate internal control system regarding the Company's transactions with stakeholders and connected persons.

- **Opinion of the Audit Committee on any points that differ from the Board of Directors**

Regarding the Board of Directors meeting to conduct an evaluation of the Company's internal control system, which the Company's three independent directors who are the members of the Audit Committee attended, there is no member of the Audit Committee expressed a different opinion that contradicted the opinion of the Board of Directors.

9.2 Significant Related Party Transactions

1. List of Transactions of Purchase or Sales of Product and Service Provided

Entity that may have a conflict of interest	Value of Related Party Transaction (millions of THB)			Details, Necessity, and Appropriateness of Transaction
	2022	2023	2024	
1. Adaptrics Company Limited	Sale of goods - million Baht	Sale of goods - million Baht	Product sold 0.67 million Baht	In 2024, there were transactions for the sale of goods at agreed prices.
	Trade receivable - million Baht	Trade receivable - million Baht	Trade receivable - million Baht	

2. List Transactions of Purchase or Sales of Product and Other Service Provided (Others)

Entity that may have a conflict of interest	Value of Related Party Transaction (millions of THB)			Details, Necessity, and Appropriateness of Transaction
	2022	2023	2024	
1. Adaptrics Company Limited	Service Provided - million Baht	Service Provided - million Baht	Service Provided 0.74 million Baht	In 2024, there were other service transactions, including office space lease agreements, business consulting services (management fee),
	Other receivable - million Baht	Other receivable - million Baht	Other receivable 0.46 million Baht	

Necessity and Appropriateness of Related Party Transactions

The Audit Committee reviewed the related party transactions as shown in the table above and expressed the opinion that these related transactions were necessary, reasonable, conducted with fair pricing and terms, and done in a manner that the transactions will not result in any harm to the Company.

Measures or Approval Procedure for Related Party Transactions

The Company has established measures and approval procedures for related party transactions, which are outlined in the related party transaction policy. This policy was reviewed and approved at the Board of Directors meeting No.4/2024 on July 18, 2024. If the Company finds it necessary to conduct transactions with individuals who may

have a conflict of interest or vested interests, the Audit Committee will provide an opinion on the necessity and appropriateness of the transaction. In cases where the Audit Committee lacks expertise in evaluating potential related party transactions, the Company will seek the opinion of an independent expert or the company's auditor regarding the transaction. This will inform the decision-making process of the Board of Directors and/or the Audit Committee and/or the shareholders, as applicable. Individuals who may have a conflict of interest or vested interests in the transaction will not have the right to vote on the approval of such related party transactions. The Company's policy on related party transactions is categorized as follows:

- Normal business transactions and normal business supporting transactions such as the purchase and sale of goods, and raw materials, must have trading conditions and fair prices which cause no transfer of benefits comparable to the transactions between companies and individuals or between individuals who may have conflicts of interest with the general public or any transactions in the same manner as those of other business operators. The Company has a policy for the Audit Committee to consider and comment on the reasons and necessity of such transactions on a quarterly basis according to the law on securities and stock exchange, as well as regulations, notifications, orders, or requirements of the Stock Exchange of Thailand, including the compliance with the requirements regarding the disclosure of related party transactions.
- Regarding other transactions than normal business transactions and normal business supporting transactions, such as transactions related to property leasing or various service-related transactions property rental transactions or transactions relating to the purchase and sale of assets or provision of financial assistance, etc., the Company has a policy for the Audit Committee to consider and give opinions on the reasons and necessity for such transactions according to the law on securities and stock exchange, as well as regulations, notifications, orders, or requirements of the Stock Exchange of Thailand, including the compliance with the requirements regarding the disclosure of related party transactions and acquisition or dispositions of the Company's important assets. The Company does not have a policy to lend money to individual persons who may have conflicts of interest to conduct or operate a business on behalf of the Company.

The Board of Directors shall comply with the Securities and Exchange Act and regulations, notifications, orders or requirements of the Stock Exchange of Thailand, including the compliance with requirements regarding related party transactions and acquisition or disposition of the Company's important assets to avoid a conflict of interest from the decision for such transactions towards the utmost benefit for all shareholders. The Company shall disclose such related party transactions in Form 56-1 One Report and the notes to the financial statements audited by the Company's auditor.

Future Developments in Related Party Transactions

As of December 31, 2024, the Company has other service agreements a contract for office space leasing and business consulting services (management fee) with Adaptrics Company Limited.

The background features a dark blue gradient with a large, semi-transparent light blue circle in the upper left. On the right side, there is a complex network of glowing blue lines and points, some of which form the outlines of 3D cubes. The overall aesthetic is futuristic and technological.

O3

Financial Statements

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Report of the Board of Directors' Responsibilities for Financial Statements

The Board of Director is responsible for the financial statements of the Company including financial information appearing in the One Report. The financial statements as of 31 December 2024 has been prepared in accordance with the Thai Financial Reporting Standards (TFRS) with appropriate accounting policies applied on a conservative and consistent basis. Where judgement and estimate were required, these were made with careful consideration and adequate disclosure have been made in the notes to financial statements which reflected fair and transparent financial position and operating performance that is useful for shareholders and general investors. These financial statements have been audited by certified independent auditor from D.I.A. International Audit Company Limited who have given unqualified opinion. The Company provides information and related documents to support the auditor to be able to perform audit and give opinion in accordance with auditing standards

The Board of Directors realizes in its duties and responsibilities in good corporate governance to operate the Company with efficiency, transparency, and reliability including the establishment of systems in risk management, internal control and internal audit process and corporate governance that are appropriate and effective. The Board has also adopted and maintained an appropriate and efficient system of risk management as well as internal control system to ensure that the reliability and completeness of financial information are in place with ability to protect the Company's assets and prevent fraud or materially irregular operation.

In this regard, the Board of Directors has appointed an Audit Committee which comprises only of independent directors who are responsible for reviewing accounting policies and fair presentation of financial reports, internal control and internal audit system, risk management system including related party transactions that are adequate and appropriate. The opinion of the Audit Committee is presented in the Form 56-1 One Report.

The Board of Directors believed that the Company has a satisfactory level of internal control systems and can reasonably assured that the financial reports of the Company as of 31 December 2024 are reliable and prepared in line with the generally accepted accounting principles and comply with relevant rules and regulations.



(Mr. Manop Dhamsirianunt)
Chairman of the Board of Directors

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

INDEPENDENT AUDITOR'S REPORT

To The Shareholders of SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

Opinion

I have audited the financial statements of SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED, which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at December 31, 2024, and the statement of comprehensive income in which the equity method is applied and separate statement of comprehensive income, statement of changes in shareholders' equity in which the equity method is applied and separate statement of changes in shareholders' equity, and statement of cash flows in which the equity method is applied and separate statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

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

Impairment of intangible assets - product development projects

As described in notes 12 to financial statements, in the financial statements of the Company represents the significant balance of intangible assets products design development project or equivalent to 18.89% of total assets. I have addressed key audit matters and considered impairment of those assets in order to ensure that the Company will not present the carrying value exceeds recoverable value of that assets. The use of significant judgment of the Management in taking the consideration concerning the future performance forecasting and work plans assessment, as well as determining discount rate and significant assumption that create exposure impairments risk of assets.

I have assessed the designation of cash generating and financial model in which were chosen by the Company's management as appropriate for intangible assets-products design development project by obtaining the understanding the management's review process that are corresponded with the usefulness character of assets. In addition, I have obtained the understanding and assessed the matters as follows:

- Obtained an understanding of the process in which obtained the figures and compared the assumptions used in project planning and forecasting future cash flows of each project with the external and internal sources of the Company.
- Reviewing the assumptions used in a project plan preparation and forecasting future cash flows of the project for unfinished projects within the planned deadline.
- Management's judgment in estimating expected cash flows in the future by comparing projected cash flows with the actual operating results.
- Discount rate by estimating the average cost of capital and other information.

Net realizable value of inventories

The estimates of net realizable value of inventories as described in notes 7 to financial statements requires considerable judgment of the management, especially the estimates of allowance for devaluation of inventories for slow-moving items or defective goods which are subject to the detail analysis of products lifecycle, market competition, economic and industrial conditions that may create a value risk of allowance for devaluation of inventories.

I have assessed and tested the internal control system relating to the estimates of allowance for devaluation of inventories by making inquiry the responsible parties, obtained the understanding and tested by sampling the practice in accordance with the control as designed by the Company. In addition, I have assessed the methodology and assumptions used by the management in taking the consideration of allowance for devaluation of inventories by included;

- Obtained an understanding of the basis used in taking a consideration to determine allowance for devaluation of inventories, as well as the adoption consistency and the reasonableness for recognition allowance for devaluation of inventories on a specific basis.
- Performed comparative analysis of holding period and movement of inventories to identify the group of products which indicated that they are more slowly turnover.
- Performed comparative analysis of net amounts received from sale after the reporting date with the cost of inventories for each group of products.

Other Information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives 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 judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company 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.

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 the Code of Ethics for Professional Accountants 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.

D I A International Audit Co., Ltd.

(Miss Somjintana Polhirunrat)

C.P.A. (Thailand)

Registration No. 5599

February 20, 2025

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

(Unit : Baht)

Asset	Note	Financial statements in which the equity method is applied		
		Separate financial statements		
		December 31, 2024	December 31, 2024	December 31, 2023
Current assets				
Cash and cash equivalents	5	62,454,909	62,454,909	133,631,089
Trade and other current receivables	6	59,627,473	59,627,473	56,366,586
Inventories	7	544,365,824	544,365,824	703,771,768
Other current financial assets	8.1	10,001,747	10,001,747	-
Other current assets		9,496,951	9,496,951	8,181,898
Total current assets		685,946,904	685,946,904	901,951,341
Non-current assets				
Other financial assets	8.2	50,350,819	50,350,819	68,874,550
Investment in joint ventures	9	539,917	825,000	-
Leasehold building improvement and equipment	10	26,685,342	26,685,342	28,967,360
Right-of-use assets	11.1	6,344,527	6,344,527	3,775,396
Other intangible assets	12	190,091,645	190,091,645	143,401,721
Deferred tax assets	13	6,129,212	6,129,212	5,991,006
Other non-current assets		6,945,852	6,945,852	7,151,713
Total non-current assets		287,087,314	287,372,397	258,161,746
Total assets		973,034,218	973,319,301	1,160,113,087

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS AT DECEMBER 31, 2024

(Unit : Baht)

Liabilities and shareholders' equity	Note	Financial statements in which the equity method is applied		
		Separate financial statements		
		December 31, 2024	December 31, 2024	December 31, 2023
Current liabilities				
Short-term borrowings from financial institutions	14	100,017,000	100,017,000	230,965,817
Trade and other current payables	15	94,537,324	94,537,324	239,806,555
Current portion of long-term lease liabilities	11.2	2,426,889	2,426,889	2,529,922
Corporate income tax payable		-	-	156,462
Other current provisions	16	568,431	568,431	1,336,556
Other current financial liabilities		-	-	301,806
Other current liabilities		1,109,130	1,109,130	1,154,280
Total current liabilities		198,658,774	198,658,774	476,251,398
Non-current liabilities				
Lease liabilities	11.2	3,014,480	3,014,480	1,544,031
Non-current provisions for employee benefit	17	30,919,515	30,919,515	27,450,929
Total non-current liabilities		33,933,995	33,933,995	28,994,960
Total liabilities		232,592,769	232,592,769	505,246,358

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS AT DECEMBER 31, 2024

(Unit : Baht)

Liabilities and shareholders' equity (Cont'd)	Note	Financial statements in which the equity method is applied		
		Separate financial statements		
		December 31, 2024	December 31, 2024	December 31, 2023
Shareholders' equity				
Share capital				
Authorized share capital				
527,999,872 common shares of Baht 0.50 each,	18	263,999,936	263,999,936	
720,000,000 common shares of Baht 0.50 each,				360,000,000
Paid-up share capital				
479,999,884 common shares of Baht 0.50 each,	18	239,999,942	239,999,942	239,999,942
Share premium on common shares		84,985,489	84,985,489	84,985,489
Premium on share-based-payments	19	13,067,472	13,067,472	11,901,150
Retained earnings				
Appropriated - Legal reserve	20	31,017,926	31,017,926	31,017,926
Unappropriated	21	371,370,620	371,655,703	286,962,222
Total shareholders' equity		740,441,449	740,726,532	654,866,729
Total liabilities and shareholders' equity		973,034,218	973,319,301	1,160,113,087

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2024

(Unit : Baht)

	Note	Financial statements in which the equity method is applied		
		Separate financial statements		
		December 31, 2024	December 31, 2024	December 31, 2023
Revenues from sales and rendering of services		661,828,534	661,828,534	666,377,006
Costs of sales and rendering of services		(374,596,852)	(374,596,852)	(361,973,013)
Gross profit		287,231,682	287,231,682	304,403,993
Other income		2,525,077	2,525,077	2,349,041
Distribution costs		(36,590,405)	(36,590,405)	(38,343,901)
Administrative expenses		(144,197,739)	(144,197,739)	(128,388,738)
Other gains (losses)		(2,983,718)	(2,983,718)	6,070,904
Profit from operating activities		105,984,897	105,984,897	146,091,299
Finance income		551,080	551,080	391,613
Finance costs		(5,835,874)	(5,835,874)	(3,723,008)
Share of loss of joint ventures		(285,083)	-	-
Profit before tax expense		100,415,020	100,700,103	142,759,904
Tax income (expense)	22	793,316	793,316	(2,401,380)
Profit for the year		101,208,336	101,493,419	140,358,524
Other comprehensive income :				
Items that will be reclassified to profit or loss				
Gains on cash flow hedges		-	-	401,460
Items that will not be reclassified to profit or loss				
Gains on re-measurements of defined benefit plans		-	-	2,224,385
Income tax relating to other comprehensive income	22	-	-	(444,877)
Total items that will not be reclassified to profit or loss		-	-	1,779,508
Other comprehensive income for the year - net of tax		-	-	2,180,968
Total comprehensive income for the year		101,208,336	101,493,419	142,539,492
Earnings per share				
Basic earnings per share		0.21	0.21	0.29
The weighted average number of common shares (share)		479,999,884	479,999,884	479,999,884

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

(Unit : Baht)

	Note	Financial statements in which the equity method is applied					
		Issued and paid-up share capital	Share premium	Premium on share-based-payments	Retained earnings (Deficit)		Total shareholders' equity
					Appropriated	Unappropriated	
Balance as at December 31, 2023		239,999,942	84,985,489	11,901,150	31,017,926	286,962,222	654,866,729
Premium on share-based-payments	19	-	-	1,166,322	-	-	1,166,322
Dividend paid	21	-	-	-	-	(16,799,938)	(16,799,938)
Profit for the year		-	-	-	-	101,208,336	101,208,336
Balance as at December 30, 2024		239,999,942	84,985,489	13,067,472	31,017,926	371,370,620	740,441,449

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

(Unit : Baht)

		Separate financial statements						
		Issued and paid-up share capital	Share premium	Premium on share-based-payments	Retained earnings (Deficit)		Other components of shareholders' equity	Total shareholders' equity
	Note				Appropriated	Unappropriated	Gains (losses) on cash flow hedges	
Balance as at December 31, 2022		200,000,000	84,985,489	9,963,354	21,214,282	199,107,828	(401,460)	514,869,493
Premium on share-based-payments	19	-	-	1,937,796	-	-	-	1,937,796
Legal reserve	20	-	-	-	9,803,644	(9,803,644)	-	-
Share dividend	21	39,999,942	-	-	-	(39,999,942)	-	-
Dividend paid	21	-	-	-	-	(4,480,052)	-	(4,480,052)
Profit for the year		-	-	-	-	140,358,524	-	140,358,524
Other comprehensive income for the year		-	-	-	-	1,779,508	401,460	2,180,968
Balance as at December 31, 2023		239,999,942	84,985,489	11,901,150	31,017,926	286,962,222	-	654,866,729
Balance as at December 31, 2023		239,999,942	84,985,489	11,901,150	31,017,926	286,962,222	-	654,866,729
Premium on share-based-payments	19	-	-	1,166,322	-	-	-	1,166,322
Legal reserve	20	-	-	-	-	-	-	-
Dividend paid	21	-	-	-	-	(16,799,938)	-	(16,799,938)
Profit for the year		-	-	-	-	101,493,419	-	101,493,419
Balance as at September 30, 2024		239,999,942	84,985,489	13,067,472	31,017,926	371,655,703	-	740,726,532

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

(Unit : Baht)

	Note	Financial statements in which the equity method is applied		
		Separate financial statements		
		December 31, 2024	December 31, 2024	December 31, 2023
Cash flows from operating activities				
Profit for the year		101,208,336	101,493,419	140,358,524
Adjustments to reconcile profit (loss) to cash receipt (disbursement)				
Tax expense (income)		(793,316)	(793,316)	2,401,380
Loss on impairment of product development projects		1,948,593	1,948,593	1,057,447
Share of loss of joint ventures		285,083	-	-
Depreciation and amortization		21,283,157	21,283,157	29,008,811
(Reversed) loss on devaluation of inventories		5,284,870	5,284,870	1,858,540
(Gain) loss on disposal of equipment		1,770,210	1,770,210	(12,150)
Gain on disposal of investment		-	-	(86,757)
Gain on financial assets at fair value through profit or loss - Investment in Fixed Income Fund		(1,747)	(1,747)	590
Gain on financial assets at fair value through profit or loss - Forward exchange contracts		(301,806)	(301,806)	-
Gain on financial assets at fair value through profit or loss - Forward exchange contracts		-	-	(7,091,443)
Unrealized (gain) loss on exchange rate		1,114,536	1,114,536	(3,761,853)
Reversed credit losses of bank deposits		(2,132)	(2,132)	(23,670)
Amortized other assets		39,920	39,920	-
Reversed loss on other current provisions		(785,143)	(785,143)	-
Provisions for employee benefit		5,603,334	5,603,334	5,838,864
Employee Joint Investment Program (EJIP) Expenses		10,210,461	10,210,461	7,960,671
Finance income		(551,079)	(551,079)	(391,613)
Interest expenses		5,835,874	5,835,874	3,723,008
Profit from operation before changes in operating assets and liabilities		152,149,151	152,149,151	180,840,349

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE YEAR ENDED DECEMBER 31, 2024

(Unit : Baht)

	Note	Financial statements		
		in which the equity		
		method is applied	Separate financial statements	
		December 31, 2024	December 31, 2024	December 31, 2023
Changes in components of current assets (increase) decrease				
Trade and other current receivables		(3,656,163)	(3,656,163)	28,846,207
Inventories		154,121,074	154,121,074	(476,239,573)
Other current assets		(1,259,799)	(1,259,799)	822,585
Other non-current assets		(319,737)	(319,737)	(3,187,555)
Changes in the components of current liabilities increase (decrease)				
Trade and other current payables		(145,188,323)	(145,188,323)	150,591,027
Other current liabilities		(45,150)	(45,150)	284,422
Cash flows generated (paid) from operations		155,801,053	155,801,053	(118,042,538)
Employee benefit paid		(2,623,150)	(2,623,150)	(845,000)
Payments for Employee Joint Investment Program (EJIP)		(9,044,139)	(9,044,139)	(6,022,875)
Interest expenses		(5,899,503)	(5,899,503)	(3,706,857)
Corporate income tax received		76,005	76,005	-
Income tax paid		(55,253)	(55,253)	(2,630,536)
Net cash provided by (used in) operating activities		138,255,013	138,255,013	(131,247,806)
Cash flows from investing activities				
Restricted deposits at financial institutions, (increase) decrease		18,525,863	18,525,863	(32,367,512)
Deposits at financial institutions, (increase) decrease		-	-	36,000,000
Payments for purchase of investments in Fixed Income Fund		(10,000,000)	(10,000,000)	(83,000,000)
Proceeds from disposal of investments in Fixed Income Fund		-	-	83,322,392
Cash paid for investments in joint ventures		(825,000)	(825,000)	-
Advance payment for investment in joint ventures		(1,175,000)	(1,175,000)	-
Payments for purchase of leased building improvements and equipment		(7,830,747)	(7,830,747)	(7,888,264)
Proceeds from sale of equipment		44,939	44,939	20,093
Payments for other intangible assets acquisition		(56,066,688)	(56,066,688)	(68,187,595)
Proceeds from interest		508,983	508,983	331,254
Net cash used in investing activities		(56,817,650)	(56,817,650)	(71,769,632)

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE YEAR ENDED DECEMBER 31, 2024

(Unit : Baht)

	Note	Financial statements in which the equity method is applied		
		Separate financial statements		
		December 31, 2024	December 31, 2024	December 31, 2023
Cash flows from financing activities				
Short-term borrowings from financial institutions, increase (decrease)		(130,948,817)	(130,948,817)	229,422,558
Payments for lease liabilities		(4,197,031)	(4,197,031)	(2,462,858)
Dividend paid		(16,795,285)	(16,795,285)	(4,480,811)
Net cash provided by (used in) financing activities		(151,941,133)	(151,941,133)	222,478,889
Net decrease in cash and cash equivalents before effects of exchange rate		(70,503,770)	(70,503,770)	19,461,451
Effects of exchange rate to cash and cash equivalents		(672,410)	(672,410)	(789,446)
Net decrease in cash and cash equivalents		(71,176,180)	(71,176,180)	18,672,005
Cash and cash equivalents at the beginning of the year		133,631,089	133,631,089	114,959,084
Cash and cash equivalents at the end of the year	5	62,454,909	62,454,909	133,631,089

Supplemental of cash flows information :

Non-cash items :

Transfer equipment to other intangible assets	-	-	4,269,665
Right-of-use of assets under lease liabilities	5,564,448	5,564,448	-
Depreciation of tools and equipment of product design development project is charged as project cost.	1,329,332	1,329,332	1,836,568
Transfer other non-current assets to equipment	-	-	(273,188)
Transfer other non-current assets to other intangible assets	3,102,982	3,102,982	(1,757,233)
Non-current provisions for employee benefit plans in portion used in product design development projects	488,402	488,402	581,111
Reversed non-current provisions for re-measurement of employee benefits	-	-	(2,224,386)
Dividend paid by ordinary shares of the Company	-	-	39,999,942

The accompanying notes to financial statements are parts of these financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. GENERAL INFORMATION

- Registration : SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED ("the Company") was registered as juristic person, classified as a limited company, on December 18, 2002 and converted to Public Company Limited on April 5, 2019.
- Location : Head office is located at No.40, Thetsaban Rangsan Nua Road, Kwaeng Lat Yao, Khet Chatuchak, Bangkok.
- Business type : The Company engages in research and development to design and assign integrated circuits and embedded systems in the form of hire of production and brought into the Company in order to distribute to the customers under the Company's trademark.

2. FINANCIAL STATEMENTS PRESENTATION BASIS

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and presented in compliance with the Notification of the Department of Business Development, Ministry of Commerce regarding the condensed form should be included in the financial statements B.E. 2566 dated October 27, 2023, and the related regulations and notification of the Securities and Exchange Commission.

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

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

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that become effective in the current year

The Federation of Accounting Professions has announced for adoption a number of revised financial reporting standards, which are effective for the financial statements for the fiscal year beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

3.2 Financial Reporting Standards which will be effective in the future

The Federation of Accounting Professions has announced for adoption a number of revised financial reporting standards, which are effective for the financial statements for the fiscal year beginning on or after January 1, 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with the most of the changes directed towards clarifying accounting treatment and providing the accounting guidance for users of the standards.

The management of the Company believes that the adoption of these amendments will not have significant impacts on the Company's financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Revenue recognition

The Company determines that the most of its sales contracts generally have one performance obligation. The Company recognised revenues from sales over time where the control of goods has been transferred to the buyer.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfilment of the obligation to the customer.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits held to maturity and other short-term highly liquid investments which an original maturity is three months or less.

4.3 Trade and other current receivables

Trade and other current receivables are stated at the rights to receive amount / invoice amount less allowance for loss of financial assets.

The Company recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition, the Company applies a simplified approach to determine the lifetime expected credit losses.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

4.4 Inventories

Inventories are stated at the lower of cost or net realisable value.

Cost of goods is calculated by using the first-in first-out (FIFO) method. Cost of goods comprises raw material cost and conversion cost derived from manufacturing expenses.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The Company provided allowance for devaluation of inventories to net realizable value is estimated based on the selling price expected in the ordinary course of business; and allowance for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory.

4.5 Investment in joint venture

Investments in joint venture in financial statements in which the equity method is applied, accounted for using the equity method

Investments in joint venture in separate financial statements are stated at cost less allowances for impairment of investments (if any)

4.6 Leasehold building improvement and equipment

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

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

Leasehold building improvement	Over the lease term
Office equipment	3-7 years
Office furniture and fixtures	5 years
Tools and equipment	3-7 years

Work in progress was not depreciated.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

4.7 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any provision for impairment of assets (if any).

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using straight-line basis over their estimated useful lives of 3 and 5 years.

Product development project

Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the product so that it will be available for use or sell;
- Management intends to complete the product and use or sell it;
- There is an ability to use or sell the product;
- It can be demonstrated how the product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the product are available; and
- The expenditure attributable to the product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the product include the employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as expenses when they are incurred. Development costs previously recognised as an expense are not recognised as intangible asset in a subsequent period.

Product development costs recognised as assets are amortised by using productive output method over their estimated production units upon accomplishment of the project and can be utilized. Productive output is estimated by the management when the products were sold.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

4.8 Transaction in foreign currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dated of the transactions. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Thai Baht at the foreign exchange rates ruling at that date.

Gains and losses on exchange rate are included in the calculating of the results of operation.

4.9 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the right-of-use assets, leasehold building improvement, other intangible assets – software programs and other intangible assets – product development projects 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. In determining value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects weighted average cost of capital. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

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4.10 Leases -The lessee

At inception of the contract, the Company assesses whether 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.

Right-of-use assets

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

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

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the lease term and the estimated useful lives for each of right-of-use assets whichever is earlier, as follows:

Office building and installation	6 years (lease term plus option reasonably certain to be
dismantlement cost	exercised the option in extension the lease term)
Office equipment	4 years
Vehicles	2 – 5 years

Lease liabilities

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

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The Company uses its incremental borrowing rate, which is determined by referring to the borrowings interest which is closed to right-of-use assets depending on the lease term, at the lease commencement date if the interest rate implicit in the lease cannot be readily determined. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and Leases of low-value assets

The Company applied the short-term lease recognition exemption to its short-term leases (defined as leases with a lease term of 12 months or less from the commencement date and containing no purchase options). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognised as expense in profit or loss on a straight-line basis over the lease term.

4.11 Financial Instruments

The Company 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 or for which the Company has applied the practical expedient regarding not to adjust the effects of 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 (FVTOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

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1) Financial assets at amortised cost

The Company 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.

2) 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 Company has not irrevocably elected to classify at FVTOCI and financial assets with cash flows that are not solely payments of principal and interest.

3) Financial assets designated at FVTOCI (equity instruments)

Upon initial recognition, the Company can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVTOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVTOCI are not subject to impairment assessment.

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4) Financial assets at FVOCI (debt instruments)

The Company measures financial assets at FVTOCI if the financial asset is held to collect contractual cash flows and selling 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.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Company'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 Company 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 Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or 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.

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Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

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

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

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.

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4.12 Government grants

The Company recognizes government grants at fair value when there is reasonably confident that all the conditions of the grant will be met and the Company will receive the grant.

The Company recognizes government grants for which the grants are intended to compensate for expenses already incurred in statements of income that the Company is entitled to receive grant.

Government grants are recognised in profit or loss over the periods in which the expenses are recognised as expenses.

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 and other long-term employee benefits

1) Defined contribution plans

The Company operates a provident fund that is funded by payments from employees and by the relevant Group companies which are managed by trustee. Contributions to the provident fund are charged to the profit or loss in the year in which they are due.

2) Defined benefit plans and other long-term employee benefits

The Company has obligations in respect of the severance payments, they must make to employees upon retirement under labor law. In addition, the Company provides other long-term employee benefit plan, namely long service award; the retention program.

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

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Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

4.14 Provisions

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

4.15 Share-based payments

Fair value of grant vest as at the grant date to employees is recognised as expenses and together with incremental in shareholder equity throughout the period that employees are able to exercise their vest with no condition. The amount recognised as expenses will be adjusted to reflect the actual number of vests in conformity with condition of related service rendered and condition grant vest which is not condition of equity market.

Fair value of deliverable of the employee joint investment program (EJIP) is recognised as expenses throughout the period. Also, the difference amount of fair value of deliverable and investment amount is recognised as premium on share-based-payments which will be adjusted to reflect cumulative amount throughout the period.

4.16 Income tax

Income tax expense for the year comprises current income tax and deferred tax.

Current income tax

The Company records current income tax in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

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Deferred tax

The Company records deferred tax on temporary differences between their carrying amounts at the end of each reporting period and the tax bases of assets and liabilities by using the tax rates enacted at the end of the reporting period.

The Company recognize deferred tax liabilities of temporary differences liable to tax for all items. However, deferred tax assets for temporary differences used for tax deduction including unutilized tax loss in the amount probable that the Company has sufficient taxable profit to utilize such temporary difference to deduct tax and unutilized tax loss.

The Company will review carrying amount of deferred tax assets at each reporting date and will reduce such carrying amount if it is probable that the Company will have no sufficient future taxable profits for benefit utilization of partial or all deferred tax assets.

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

4.17 Related parties transaction

Enterprise and individuals that directly, or indirectly control or are controlled by, or are under common control with the Company.

Associates and individuals owning that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company which has a power in planning and operating control.

4.18 Derivatives and hedge accounting

The Company uses derivatives, such as forward contracts, to hedge its foreign currency exchange rate risks.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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Derivatives that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in “net gains (losses) from financial derivatives”.

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Company designates certain derivatives as hedges of a particular risk associated with the cash flows of i) recognised assets and liabilities and ii) highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Company documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements, including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined.

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A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantify of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

The full fair value of a hedging derivative is classified as a current or non-current asset for liability following the maturity of related hedged item.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains (losses).

When forward contracts are used to hedge forecast transactions, the Company generally designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses retaining to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified in the period when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain for loss at that time remains in equity until the forecasted transaction occurs. When the forecasted transaction is no longer expected to occur, the cumulative gain or loss that were reported in equity are immediately reclassified to profit or loss.

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In hedges of foreign currency sales, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the derivative counterparty.

4.19 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 Company 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 Company 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 Company 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.

4.20 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:

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Allowance for expected credit losses of trade receivables

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for diminution in value of inventory

The determination of allowance for diminution in the value of inventory, requires management to make judgements and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow- moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Depreciation of leasehold building improvement and equipment and right-of use assets

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

Amortisation of other intangible assets

In determining amortisation of intangible asset; product development project, the management is required to make estimates of the production volume and revise it accordingly when there are any changes.

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Allowance for impairment of non-financial assets

In testing of impairment of assets, the management is required to use judgment in the estimating the future cash flow expected to be arise from assts or cash-generating units of assets including the discounted rate suitable for determining present value of those cash flow.

Post-employment benefits under defined benefit plans

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

4.21 Earnings per share

Earnings (Loss) per share as presented in the statements of comprehensive income is the basic earnings per share which is determined by dividing the net profit (loss) for the year by the weighted average number of common shares issued and paid-up during the year.

In case of dividend payment to shareholders in the form of ordinary shares of the Company, the basic earnings per share of the previous year were recalculated as if the share dividend had been issued from the beginning date of the first reporting period.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2024 and 2023 are as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Cash	2,406	14,919
Current deposits	255,291	298,326
Savings deposits	4,921,339	90,751,198
Foreign currency deposits	57,275,873	42,566,646
Total	62,454,909	133,631,089

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6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, 2024 and 2023 are detailed as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Trade accounts receivable		
Trade accounts receivable	55,064,721	42,918,955
Other current receivables		
Advance payment for goods	2,127,917	9,316,986
Receivable - Revenue Department	1,769,217	3,880,838
Others	665,618	249,807
Total other current receivables	4,562,752	13,447,631
Trade and other current receivables – net	59,627,473	56,366,586

The outstanding trade accounts receivable was separated by aging as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Trade accounts receivable		
Not yet due	37,038,865	42,918,955
Overdue		
Less than 30 days	18,025,856	-
Total trade accounts receivable	55,064,721	42,918,955

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7. INVENTORIES

Inventories as at December 31, 2024 and 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and	
	Separate financial statements	
	December 31, 2024	December 31, 2023
Raw materials	346,494,071	444,599,577
Work in process	213,678,559	280,702,669
Finished goods	-	471
Goods in process	-	1,232,787
Total	560,172,630	726,535,504
Allowance for devaluation of goods, beginning of the year	(22,763,736)	(20,905,196)
Increase	(5,284,870)	(1,858,540)
Decrease	12,241,800	-
Allowance for devaluation of goods, ending of the year	(15,806,806)	(22,763,736)
Net	544,365,824	703,771,768

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8. FINANCIAL ASSETS AND LIABILITIES

8.1 OTHER CURRENT FINANCIAL ASSETS AND LIABILITIES

Other current financial assets and liabilities as at December 31, 2024 and 2023 are detailed as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and			
	Separate financial statements			
	Other current financial assets		Other current financial liabilities	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Assets classified and measured at fair value through profit or loss				
Investment in Fixed Income Fund	10,000,000	-	-	-
Unrealized gains (loss) on changes in value of investment	1,747	-	-	-
Net	10,001,747	-	-	-
Assets classified and measured at fair value through comprehensive income				
Forward exchange contracts				
Foreign currency forward contract that qualifies for hedge accounting	-	-	-	301,806
Total	10,001,747	-	-	301,806

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8.2 OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets as at December 31, 2024 and 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and	
	Separate financial statements	
	December 31, 2024	December 31, 2023
Assets classified and measured at amortised cost		
Savings deposits at bank with obligations		
Fixed deposits at bank with obligations	155,257	4,050,180
Fixed deposits at bank with non-obligations	50,202,853	64,833,794
Total	50,358,110	68,883,974
Less: Allowance for expected credit losses	(7,291)	(9,424)
Other non-current financial assets – net	50,350,819	68,874,550

As at December 31, 2024 and 2023, the Company used deposits at three banks amount of Baht 50.35 million and Baht 68.88 million respectively, as guarantee against bank credit lines total amount of Baht 271.00 million and Baht 411.20 million and foreign currency in USD 35.10 million and USD 35.70 million respectively.

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9. INVESTMENT IN JOINT VENTURE

(Unit : Baht)

Company name	Business type	Relationship	Registered capital (Baht)		Investment proportion (percentage)		Financial statements in which the equity is applied		Separate financial statements	
			December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
			Cost method							
ADAPTRICS	Rendering of	Joint Venture	12,000,000	-	25	-	539,917	-	825,000	-
CO., LTD.	development for RFID/ IoT Solution		(paid-up at 27.5%)							

The financial statements for the period from February 5, 2024 (registration date) to December 31, 2024 of the above abovementioned joint venture that were taken preparation of the financial statements, prepared by the joint venture's management and have been audited by the auditor.

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Financial information of joint venture can be summarised as follows:

	Unit : Baht
	Financial position
	December 31, 2024
Current assets	4,989,640
Non-current assets	54,470
Current liabilities	2,884,443
Non-current liabilities	-
	Operating results for the year
	December 31, 2024
Revenues	2,056,358
Loss from continuing operations	1,140,333
Other comprehensive expense	-
Total comprehensive expense	1,140,333

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10. LEASEHOLD BUILDING IMPROVEMENT AND EQUIPMENT

Leasehold building improvement and equipment as at December 31, 2024 and 2023 are detailed as follows:

(Unit : Baht)

Financial statements in which the equity method is applied and

	Separate financial statements					
	Leasehold building improvement	Office equipment	Office furniture and fixtures	Tools and equipment	Work in process	Total
Assets - cost :						
As at January 1, 2023	9,029,967	11,830,119	4,183,056	86,768,652	-	111,811,794
Acquisition	1,870,000	1,880,535	584,238	2,222,542	1,604,137	8,161,452
Disposal	-	(229,359)	(274,342)	(5,794,202)	-	(6,297,903)
As at December 31, 2023	10,899,967	13,481,295	4,492,952	83,196,992	1,604,137	113,675,343
Acquisition	626,476	632,668	540,935	3,599,600	2,344,569	7,744,248
Disposal	(52,000)	(3,752,459)	(315,644)	(37,581,206)	-	(41,701,309)
As at December 31, 2024	11,474,443	10,361,504	4,718,243	49,215,386	3,948,706	79,718,282
Accumulated depreciation :						
As at January 1, 2023	6,864,420	9,565,219	3,504,131	52,730,224	-	72,663,994
Depreciation for the year	885,682	1,216,261	342,376	6,045,029	-	8,489,348
Depreciation - write off	-	(221,518)	(274,241)	(1,524,536)	-	(2,020,295)
As at December 31, 2023	7,750,102	10,559,962	3,572,266	57,250,717	-	79,133,047
Depreciation for the year	1,415,566	1,110,220	395,327	5,290,004	-	8,211,117
Depreciation - write off	(51,999)	(3,750,810)	(315,603)	(31,013,195)	-	(35,131,607)
As at December 31, 2024	9,113,669	7,919,372	3,651,990	31,527,526	-	52,212,557
Allowance for impairment of assets:						
As at January 1, 2023	-	-	-	5,574,936	-	5,574,936
As at December 31, 2023	-	-	-	5,574,936	-	5,574,936
Disposal	-	-	-	(4,754,553)	-	(4,754,553)
As at December 31, 2024	-	-	-	820,383	-	820,383
Net assets value						
As at December 31, 2023	3,149,865	2,921,333	920,686	20,371,339	1,604,137	28,967,360
As at December 31, 2024	2,360,774	2,442,132	1,066,253	16,867,477	3,948,706	26,685,342

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Classification of depreciation

(Unit : Baht)

Financial statements in which the equity method is applied and

Separate financial statements

	Leasehold building improvement	Office equipment	Office furniture and fixtures	Tools and equipment	Total
For the year ended December 31, 2024					
Product design projects	-	-	-	1,329,332	1,329,332
Cost of sales	-	-	-	3,714,526	3,714,526
Administrative expense	1,415,566	1,110,220	395,327	246,146	3,167,259
Total depreciation	1,415,566	1,110,220	395,327	5,290,004	8,211,117
For the year ended December 31, 2023					
Product design projects	-	-	-		1,836,568
Cost of sales	-	-	-	3,803,801	3,803,801
Administrative expense	885,682	1,216,261	342,376	404,660	2,848,979
Total depreciation	885,682	1,216,261	342,376	6,045,029	8,489,348

As at December 31, 2024 and 2023, leasehold building improvement and equipment at cost of Baht 28.49 million and Baht 56.58 million respectively, were fully depreciated but are still in use.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

11. LEASE

The Company entered into leases relating to office building premises, vehicles and office supplies.

11.1 Right-of-use assets

The movements of right-of-use assets for year ended December 31, 2024 and 2023 are presented below:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements				
	Office building	Estimated dismantling	Vehicles	Copy machines	Total
Assets - cost :					
As at January 1, 2023	7,002,767	264,148	664,305	200,450	8,131,670
As at December 31, 2023	7,002,767	264,148	664,305	200,450	8,131,670
Increased during the period	282,770	-	4,383,178	898,500	5,564,448
As at December 31, 2024	7,285,537	264,148	5,047,483	1,098,950	13,696,118
Accumulated depreciation :					
As at January 1, 2023	1,609,685	144,080	110,718	113,091	1,977,574
Depreciation for the year	2,157,413	48,028	132,860	40,399	2,378,700
As at December 31, 2023	3,767,098	192,108	243,578	153,490	4,356,274
Depreciation for the year	2,326,895	48,027	425,874	194,521	2,995,317
As at December 31, 2024	6,093,993	240,135	669,452	348,011	7,351,591
Net assets value					
As at December 31, 2023	3,235,669	72,040	420,727	46,960	3,775,396
As at December 31, 2024	1,191,544	24,013	4,378,031	750,939	6,344,527

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

11.2 Lease liabilities

Lease liabilities as at December 31, 2024 and 2023 are detailed as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Lease liabilities	5,753,874	4,243,472
<u>Less:</u> Deferred interest income	<u>(312,505)</u>	<u>(169,519)</u>
Total	5,441,369	4,073,953
<u>Less:</u> Current portion	<u>(2,426,889)</u>	<u>(2,529,922)</u>
Net	<u>3,014,480</u>	<u>1,544,031</u>

12. OTHER INTANGIBLE ASSETS

Other intangible assets as at December 31, 2024 and 2023 are detailed as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	Computer	Product development projects		
	Software	Accomplished	Under progress	Total
Intangible assets - cost ::				
As at January 1, 2023	17,554,163	129,149,480	56,686,461	203,390,104
Acquisition/development during the year - cost	141,187	719,967	71,501,353	72,362,507
Transfer products design development project	-	4,269,665	-	4,269,665
As at December 31, 2023	17,695,350	134,139,112	128,187,814	280,022,276
Acquisition/development during the year - cost	-	-	60,044,572	60,044,572
Transfer products design development project	-	3,021,174	(3,021,174)	-
Amortization	-	(32,252,275)	-	(32,252,275)
As at December 31, 2024	17,695,350	104,908,011	185,211,212	307,814,573

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

(Unit : Baht)

Financial statements in which the equity method is applied and

	Separate financial statements			
	Computer	Product development projects		
	Software	Accomplished	Under progress	Total
Accumulated Amortisation:				
As at January 1, 2023	5,947,639	38,673,136	-	44,620,775
Amortisation for the year	2,759,533	10,614,596	6,603,203	19,977,332
As at December 31, 2023	8,707,172	49,287,732	6,603,203	64,598,107
Amortisation for the year	2,710,088	6,225,366	2,470,601	11,406,055
Amortisation	-	(21,193,689)	-	(21,193,689)
As at December 31, 2024	11,417,260	34,319,409	9,073,804	54,810,473
Provision for accumulated impairment:				
As at January 1, 2023	-	70,965,001	-	70,965,001
Loss on impairment	-	1,057,447	-	1,057,447
As at December 31, 2023	-	72,022,448	-	72,022,448
Loss on impairment	-	1,948,593	-	1,948,593
Amortization	-	(11,058,586)	-	(11,058,586)
As at December 31, 2024	-	62,912,455	-	62,912,455
Net assets value				
As at December 31, 2023	8,988,178	12,828,932	121,584,611	143,401,721
As at December 31, 2024	6,278,090	7,676,147	176,137,408	190,091,645

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Classification of amortisation

(Unit : Baht)

	Financial statements in which the equity method is applied and			
	Separate financial statements			
	Computer	Product development projects		
	Software	Accomplished	Under progress	Total
For the year ended December 31, 2024				
Cost of sales	1,275,017	6,225,366	2,470,601	9,970,984
Administrative expense	1,435,071	-	-	1,435,071
Total amortisation	2,710,088	6,225,366	2,470,601	11,406,055
For the year ended December 31, 2023				
Cost of sales	1,312,203	10,614,596	6,603,203	18,530,002
Administrative expense	1,447,330	-	-	1,447,330
Total amortisation	2,759,533	10,614,596	6,603,203	19,977,332

As at December 31, 2024, total product development projects are 28 projects, which 10 projects were accomplished have been amortised. The other 18 projects are under progress.

13. DEFERRED TAX ASSETS

Significant components of deferred tax assets which presented in the financial statements as at December 31, 2024 and 2023 consist of:

(Unit : Baht)

	Financial statements in which the equity method is applied and					
	Separate financial statements					
	As at	Profit	Other	As at	Profit	As at
	January 1, 2023	or loss (Note 22)	comprehensive income (Note 22)	December 31, 2023	or loss (Note 22)	December 31, 2024
Allowance for devaluation of inventories	1,847,973	16,149	-	1,864,122	(506,309)	1,357,813
Estimated dismantlement costs of leasehold building improvement	37,581	12,839	-	50,420	13,009	63,429
Employee benefit provisions	3,892,021	629,320	(444,877)	4,076,464	631,506	4,707,970
Total	5,777,575	658,308	(444,877)	5,991,006	138,206	6,129,212

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

14. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowing from financial institutions as at December 31, 2024 and 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and	
	Separate financial statements	
	December 31, 2024	December 31, 2023
Short-term borrowings for export to oversea	100,017,000	100,000,000
Short-term borrowings for import from oversea	-	130,965,817
Total short-term borrowing from financial institutions	100,017,000	230,965,817

As at December 31, 2024 and 2023, the Company has credit line for exporting goods to overseas with a bank with the credit limit of Baht 165 million and Baht 100 million at the interest rate of MMR per annum which is matured by 180 days, guaranteed by the same bank deposit (note 8.2).

As at December 31, 2024 and 2023, the Company has credit line for importing goods from overseas with two banks with the credit limit of Baht 100 million and Baht 265 million respectively, at the interest rate of MMR per annum which is matured by 150 days, guaranteed by the same bank deposit (note 8.2).

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

15. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, 2024 and 2023 are detailed as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Trade accounts payable		
Trade accounts payable	19,321,751	135,181,147
Other current payables		
Accrued bonus	24,489,192	28,648,600
Accrued commission	952,643	977,498
Advance received	38,172,404	55,979,164
Advance from government grants	-	764,143
Accrued dividend	52,133	47,480
Accrued expenses	8,470,442	13,751,183
Others	3,078,759	4,457,340
Total other current payables	75,215,573	104,625,408
Total trade and other current payables	94,537,324	239,806,555

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

16. OTHER CURRENT PROVISIONS

Other current provisions as at December 31, 2024 and 2023 are detailed as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	Estimated costs development project	Provisions from of assets	Provisions from Product order commitment	Total
Balance as at January 1, 2023	634,554	307,973	377,879	1,320,406
Recognition during year	-	16,150	-	16,150
Balance as at December 31, 2023	634,554	324,123	377,879	1,336,556
Recognition during year	-	17,018	-	17,018
Decrease during year	(634,554)	-	(150,589)	(785,143)
Balance as at December 31, 2024	-	341,141	227,290	568,431

Estimated costs of products development project

The Company recognised the estimated costs of products design development project from quantitative quality measurement, consist of wages and related costs.

Estimated costs of dismantlement of assets

The Company recognised the estimated costs of dismantlement of assets in the future where the agreement is terminated and has commitment to assign premises in part of office building improvement for lease.

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

17. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

17.1 Non-current provisions for employee benefits as at December 31, 2024 and 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Non-current provisions for:		
Post-employment benefits– Legal severance plan	25,878,347	22,720,817
Other long-term employee benefits	5,041,168	4,730,112
Total	30,919,515	27,450,929

The Company provides a defined benefit plan based on the requirement of Labor Protection Act B.E. 2541 (1998). In addition, the Company also provides other long-term employee benefits to employees in key positions based on their work performance.

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

17.2 The increase and decrease in non-current provisions for employee benefits as at December 31, 2024 and 2023 are summarised as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Beginning balance	27,450,929	24,100,339
Included in income statement:		
Current service costs	5,397,612	5,830,466
Interest costs	694,124	589,510
Included in statement of comprehensive income:		
Actuarial (gains) losses on re-measurements of defined benefit plans:		
Financial assumptions changes	-	(1,953,207)
Demographic assumptions changes	-	(530,149)
Experience adjustments	-	258,970
Benefits paid	(2,623,150)	(845,000)
Ending balance	30,919,515	27,450,929

17.3 Expenses recognised in statement of comprehensive income for the year ended December 31, 2024 and 2023.

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Cost of sales and services	1,542,011	1,440,022
Cost of distribution	994,407	905,637
Administrative expenses	3,555,318	4,074,317
Total	6,091,736	6,419,976

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

17.4 Principal actuarial assumptions at the reporting date (expressed as weighted averages) for the year ended December 31, 2024 and 2023.

	(%)	
	December 31, 2024	December 31, 2023
Discount rate	3.01	3.01
Salary increases rates	4.00	4.00
Turnover rate of employees (varied by the age of employee)	0.00-28.00	0.00-28.00

17.5 Assumptions regarding future mortality are based on published statistics and Thailand Mortality Ordinary Life table 2017 (“TMO2017”).

17.6 Sensitivity analysis

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

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	December 31, 2024		December 31, 2023	
	Increase	Decrease	Increase	Decrease
Defined benefit obligation				
Discount rate (0.5% movement)	(2,072,951)	2,282,868	(1,762,971)	2,101,289
Future salary growth				
(0.5% movement)	2,383,415	(2,172,741)	2,069,793	(1,888,394)
Turnover rate				
(10.00% movement)	(589,803)	642,136	(321,299)	334,331

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

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

18. SHARE CAPITAL

18.1 Increase and decrease of share capital as at December 31, 2024 are detailed as follows:

	Share capital		Issued and paid-up share capital	
	Number of share	Amounts (Baht)	Number of share	Amounts (Baht)
Balance as at January 1, 2024	720,000,000	360,000,000	479,999,884	239,999,942
Ordinary shares increase	(240,000,116)	(120,000,058)	-	-
Dividend paid	47,999,988	23,999,994	-	-
Balance as at December 31, 2024	527,999,872	263,999,936	479,999,884	239,999,942

18.2 According to the resolution of the 2024 Annual General Meeting of the shareholders dated April 24, 2024 passed to approve the following:

- 1) Decrease the registered share capital of the Company in the remaining from the allocation for shares dividend payment in accordance with the resolution of the 2023 Annual General Meeting of the shareholders and the allocation of additional ordinary in the form of General Mandate from the registered share capital of Baht 360,000,000 to Baht 239,999,942 by cutting the unissued 240,000,116 ordinary shares at par value of Baht 0.50 each, total amount of Baht 120,000,058.

The Company has registered the decrease share capital with Ministry of Commerce on May 16, 2024.

- 2) Increase the registered share capital of the Company by issuing new ordinary shares to reserve the increase in share capital in the form of General Mandate not exceeding 47,999,988 shares with a par value of Baht 0.50 each, not exceeding Baht 23,999,994, to the Private Placement (represented 10% which does not exceed 10% of the paid-up share capital) from the registered share capital of Baht 239,999,942 to Baht 263,999,936, along with the further amendment to the Memorandum of Association and related documents. The Company has registered the increase share capital with Ministry of Commerce on May 17, 2024.

18.3 According to the resolution of the Annual General Meeting of the shareholders for the year 2023 held on April 27, 2023, passed to approve as follows:

- 1) Pay dividend to the shareholders from profit for the year 2022 at Baht 0.1112 per share, for 400 million shares, total amount not exceeding Baht 44.48 million by dividing into cash dividend to the shareholders at Baht 0.0112 per share, total amount not exceeding Baht 4.48 million, and ordinary shares of the Company at the ratio of 5 existing shares per 1 share dividend, at Baht 0.10 per share, total amount not exceeding Baht 40 million. Dividend payment is scheduled on May 25, 2023.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

On May 25, 2023, the Company paid the dividend to shareholders and registered the increase in issued and paid-up capital with the Ministry of Commerce.

- 2) Increase the Company's registered share capital from Baht 200 million to Baht 240 million by issuing new 80 million ordinary shares at value of Baht 0.50 per share for reserving the share dividend payment.

On May 25, 2023, the Company has registered the increase of the Company's share capital with the Ministry of Commerce.

- 3) Increase the Company's registered capital by issuing new ordinary shares for reserving the share capital increase under General Mandate of not more than 240 million shares at par value of Baht 0.50 each, not exceeding Baht 120 million. The details are as follows:

- Allocation of newly issued ordinary shares not exceeding 120 million shares to support the offering and allocation to existing shareholders in proportion to their shareholding (Right Offering) (equivalent to 30% of which is not exceeding 30% of paid-up capital) and/or
- Allocation of newly issued 80 million ordinary shares for offering to the Public Offering (20% of which is not exceed 20% of paid-up capital) and/or
- Allocation of newly issued not exceeding 40 million ordinary shares by offering to the Private Placement (10% of which is not exceeding 10% of paid-up capital).

The allocation of newly issued ordinary shares to the Public Offering and Private Placement totaling not more than 80 million shares (20% of which is not more than 20% of the paid-up capital).

On May 25, 2023, the Company has registered the increase of the Company's share capital with the Ministry of Commerce.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

19. PREMIUM ON SHARE-BASED-PAYMENT

Premium on share-based-payments as at December 31, 2024 and 2023 consist of:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Exercise right options to employees	9,776,657	9,776,657
Employee joint investment program (EJIP)	3,290,815	2,124,493
Total	13,067,472	11,901,150

Stock options for employees

In 2011-2014 the former shareholders gave share option of part of their personal shares to a group of employees at the price (Par value) or (Book value per share). Such transaction is regarded as Share-Based-Payments. The Company, therefore must measure fair value of common share at the grant date and record the difference between fair value of share and receiving returned as expenses and recognises incremental in shareholder equity as premium on share capital from share-based-payments.

Employee Joint Investment Program (EJIP)

The Employee Joint Investment Program (EJIP), which is part of the benefits that the Company provides to certain employees and executives. The Company records fair value of the consideration received as expenses and recognises the difference of fair value of the consideration received and the amount paid as surplus on share-based payments.

The Board of directors' meeting approved the shares accumulation for employee project with details as follows:

	<u>Period</u>	<u>Contribution percentage</u> <u>Company / employees</u>	<u>Purchase shares into</u> <u>project schedule</u>
No. 1	3 years (from September 1, 2021 to September 6, 2024)	99 per 1 of investment	Every month, since September 2021
No. 2	3 years (from September 1, 2021 to September 6, 2024)	72 per 28 of investment	Every month, since September 2021
No. 3	3 years (from September 1, 2022 to September 6, 2025)	99 per 1 of investment	Every month, since September 2022
No. 4	3 years (from September 1, 2023 to September 6, 2026)	99 per 1 of investment	Every month, since September 2023

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

	<u>Period</u>	<u>Contribution percentage</u> <u>Company / employees</u>	<u>Purchase shares into</u> <u>project schedule</u>
No. 5	3 years (from September 1, 2024 to September 6, 2027)	99 per 1 of investment	Every month, since September 2024

Shares accumulation program for employees No.2, the executives (4 founders) have waived remuneration for 18 months for using as a budget in the shares accumulation program for employee which will be suspended from July 2021 to December 2022.

For the year ended December 31, 2024 and 2023, the Company has paid the contribution to the Program in the amount of Baht 10.21 million and Baht 6.02 million respectively.

20. LEGAL RESERVE

According to the Civil and Commercial Code, the Company has to appropriate profit as a legal reserve at least 5% of net profit deducted by deficit brought forward (if any) until the reserve reach an amount 10% of the capital of the Company. Such legal reserve is not available.

21. RETAINED EARNING APPROPRIATION

- 1) According to the minutes of the Annual General Meeting of the shareholders for the year 2024 held on April 24, 2024, passed the resolution to pay dividend from the 2023 operating profit to the shareholders at Baht 0.035 per share for 479,999,884 shares totally Baht 16,799,996.

Such dividend of Baht 16,799,938 was paid on May 23, 2024.

- 2) On April 27, 2023 at the Annual General Meeting of the shareholders for the year 2023, passed the resolution to pay dividend from the 2022 annual profit at Baht 0.1112 per share, for 400 million shares, total not more than Baht 44.48 million by dividing into cash dividend payment to the shareholders at Baht 0.0112 per share, total not more than Baht 4.48 million, and dividend payment in the form of ordinary shares of the Company to the shareholders at the ratio of 5 existing shares per 1 share dividend, at Baht 0.10 per share, total amount not exceeding Baht 40 million.

The Company had already made dividend payment on May 25, 2023. The Company has already paid dividend to the shareholders and registered the issued and paid-up shares capital with the Ministry of Commerce.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

22. TAX INCOME (EXPENSE)

The Company calculates corporate income tax at the rate of 20 on profit (loss) before deducting income tax for the year added back expenses and other transactions which are not allowed as expenses in the income tax calculation (if any), except for profits which are exempted from investment promotion.

Tax expense for the year ended December 31, 2024 and 2023 summarised as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Current income tax		
for the current year	-	3,059,688
Prior year corporate income tax adjustments	(655,110)	-
Deferred tax		
Deferred tax arising from temporary differences and reversal	(138,206)	(658,308)
Tax expense (income)	(793,316)	2,401,380

Amounts of income tax relating to each component of other comprehensive income for the year ended December 31, 2024 and 2023 can be presented as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Deferred tax related to gains (losses) on re-measurements of defined benefit plans	-	444,877
Income tax recognised in other comprehensive income	-	444,877

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rates for the year ended December 31, 2024 and 2023 presented as follows:

(Unit : Baht)

	Financial statements		
	in which the		
	equity method is applied	Separate financial statements	
	December 31, 2024	December 31, 2024	December 31, 2023
Accounting profit before income tax	100,415,020	100,700,103	142,759,904
Income tax rate	20%	20%	20%
Income tax	20,083,004	20,140,020	28,551,981
Tax effects for prohibited expense and income	2,744,343	2,687,327	994,350
Income tax exempted under investment promotion certificate	(23,620,663)	(23,620,663)	(27,144,951)
Total	(20,876,320)	(20,933,336)	(26,150,601)
Tax expense (income)	(793,316)	(793,316)	2,401,380
Effective income tax rate	-0.79%	-0.79%	1.68%

23. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

Part of the Group's assets, liabilities, revenues and expenses arose from transactions with persons and related parties. These related transactions are determined on the conditions in the normal course of business and based on the Company concerned as follows:

23.1 General information

<u>Name</u>	<u>Relationship</u>	<u>Description</u>
<u>Related company</u>		
ADAPTRICS CO., LTD.	Joint venture	Revenues from sales
		Management income
		Rental income

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

- 23.2 Assets and liabilities transaction with related persons and parties as at December 31, 2024 and 2023 are as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
ADAPTRICS CO., LTD.		
Trade receivables and other current receivables	458,333	-
Other non-current assets – investments paid in advance	1,175,000	-

- 23.3 Revenues and expenses transaction with related persons and parties the year ended December 31, 2024 and 2023 are as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements		Pricing policy
	December 31, 2024	December 31, 2023	
ADAPTRICS CO., LTD.			
Revenues from sales	673,700	-	Price as agreed
Other income	735,319	-	Contract price

24. DIRECTORS' REMUNERATION AND MANAGEMENT BENEFIT EXPENSES

24.1 Directors' remuneration

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, excluding salaries and related benefits payable to executive directors.

According to the minutes of Annual General Meeting of the shareholders for the year 2024 held on April 24, 2024, passed to pay the directors' remuneration and meeting allowance for the year 2024 total amount at least Baht 2.40 million.

According to the minutes of Annual General Meeting of the shareholders for the year 2023 held on April 27, 2023, passed to pay the directors' remuneration and meeting allowance for the year 2023 total amount at least Baht 2.19 million.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

24.2 Management benefit expenses

Management benefit expenses focus salaries, remunerations and other benefits paid to their directors and in accordance with the definitions of the Office of the Securities and Exchange Commission.

For the year ended December 31, 2024 and 2023, the management benefit expenses amounting to Baht 26.01 million and Baht 25.70 million respectively.

25. EXPENSES ANALYZED BY NATURE

Significant expenses by nature for the year ended December 31, 2024 and 2023 as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Changes in finished goods and work in process	68,257,367	(126,876,187)
Raw materials and consumable	173,932,265	262,523,328
Commuted production cost	83,264,531	166,971,372
Directors' remuneration	2,402,600	2,503,566
Employee benefit expenses	188,670,054	141,363,792
Depreciation and amortisation	21,283,157	29,008,811
Research expenses	49,289,664	37,079,382
Loss on devaluation of inventories	5,284,870	1,858,540
Travelling expenses	3,458,518	4,540,382
Loss on impairment of assets	1,948,593	1,057,447

26. INVESTMENT PROMOTIONAL PRIVILEGES AND RIGHTS

26.1 The Company was granted promotional privileges by the Board of Investment under the Investment Promotion Act B.E. 2520. The promotional privileges are about design integrated circuit, RFID equipment and continuous products development, totaling in number of four certificates. The first certificate was granted on August 4, 2008(expired from exempted income tax for 8 years on September 9, 2016), the second certificate was granted on September 5, 2013 the third certificate was granted on January 14, 2016, and the four certificate was granted on September 13, 2019 the privileges are as follows:

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

- 1) Exemption from corporate income tax on net profit of the promoted business for a period of 8 years from the first date the income derived from the promoted activities. In case of loss of the business during the tax exemption period, the Company is able to bring an annual loss incurred during such period deducting from the net profits occurred after the expiration of the period of exemption of corporate income tax for a period of not more than five years from the expiry date of such period.
- 2) Exemption from computation of taxable income on dividend derived from the promoted activities throughout the period of corporate income tax exemption.
- 3) Exemption from import duty for the machinery as approved by the Board throughout the period of corporate income tax exemption.
- 4) Permission to exempt import duty of raw material and supplies which are imported for manufacturing and exporting for 1 year since the first date of importing.
- 5) Permission to exempt import duty of products which are imported for exporting for 1 year since the first date of importing.
- 6) Permission to remit money in foreign currencies outside Thailand.

The Company must comply with certain terms and conditions specified in the promotional certificates.

26.2 The results of operations the Company for the year ended December 31, 2024 and 2023 divided by investment promotional privileges are as follows :

(Unit : Baht)

Financial statements in which the equity method is applied and

	Separate financial statements					
	BOI		NON – BOI		Total	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Revenues from sales						
and services	629,976,615	604,530,211	31,851,919	61,846,795	661,828,534	666,377,006
Other income	703,148	2,467,190	1,821,929	(118,149)	2,525,077	2,349,041
Finance income	524,683	350,846	26,397	40,767	551,080	391,613
Total revenues	<u>631,204,446</u>	<u>607,348,247</u>	<u>33,700,245</u>	<u>61,769,413</u>	<u>664,904,691</u>	<u>669,117,660</u>

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Unidentified cost of sales and services, selling and administrative expenses, other expenses and finance costs will be allocated based on proportion of BOI and Non-BOI accordingly.

27. FINANCIAL INFORMATION BY SEGMENT

Segment information is to be presented the management's deciding in the information reporting which is reference to the internal information consistently reported to the chief operating decision maker about the Company's operating information.

The major operation of the Company operates distribution goods and design of integrated circuits and embedded systems in geographical mostly in overseas. Moreover, revenues from sales in domestic and service are totally less than 10% . The Company, therefore, has not presented financial information by segment.

For the year ended December 31, 2024 and 2023, the Company had income in the amount of Baht 458.50 million and Baht 465.49 million respectively, received from 5 major customers.

28. FINANCIAL INSTRUMENTS

28.1 Derivatives and hedge accounting

(Unit : Baht)

Financial statements in which the
equity method is applied and Separate
financial statements

December 31, 2024	December 31, 2023
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Derivative liabilities

Derivative liabilities not designated as hedging instruments

Foreign exchange forward contracts	-	301,806
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Derivatives not designated as hedging instruments

The Company 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 not exceeding 1 year.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Derivatives designated as hedging instruments

Cash flow hedges

There is an economic relationship between the hedged item and the hedging instrument as the terms of the foreign exchange forward contracts match the terms of the highly probable forecast sale (i.e. notional amount, maturity, payment and currency). The Company has established a hedge ratio of 50%-85% as the underlying risk of the foreign exchange forward contract is identical to the hedged risk component.

28.2 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, trade accounts payable, and derivatives. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and other financial instruments. Except for derivative financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Company's maximum exposure relating to derivative financial instruments is noted in the liquidity risk topic.

Trade receivables

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and the Company does not have high concentrations of credit risk since it has 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. 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. Generally, the Company made the insurance for damages from default on debts repayment at 90% of total debts.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Financial instruments and cash deposits

The Company manages the credit risk from balances with banks. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Executive Committee on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising of foreign currency risk and interest rate risk.

Foreign currency risk

The Company's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Company 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 December 31, 2024 and 2023, forward exchange contracts outstanding are summarised below.

Foreign currency	Sold amount	Contractual exchange rate of Sold amount	Contractual maturity date
(Baht per 1 foreign currency unit)			
As at December 31, 2024			
USD	-	-	-
As at December 31, 2023			
USD	(1,600,000)	34.01 – 34.26	April 2024

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

As at December 31, 2024 and 2023, the Company had the balance of financial assets and liabilities denominated in foreign currencies as follows:

Items	Currency	Covered by		Non-entered		Exchange rate	
		forward exchange		than forward exchange			
		contracts or option		contracts or option			
		Dec 31,	Dec 31,	Dec 31,	Dec 31,	Dec 31,	Dec 31,
		2024	2023	2024	2023	2024	2023
(Baht per 1 foreign currency unit)							
Financial assets							
Deposits in foreign currency	USD	-	-	1,329,941	1,248,647	33.83	34.06
	EUR	-	-	349,797	-	35.07	37.67
	CNY	-	-	3,356	19,615	4.60	4.74
Trade accounts receivable	USD	-	-	1,562,804	1,180,277	33.83	34.06
	EUR	-	-	32,702	60,038	35.07	37.67
Financial liabilities							
Trade accounts payable	USD	-	1,600,000	50,154	1,755,917	34.15	34.39

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Company's profit before tax to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at December 31, 2024 and 2023. The Company has not significant risk from changes of other foreign currencies.

Currencies	As at December 2024		As at December 2023	
	Increase/ decrease	Effects to profit before tax	Increase/ decrease	Effects to profit before tax
	(percent)	(Million Baht)	(percent)	(Million Baht)
USD	-	-	+1	0.24
	-	-	-1	0.84

Therefore, information is not expectation and future market prediction and should be used carefully.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Interest rate risk

Interest rate risk arises from the fluctuation of market interest rates in the future, which may have a negative effect to current and future operations and cash flows of the Company. The Company's management believes that the interest rate risk is minimal because the Company's deposits at banks bear interest at the floating market interest rates. Lease liabilities bear interest at fixed rates which approximate market interest rates.

Liquidity risk

The Company manages liquidity risk by monitoring that current assets are higher than current liabilities and having enough credit facilities for business operation.

As at December 31, 2024 and 2023, the Company has the maturity of financial liabilities are detailed as follows:

(Unit : Baht)

Financial statements in which the equity method is applied and Separate financial statements					
	Note	On demand	Less than 1 year	1 to 5 years	Total
As at December 31, 2024					
Non-derivatives					
Short-term borrowings from financial institutions	14	-	100,017,000	-	100,017,000
Trade and other payables	15	94,537,324	-	-	94,537,324
Lease liabilities	11.2	-	2,426,889	3,014,480	5,441,369
Total		<u>94,537,324</u>	<u>102,443,889</u>	<u>3,014,480</u>	<u>199,995,693</u>
As at December 31, 2023					
Non-derivatives					
Short-term borrowings from financial institutions	14	-	230,965,817	-	230,965,817
Trade and other payables	15	239,806,555	-	-	239,806,555
Lease liabilities	11.2	-	2,529,922	1,544,030	4,073,952
Total		<u>239,806,555</u>	<u>233,495,739</u>	<u>1,544,030</u>	<u>474,846,324</u>
Derivatives					
Other current financial liabilities	9.1	-	301,806	-	301,806

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Fair value of financial instruments

Because of the majority of the Company's financial instruments were classified as short-term or has interest rates closed to market interest rates. Therefore, the Company estimates the fair value of financial instruments to be closed to the book value which shown in the statement of financial position.

29. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

As at December 31, 2024 and 2023, the Company had the financial assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Baht)

Financial statements in which the
equity method is applied and Separate financial
statements

Level 1	Level 2	Level 3	Total
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As at December 31, 2022

Financial assets measured at fair value

Other current financial assets

Investment in Fixed Income Fund	-	301,806	-	301,806
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During the current period, the Company has not changed the methodology and assumption using in estimate the fair value and has not inter-hierarchy transferring of the fair value.

30. COMMITMENT

30.1 Commitments under purchase of raw materials and other contracts

As at December 31, 2024 and 2023, the Company has commitments under hire of production of goods contracts, purchase of raw materials and other as follows:

	December 31, 2024	December 31, 2023
Thai Baht	17,336,622	83,013,655
US Dollar	215,009	1,093,085
EURO	87,900	-

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

30.2 Operating lease and service agreement commitments

The Company entered into operating lease relating to lease of office building as at December 31, 2024 and 2023, and has the future minimum payments required under these non-cancellable operating leases and service contracts were as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	December 31, 2024	December 31, 2023
Payments		
Within 1 year	2,864,400	4,426,800
Over 1 year not exceed 5 years	1,584,700	4,211,500
Total	4,449,100	8,638,300

30.3 Commitments under provident fund

The Company has established a provident fund for all full-time employees of the Company in accordance with the Provident Fund Act B.E. 2530.

Employees pay accumulation and the Company pays contributions to the fund under this program at the rate of 3-7% of the employee's salary in accordance with the rules and regulations of the fund, the Company has appointed a fund manager to manage the fund in accordance with the provisions of the Provident Fund Act B.E. 2530.

For the year ended December 31, 2024 and 2023, the Company paid contributions to the fund in the amount of Baht 4.78 million and Baht 4.04 million respectively.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

31. CAPITAL MANAGEMENT

The objective of the financial management of the Company is to preserve the operation as a going concern and maintain of appropriate capital structure.

The Company has debt to equity ratio as follows:

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
Debt to equity ratio	0.31	0.77

32. EVENTS AFTER THE REPORTING PERIOD

According to the minutes of the Board of directors' meeting No.1/2025 held on February 20, 2025, passed the resolution to submit to the shareholders for requesting the approval of dividend payment from net profit for the year 2023 at Baht 0.084 per share for 479,999,884 shares, amounting to Baht 40,319,990 and the dividend payment will be paid on May 23, 2025.

33. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's directors on February 20, 2025.

(Sign) Authorized directors
(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

04 Attachment





Silicon Craft Technology Public Company Limited

Attachment 1

Information of the Board and Directors, Executives,
Controlling Persons, Appointed person to take highest
responsibility in accounting and finance, Appointed
person to take direct responsibility to control and
supervise accounting operations and
Company Secretary

As of December 31, 2024



1. Mr. Manop Dhamsirianunt Age 58 (years)

Position

- Authorized Director
- Chairman of the Board of Directors
- Non-Executive Director

Appointed as a director on:

5 April 2019 (first term)
27 April 2023 (2nd term)

Academic Qualifications

- Master's degree in Engineering (Electronics), Carleton University
- Bachelor's degree in Engineering (Electronics), King Mongkut's Institute of Technology Ladkrabang

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Academic Qualifications from Thai Institute of Directors Association (IOD)
- Director Accreditation Program Class 132/2016
- Corporate Governance for Executives Class 20/2022
- Role of the Chairman Program Class 49/2022
- Successful Formulation & Execution of Strategy Class 40/2022
- Director Certification Program Class 348/2023
- Academic Qualifications from Capital Market Academy Programs (CMA 32)

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors: 7/7
- Meeting of the Non-Executive Directors: 1/1

Shareholding Ratio as of Dec 31, 2024

102,604,212 Shares (21.38%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Aug 2021 - Present	Chairman of the Board of Directors	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
Apr - Aug 2021	Director, Chief Executive Officer, Chairman of the Executive Committee, Member of the Risk Management Committee		
2023 - Present	Independent Director	<u>Non-listed companies</u> AI and Robotics Ventures Company Limited	Integrated research and development focused on engineering and technology



2. Mrs. Monluedee Sookpantaraf Age 60 (years)

(Former First Family Name: Monluedee Pratuangpattanakul)

Position

- Director/Independent Director
- Chairman of the Audit Committee
- Member of the Risk Management Committee
-

Appointed as a director on:

5 April 2019 (first term)

26 April 2022 (2nd term)

Academic Qualifications

- Master's degree in Accounting Thammasat University
- Bachelor's degree in Accounting (Second Class Honors), Thammasat University
- Graduate Diploma in Auditing Thammasat University
- Certified Public Accountant, Registration No. 4020
- Arbitrator of Thailand Arbitration Center (Thailand Arbitration Center: THAC)
- Arbitrator of Thailand Arbitration Center, Court of Justice (Thai Arbitration Institute : TAI)
- ASEAN Chartered Professional Accountant

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meetings of the Audit Committee 7/7
- Meetings of the Risk Management Committee 4/4
- Meeting of the Non-Executive Directors 1/1

Shareholding Ratio as of Dec 31, 2024

480,000 Shares (0.100%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Director Diploma Award (Fellow Member) Class 11/2003
- Director Certification Program Class 31/2003
- Director Accreditation Program Class 34/2005
- Audit Committee Program Class 23/2008
- Ethical Leadership Program Class 23/2021
- Anti-Corruption Practical Guide Class 57/2021
- Advanced Audit Committee Program Class 32/2022
- Director Leadership Certification Program Class 7/2022
- How to Develop a Risk Management Plan Class 35/2023
- Strategic Board Master Class 14/2024
- Successful Formulation & Execution of Strategy Class 46/2024

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Apr 2019 - Present	Independent Director, Chairman of the Audit Committee, Member of the Risk Management Committee	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
2015 - Present	Vice Chairman, Independent Director,	ASN Broker Public Co., Ltd.	Providing insurance brokerage services for automobile insurance and life insurance
2013 - Present	Independent Director, Member of the Audit Committee, Member of the Risk Management Committee, Member of the Nomination and Remuneration Committee	Plan B Media PLC.	Outdoor Advertising Media Production and Services
2007 - Present	Independent Director, Member of the Audit Committee	Asphere Innovations PLC (formerly known as Asiasoft Corporation Co., Ltd.)	Online Entertainment Services
2023 - Present	Independent Director, Chairman of the Audit Committee	<u>Non-listed companies</u> Leader Group Public Company Limited	Providing consulting services, as well as legal and debt management services
2002 - Present	Visiting Lecturer, School of Accounting	Bangkok University	Educational Institution
1993 - Present	Visiting Lecturer Faculty of Commerce and Accountancy	Thammasat University	Educational Institution



3. Mr. Wuthipong Suponthana Age 59 (years)

Position

- Director/Independent Director
- Member of the Audit Committee
- Chairman of the Risk Management Committee
- Member of the Nomination, Remuneration and Corporate Governance Committee

Appointed as a director on:

5 April 2019 (first term)
29 April 2021 (2nd term)
24 April 2024 (3rd term)

Academic Qualifications

- PhD in Engineering (Renewable Energy), Naresuan University
- Master's degree in Industrial Engineering, California State University Northridge, USA
- Bachelor's degree in Electronics Engineering, King Mongkut's Institute of Technology Ladkrabang

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Director Accreditation Program Class 133/2017
- Anti-Corruption Practical Guide Class 57/2021
- Risk Management Program for Corporate Leaders Class 27/2022
- Corporate Governance for Executives Class 20/2023
- The Board's Role in Mergers and Acquisitions Executives Class 7/2024

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meetings of the Audit Committee 7/7
- Meetings of the Risk Management Committee 4/4
- Meetings of the Nomination, Remuneration and Corporate Governance Committee 4/4
- Meeting of the Non-Executive Directors 1/1

Shareholding Ratio as of Dec 31, 2024

300,000 Shares (0.063%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Aug 2019 - Present	Independent Director, Member of the Audit Committee, Chairman of the Risk Management Committee, Member of the Nomination, Remuneration and Corporate Governance Committee	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
2023 - Present	Director	<u>Non-listed companies</u> Genxtech Co. Ltd.	Service/Software maintenance
2015 - Present	Director	Digital Data Dynamic Company Limited	Service/Software maintenance
1998 - Present	Managing Director	Leonics Co., Ltd.	Electrical Equipment Manufacturing



4. Mr. Sarote Phornprapha Age 57 (years)

Position

- Director/Independent Director
- Member of the Audit Committee
- Chairman of the Nomination, Remuneration and Corporate Governance Committee

Appointed as a director on:

5 April 2019 (first term)
26 April 2022 (2nd term)

Academic Qualifications

- PhD in Educational Management, University of Surrey, UK
- Master's degree in International Hotel Management, University of Surrey, UK
- Bachelor's degree in Tourism, Kasetsart University

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Director Accreditation Program Class 133/2017
- Director Certification Program Class 309/2021
- Corporate Governance for Executives Class 18/2021
- Anti-Corruption the Practical Guide Class 59 /2022
- Ethical Leadership Program Class 28/2022
- The Board's Role in Mergers and Acquisitions Class 6/2023
- Director's Guide to Legal Obligations and Duties Class 1/2024
- Academy Programs (CMA 32)

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meetings of the Audit Committee 7/7
- Meetings of the Nomination, Remuneration and Corporate Governance Committee 4/4
- Meeting of the Non-Executive Directors 1/1

Shareholding Ratio as of Dec 31, 2024

600,000 Shares (0.125%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Apr 2019 - Present	Independent Director, Member of the Audit Committee, Chairman of the Risk Management Committee, Member of the Nomination, Remuneration and Corporate Governance Committee	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
Nov 2019 - Present	Director	<u>Non-listed companies</u> Thailand Productivity Institute, the Ministry of Industry	Consulting on ways to increase personnel productivity, evaluate organizations training
2018 - Present	Independent Director, Member of the Audit Committee	RITTA Holdings Co., Ltd	Investment in other businesses
2012 - Present	Director	Sunny Sky Co., Ltd.	Consultant
2010 - Present	Director	Royal Passage & Residences Co., Ltd.	Consultant



5. Mr. Naiyavudhi Wongkomet Age 53 (years)

Position

- Authorized Director
- Director/Non-Executive Director
- Chairman of the Executive Committee
- Member of the Risk Management Committee
- Member of the Nomination, Remuneration and Corporate Governance Committee

Appointed as a director on:

5 April 2019 (first term)
 29 April 2021 (2nd term)
 24 April 2024 (3rd term)

Academic Qualifications

- PhD in Electrical Engineering, University of California at Berkeley
- Master's degree in Electrical Engineering University of California at Berkeley
- Bachelor's degree in Electrical Engineering Chulalongkorn University

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Director Accreditation Program Class 132/2017
- Corporate Governance for Executives Class 18/2021
- Director Certification Program Class 327/2022
- Successful Formulation & Execution of Strategy Class 40/2022
- The Board's Role in Mergers and Acquisitions Class 4/2023

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meetings of the Risk Management Committee 4/4
- Meetings of the Nomination, Remuneration and Corporate Governance Committee 4/4
- Meetings of the Executive Committees 12/12
- Meeting of the Non-Executive Directors 1/1

Shareholding Ratio as of Dec 31, 2024

Direct: 32,441,220 Shares (6.76%)

Indirect: 16,795,848 Shares (3.50%)

Total shareholding ratio: 49,237,068 Shares (10.26%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Aug 2021 - Present	Director, Chairman of the Executive Committee, Member of the Risk Management Committee, Member of the Nomination, Remuneration and Corporate Governance Committee	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
Apr 2019 - Aug 2021	Director, Chief Operating Officer, Member of the Risk Management Committee, Member of the Executive Committee		
2003 - Present	Managing Director	<u>Non-listed companies</u> I.E. Technology Co., Ltd.	RFID (System Integrator) System Design and Services
2003 - Present	Deputy Managing Director	Industrial Electrical Co., Ltd.	Sales of Industrial Electrical Equipment



6. Mr. Apinetr Unakul Age 56 (years)

Position

- Director/Non-Executive Director

Appointed as a director on:

5 April 2019 (first term)
29 April 2021 (2nd term)
24 April 2024 (3rd term)

Academic Qualifications

- Master's degree in Software and System, Boston University
- Bachelor's degree in Computer Engineering, Carnegie Mellon University

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Anti-Corruption Practical Guide Class 31/2016
- Ethical Leadership Program Class 5/2016
- Director Accreditation Program Class 134/2017
- Corporate Governance for Executives Class 20/2023
- Director Certification Program Class 372/2024

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meeting of the Non-Executive Directors 1/1

Shareholding Ratio as of Dec 31, 2024

78,834,820 Shares (16.42%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Aug 2021 - Present	Director	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
Sep 2020 - Present	Independent Director, Member of the Audit Committee, Member of the Board of Risk Management and Internal Control for the Financial Business Group	Industrial and Commercial Bank of China (Thai) Public Company Limited	Bank
2002 – Present	Director	CAT Telecom PLC.	Telecommunication
April 2019 - Aug 2021	Chairman of the Board of Directors	Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
2023 - Present	Director	<u>Non-listed companies</u> BDH Corporation Co., Ltd.	Service/Software Provider
2015 - Present	Director	Keaw Manee Netr Company Limited	Student Dormitory
2013 - Present	Director	Matcha IT Company Limited	Research and development activities, trading in technology and new products



7. Mr. Bodin Kasemset Age 49 (years)

Position

- Authorized Director
- Director/Executive Director
- Member of the Risk Management Committee
- Member of the Executive Committee
- Chief Executive Officer

Appointed as a director on:

29 April 2021 (first term)
27 April 2023 (2nd term)

Academic Qualifications

- PhD in Microsystems Technology, Technische Universität, Hamburg-Harburg, Germany
- Master's degree in Mechatronics, Technische Universität, Hamburg-Harburg, Germany
- Bachelor's degree in Automotive Engineering, Chulalongkorn University

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Director Accreditation Program Class 168/2020
- Boardroom Success through Financing & Investment Class 10/2021
- Successful Formulation & Execution of Strategy Class 34/2021
- Corporate Governance for Executives Class 18/2021
- Director Certification Program Class 34/2022
- The Board's Role in Mergers and Acquisitions Class 1/2022
- Strategic Board Master Class 10/2022

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meetings of the Risk Management Committee 4/4
- Meetings of the Executive Committees 12/12

Shareholding Ratio as of Dec 31, 2024

11,530,040 Shares(2.40%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Aug 2021 - Present	Director, Member of the Risk Management Committee, Member of the Executive Committee, Chief Executive Officer	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
Apr - Aug 2021	Director, Member of the Executive Committee, Co-Chief Executive Officer		
2020 - Apr 2021	Deputy Chief Executive Officer		
2024 - Present	Member of the driving research in semiconductors and related components Committee	<u>Non-listed companies</u> Program Management Unit for Competitiveness (PMUC)	Research funding unit that manages research and innovation fund aimed at enhancing the national competitiveness



8. Mr. Apinunt Thanachayanont Age 51 (years)

Position

- Director/Executive Director
- Member of the Executive Committee
- Chief Research Officer

Appointed as a director on:

5 April 2019 (first term)
27 April 2023 (2nd term)

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meetings of the Executive Committees 12/12

Academic Qualifications

- PhD in Electrical and Electronic Engineering, Imperial College, University of London
- Master's degree in Electronics Engineering, Imperial College, University of London
- Bachelor's degree in Electronics Engineering, Imperial College, University of London

Shareholding Ratio as of Dec 31, 2024

23,818,804 Shares (4.96%)

records on violation of securities and futures contract laws

- None -

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Director Accreditation Program Class 133/2016
- Corporate Governance for Executives Class 19/2022
- Successful Formulation & Execution of Strategy Class 40/2022
- Director Certification Program Class 347/2023
- Strategic Board Master Class 13/2023
- The Board's Role in Mergers and Acquisitions Class 9/2024

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Dec 2022 - Present	Director, Member of Executive Committee, Chief Research Officer	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
Oct - Dec 2022	Director, Chief Research Officer		
Apr 2019 - Oct 2022	Director		
2023 - Present	Director	<u>Non-listed companies</u> National Nanotechnology Center (NANOTEC)	Governmental organization under the National Science and Technology Development Agency (NSTDA)
2013 - Present	Professor	King Mongkut's Institute of Technology Ladkrabang	Educational Institution



9. Mr. Kowit Nuangsuk Age 43 (years)

Position

- Member of the Executive Committee
- Chief Financial Officer
- Appointed to take highest responsibility in accounting and finance

Academic Qualifications

- Master's degree in MBA Chulalongkorn University
- Bachelor's degree in Accounting, Thammasat University

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Director Certification Program รุ่นที่ 240/2017

Other training

- Participated in the executive seminar course for listed companies, "Insight in SET: Comprehensive Knowledge for Growth and Sustainability in the Capital Market," Session 1/2024, organized by the Stock Exchange of Thailand.
- Participated in the course The mai CFO 2024: Growth & AI Chapter organized by the Market for Alternative Investment (maiA)

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meetings of the Audit Committee 6/7
- Meetings of the Executive Committees 12/12

Shareholding Ratio as of Dec 31, 2024

200,038 Shares (0.04%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Dec 2022 - Present	Member of Executive Committee, Chief Financial Officer	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
Nov 2022 - Dec 2022	Chief Financial Officer		
Mar 2020 - Sep 2022	Director, Member of the Executive Committee, Chief Financial Officer	Civil Engineering Public Company Limited	Construction
2019 - Mar 2020	Member of the Executive Committee, Chief Financial Officer		
2024 - Present	Director, Authorized Director	<u>Non-listed companies</u> Adaptrics Co., Ltd	Providing RFID/IoT Solution development services
2016 - Present	Director, Authorized Director	V2Pro Audit Co., Ltd	Accounting



10. Mr. Thaweesak Thantipwan Age 45 (years)

Position

- Member of the Executive Committee
- Chief Technology Officer

Academic Qualifications

- Master's degree in Electrical Engineering
Chulalongkorn University
- Bachelor's degree in Electrical Engineering
Chulalongkorn University

Academic Qualifications from Thai Institute of Directors Association (IOD)

- None -

Shareholding Ratio as of Dec 31, 2024

7,062,384 Shares (1.47%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Attendance of the Meetings in 2024

- Meetings of the Executive Committees 12/12

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
2020 - Present	Member of the Executive Committee, Chief Technology Officer	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
2019 - 2020	Member of the Executive Committee, Chief Product Officer		
2016 - 2019	Senior Product Development Manager		
		<u>Non-listed companies</u> - None -	



11. Mr. Sarun Polachart Age 42 (years)

Position

- Member of the Executive Committee
- Chief Operating Officer

Academic Qualifications

- Master's degree in MBA Finance University of Stirling
- Bachelor's degree in Electrical Engineering King Mongkut's Institute of Technology Ladkrabang

Attendance of the Meetings in 2024

- Meetings of the Executive Committees 12/12

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Risk Management Program for Corporate Leaders Class 24/2021
- IT Governance and Cyber Resilience Program Class 17/2021
- Anti-Corruption Practical Guide (ACPG) Class 65/2023

Shareholding Ratio as of Dec 31, 2024

215,876 Shares (0.045%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Dec 2022 - Present	Member of the Executive Committee, Chief Operating Officer	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
2021 - Dec 2022	Chief Operating Officer		
2020 - 2021	Chief Supply Chain Officer		
		<u>Non-listed companies</u> - None -	



12. Ms. Usanee Intachit Age 34 (years)

Position

- Accounting Manager
- Appointed to take direct responsibility to control and supervise accounting operations
- Secretary of the Audit Committee

Academic Qualifications

- Bachelor's degree in Accounting Kasetsart University

Academic Qualifications from Thai Institute of Directors Association (IOD)

- None -

Attendance of the Meetings in 2024

- Meetings of the Audit Committees 7/7
- Meetings of the Executive Committees 12/12

Shareholding Ratio as of Dec 31, 2024

3,368 Shares (0.0007%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
June 2023 - Present	Accounting Manager	<u>Listed companies</u> Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
Oct 2022 - May 2023	Accounting Manager	Energy Absolute PCL.	Electric vehicle and Battery/ Other service Group
Oct 2019 - Sep 2022	Accounting Manager	Civil Engineering Public Company Limited	Construction
Jul 2014- Sep 2019	Audit Assistant Manager	KPMG Phoomchai Audit Co., Ltd.	Audit services
		<u>Non-listed companies</u> - None -	



13. Ms. Katalee Krachangsaeng Age 41 (years)

Position

- Company Secretary & Investor Relations Manager
- Company Secretary
- Secretary of the Executive Committee

Academic Qualifications

- Master's degree in Professional Accounting RMIT University, Australia
- Bachelor's degree in Humanities (Mass Communication) Kasetsart University

Academic Qualifications from Thai Institute of Directors Association (IOD)

- Company Secretary Program Class 122/2021
- Anti-Corruption the Practical Guide Class 57/2021
- Effective Minutes Taking Class 51/2022

Attendance of the Meetings in 2024

- Meeting of 2024 Annual General of Shareholders 1/1
- Meetings of the Board of Directors 7/7
- Meetings of the Audit Committee 6/7
- Meetings of the Executive Committees 12/12
- Meeting of the Non-Executive Directors 1/1

Shareholding Ratio as of Dec 31, 2024

123,064 Shares (0.03%)

records on violation of securities and futures contract laws

- None -

Family Relationship with Directors and Executives

- None -

Professional Experiences in the Past 5 Years

Duration	Positions	Organization Name/Company	Nature of Business
Aug 2021 - Present	Company Secretary, Company Secretary & Investor Relations Manager	Listed companies Silicon Craft Technology PLC	Research and Development, Design, and Sales of Integrated Circuits or Microchips
2020 - 2021	Investor Relations Manager		
		Non-listed companies - None -	



Silicon Craft Technology Public Company Limited

Attachment 2

Information on Head of Internal Audit
and Compliance of the Company

As of December 31, 202

Information of Head of Internal Audit and Compliance of the Company

The Company appoints Unique Advisor Company Limited which Mr. Kosol Yamleemul is responsible for the Head of Internal Audit and Compliance of the Company as shown as following details:

1. Mr. Kosol Yamleemul Age 55 (years)

Position

- Managing Director

Educational Qualifications / Trainings

- Master's degree in Science of Information Technology in Business Chulalongkorn University
- Bachelor's degree in Accounting and Finance Thammasat University
- Certificate of Business Advisor and Certificate of Real Estate Entrepreneur Kasetsart University
- Certified Public Accountant (CPA) Registration Number 4575
- Certified Internal Auditor (CIA) Registration Number 36708
- Certified Financial Service Auditor (CFSA) Registration Number 6022

Training History

- Adopting Data Science & Automation in Internal Audit (IA)
- Personal Data Protection Act for IA, IIAT Annual Seminar
- Orientation Course – CFO Focus on Financial Reporting
- Reference Document Assessment Program for Independent Auditors for SMEs that joined Collective Action against Corruption (CAC) SME Project
- Working Papers for Anti-Corruption in Organization Training Program
- Theories and Practice, COSO 2013 Program
- IT Audit Program, Federation of Accounting Professions
- Internal Audit Program, The Institute of Internal Auditors of Thailand
- Tax and Tax Planning Program
- Continuing Program in Thai Financial Reporting Standards (TFRS) and Thai Standards on Auditing (TSA)

Professional Experiences

Duration	Position	Organization Name/ Company	Nature of Business
2013 - Present	Managing Director	Unique Advisor Company Limited	Business Consulting, Accounting, Finance, Internal Audit, and Accounting Audit Services
2002 - 2013	Partner and Director	Grant Thornton Limited	Financial Accounting Audit Services
2001 - 2002	International Audit Manager	Grant Thornton LLP Seattle, USA	Auditing and Consulting Services
2000 - 2001	Senior Manager	Grant Thornton Limited	Financial Accounting Audit Services
1995 - 2000	Senior Manager	PricewaterhouseCoopers ABAS Limited	Financial Accounting Audit Services



Silicon Craft Technology Public Company Limited

Attachment 3

Corporate Governance Policy,
Business Ethics and Code of Conduct at Work Manual,
Charter of the Board of Directors and Charters of
the Sub-Committees

As of December 31, 2024

00SIC-BC-PLC-2024-016

Corporate Governance Policy**Silicon Craft Technology Public Company Limited****Objective**

The Company formulated the corporate governance policy pursuant to guidelines of the Corporate Governance Code of the Office of the Securities and Exchange Commission (“SEC”) and the Stock Exchange of Thailand (“SET”) to serve as principle to be observed and adhered by the Board of Directors, the management and the employees of the Company. The objectives are to build up value to the business on sustainable basis and to enhance the organization on efficient business operation, transparency and accountability, apart from creation of confidence to the shareholders, the investors and the relevant parties. It can also make the business having competitiveness and performance with long term perspective, ethical and responsible business, good corporate citizenship and corporate resilience. Essence of the corporate governance policy can be divided into 8 practices as follows:

Principle 1: Recognize the Roles and Responsibilities of the Board of Directors as the Leader of an Organization that Creates Value for Sustainable Business

The Company has clearly established roles and responsibilities of the Board in the Board of Directors’ Charter with main duties are to set important policies and strategies for business operations as well as to allocate resources. The Board of Directors shall have thorough understanding of roles, responsibilities and benefits of corporate governance principles to build value to the business sustainably and shall monitor, assess and oversee performance report of the Company to ensure that they can achieve the specified objectives and targets.

In addition, the Board of the Directors shall oversee the Company’s operations by taking into account the competitiveness and adaptability with the changes from various factors for long term and good performance by operating businesses which are beneficial to the society and by consideration of the environment, ethics, respect of right and responsibilities to the shareholders and the stakeholders of the Company on continued basis. These actions include equal treatment of shareholders, consideration of the stakeholders’ roles, information disclosure and transparency, by putting emphasis on sustainable creation of value to the organization and promotion of innovation, for example, to give special lecture on design and creation of electronic innovation to the students in various

educational institutions, engineering competition activities, acceptance of intern students during summer apprentice program and the cooperative education for learning through projects, participation on giving recommendations for the projects at Bachelor degree and the research works in Master or Doctorate degrees including provision of cooperation between the research laboratories and the Company.

Furthermore, the Board of Directors has clearly specified roles and scope of responsibilities of the subcommittees and the Chairman of the Board of Directors and has supervised the directors and the executives to perform duties with responsibility, carefulness and honesty as well as to oversee to make sure that operations of the Company are in compliance with the relevant laws, regulations, resolutions of the meetings of the Board of Directors, resolutions of the shareholders' meetings and the Company's policies.

Principle 2: Define the Business Objectives and Main Goals for Sustainability

The Board of Directors puts strong emphasis on formulation of main objectives and targets for business operations of the Company in order to make it grow together with the society with sustainability, to build value and benefits to the organization, customers, business partners, employees, shareholders, stakeholders and the society at large. In addition, it will foster communications to make the corporate's main objectives and targets reflect in decision and operations of the personnel in all levels, that it becomes the corporate culture under the corporate governance principles.

The Board of Directors also stipulated strategies and work plans, including monitored and assessed performance continually in order to make them consisting with the attainment of the main objectives and targets of the organizations. Innovation and technology have been applied appropriately and safely. In addition, the risk on setting the target which may lead to illegal behavior or unethical conduct shall be considered. The Board also supervised to ensure that objectives and targets shall be transferred via strategy and work plans throughout the organization. Consideration of business plans and strategies of the organization shall be based on sustainable creation of value to shareholders, stakeholders, society and environment, for instance, recruitment of knowledgeable and capable personnel and realization of importance on personnel development, hence the trainings shall be constantly provided. Social activities shall be conducted, for example, giving lecture to the students to provide knowledge on electronic innovation, support on scholarship and research fund, jointly specify research topics which can be actually applied in real life situation, and etc.

Principle 3: Strengthen Board Effectiveness

The Board of Directors consists of the persons who are knowledgeable, capable with expertise and experiences that can perform duties for the best interest of the Company. The directors shall have qualifications and shall not possess prohibited characteristics as per specified by the laws and they shall have duty and responsibility on specifying and reviewing the Board's structure.

At least one-thirds (1/3) and not less than three members of the Board of Directors must be the independent directors. The independent directors shall possess qualifications and shall not have any prohibited qualifications as per specified by the Board, which are more stringent than or equivalent to qualifications specified by the Securities and Exchange Commission and the Stock Exchange of Thailand. At present, the Board of Directors of the Company consists of directors with various qualifications such as independent directors, non-executive directors and non-executive directors in order to balance power appropriately. Sub-committees have been appointed to assist the Board pursuant to the scope specified in each sub-committee's charters to strengthen efficiency and effectiveness on operations of the Board of Directors.

The Board of Directors shall appoint a suitable person to be the Chairman. In addition, in case the Chairman is not the independent director, the Board shall appoint one independent director to jointly consider on determination of the meeting agenda of the Board's meeting to encourage for balance of power between the Board and the management and for conformance with the corporate governance principle of the listed companies.

The Board of Directors has appointed the Nomination, Remuneration and Corporate Governance Committee to support the Board on recruitment of the qualified directors with the clear and transparent process, as well as to consider suitable remuneration before proposing for the shareholders' approval.

The Board of Directors shall supervise to ensure that all directors shall be responsible for performing duties and allocate appropriate time for works and also oversee on disclosure of roles and duties of the Board and the sub-committees, number of meetings arranged as well as number of attendances of meeting of each director during the past year, including report on performance of all sub-committees.

The Board of Directors shall evaluate performance of the Board as a whole and on individual director level at least once a year and at least they should be based on self-evaluation. The evaluation results shall be used for consideration on appropriateness of component of the Board. The Board should oversee to make sure that the directors regularly receive sufficient and continuous trainings and knowledge development.

In addition, the Company has appointed the Company Secretary to support operations of the Board, to coordinate on compliance with resolutions of the Board and to arrange matters relevant to the Board's meeting and the shareholders' meeting.

Principle 4: Recruit and Develop Senior Executives and People Management

The Company has specified qualifications of the directors and top management in order to be confident that the Company has recruited the suitable directors and top management which are adequately for operations and undertakings pursuant to the business plan and succession plan as per specified in the charter and code of conduct, as per the specified target. Additionally, the Board of Directors also placed importance on understanding of structure and relationship of major shareholders which may impact on the control over the Company to ensure that they shall not affect the Board's exercise of its duties and responsibilities and the Board shall oversee on properly disclosure of information which may have an impact on the control over the business.

In order to perform so, the Board of Directors has specified the remuneration structure of the directors and the executives, as well as the evaluation which is suitable with scope of responsibilities and duties assigned. The Nomination, Remuneration and Corporate Governance Committee shall assist on supervision on compliance with the policy on human resource management and organization development as well as resolutions by the shareholders.

With regards to human resource development, the Board of Directors has monitored the human resource management and development to ensure that they shall have suitable knowledge, skills, experiences and motivation in order to be able to manage the business in accordance with the good corporate governance policy effectively as well as to improve the operation continuously.

Principle 5: Nurture Innovation and Responsible Business Conduct

The Board of Directors places importance and promotes innovation which can add value to business by focusing on research and development of the products in order to invent and apply innovation in the products developed by the Company for helping the customers on competitive edge. In addition, it also promotes innovation creation in the educational institutes through the engineering competition activities, acceptance of intern students during summer apprenticeship program and the cooperative education for learning through projects, participation on giving recommendation for the projects in Bachelor degree and the research works in Master or Doctorate degrees including provision of cooperation between the research laboratories and the Company.

The Board of Directors has specified that there shall be risk management and control on information technology so that information technology resources shall be efficiently and effectively allocated and managed, including adequate and appropriate information technology security measures by taking into consideration maintenance of confidentiality, creditability and availability of information as well as prevention on abuse use of information. The Company shall be supervised to comply with the laws, regulations, rules and standards relevant to usage of information technology and to have the Business Continuity Plan (BCP) in place.

Additionally, The Board of Directors shall monitor and supervise the management to perform businesses together with building up benefits for the relevant stakeholders, with social and environmental responsibility by encouraging for operations to add value to the Company pursuant to a changing environment. Such works may include designing innovative business models, products and services, promoting research, improving production and work processes as well as collaborating with business partners. The Company determines to operate business with integrity, honesty, transparency, adherence to fairness as its core value, as well as provision of excellent services to customers and the contact persons, willingness to compete the business with fairness, without taking advantages or exploitation of benefits, strictly perform the works under corporate governance framework. The Board also realizes the importance of roles of the stakeholders and treats all groups of stakeholders transparently, appropriately, partially and fairly. Those stakeholders include:

- **Employee:** Compensation provided to the employees shall be considered based on performance and fairness which can be measured by the specified criteria. Personnel development shall be constantly supported to keep them having knowledge and capability on continued basis. In addition, the Company also primarily considers about rights of the employee and opens opportunities to lodge complaints via various channels, in case he/she has not been treated fairly.
- **Customer:** To enhance long-term relationship and cooperation with the customers by adhering to principles of integrity, honesty and trust. The Company has duty to build maximum satisfaction to the customers with responsibility and put utmost emphasis on the customers' problems and requirements by adhering to morals and effective service provision.
- **Creditor:** To build up relationship and treat the creditors by adhering to principles of integrity, honesty and trust, with responsibility and fulfilment of conditions agreed with the creditors at its best.

- **Business partners:** Treat business partners with honesty and equality for fair business operation with mutual benefit, sustainable development and for being the long-term business partners with the Company. The Company shall choose to deal business with the business partners based on various conditions, such as prices, quality, reliability and adherence to the right things, as well as skills on technique, laws and environment protection.
- **Communities and environment:** To oversee and ensure that the Company and its employees perform business with responsibilities and for the best benefit for the society, communities and that they shall also have duties to treat the communities located nearby with goodwill, provide assistance and support on community development for their good livelihood.
- **Fair competition:** To oversee and ensure that the Company operates business with transparency and does not use anti-competitive practices to gain unfair competitive advantage.
- **Relevant public authorities:** To oversee and ensure that the Company complies with the relevant laws and regulations and deals with public sectors and government agencies with partiality as per specified in the charters, code of conducts and anti-corruption policy.

Principle 6: Strengthen Effective Risk Management and Internal Control

The Board of Directors shall supervise and make sure that the Company has effective and efficient risk management and internal control systems which can fulfil objectives and comply with the applicable laws and standards. The Board has appointed the Audit Committee, all of whom are independent directors and do not possess any prohibited characteristics as per specified in the relevant laws as well as possess required qualifications and duties as per criteria stipulated by the Office of the SEC and the SET, so that they can perform duties effectively and independently as per assigned by the Board of Directors. Such duties include review of financial reports, internal control system, compliance with the laws, consideration and selection of the auditor, disclosure of the Company's information and the report of the Audit Committee, and etc. Moreover, the Board has appointed the Risk Management Committee to oversee and support the Board on supervision of risk management system as per specified in the risk management policy.

In order to make certain that the Board can supervise risk management and internal control systems effectively, the Board has prescribed the related policies to help supervising the works as follows:

1. Business ethics and code of conducts;
2. Related party transaction policy;
3. Risk management policy;
4. Investment policy and guidelines for supervision of subsidiaries, associated companies or joint ventures;
5. Insider information and securities trading policy;
6. Anti-corruption policy and guideline;
7. Whistleblowing or complaint of misconduct or fraud policy;
8. Offering or receiving gifts and entertainment policy;
9. Foreign exchange risk prevention and management policy;
10. Succession plan policy;
11. Personal data Protection policy;
12. Delegation of authority and approval power in executive level.
13. Other related policy.

The Board of Directors has clear anti-corruption policy specified in the Company's code of business ethics and code of conduct and it has been communicated to parties at all levels throughout the organization as well as the third party so that they shall be implemented and observed. The Board has supervised to ensure that there is mechanism or operation for handling complaints or whistle blowing and clear operating guidelines have been specified in the whistle blowing policy. There are also regulations on reporting, investigation on violation of ethics, acknowledgement of complaint on corruption and misconduct. In case the stakeholder has any issues about the Company's operations, he/she can ask for details or lodge complaints on illegal act, incorrectness of financial report, defective internal control system or any act which is against morals via the independent director or the Audit Committee of the Company. Information sent to the Company shall be kept in confidentiality. The person receiving complaint shall compile the fact relevant to violation or non-compliance with the regulation, and report any findings to the management and/or the Audit Committee, as appropriated, so that the investigation shall be conducted to find facts and specify operating measures, as appropriated, then report inspection result to the informant, in case the informant does not hide his/her identity. In case it is an important matter, the Chairman of the Board of Directors

and/or the Board shall be reported. The Company shall provide channel to lodge compliant and/or opinion and also add channel for reporting via email to the top management directly.

The stakeholder can express his/her opinion via the Company's communication channels as follows:

1. Via postal services, by attention to:

The Chairman of the Board of Directors or the Chairman of the Audit Committee

Silicon Craft Technology Public Company Limited

40 Thetsabanrungsunnua Road, Ladyao, Chatuchak, Bangkok 10900

2. Via email:

The Audit Committee: ac@sic.co.th

The Department of Company Secretary: comsec@sic.co.th

3. Via the Company's website: <http://www.sic.co.th>

4. Via phone: (66) 2 589 9991

Principle 7: Ensure Disclosure and Financial Integrity

The Board of Directors shall be responsible and to make sure that the financial reporting system and disclosure of all material information shall be correctly, adequately, on timely manner, pursuant to the applicable criteria, standards and operating practices. There shall be suitable and qualified personnel to prepare financial reports and on disclosure of information of the Company as well as monitor the Company's financial liquidity and solvency, including the financial mitigation plan in case there is any financial problem by taking into account the rights of the stakeholders.

In this regard, the Company has assigned the Investor Relations Department to communicate and publicize information beneficial to the shareholders, investors, analysts and the related parties appropriately, equally and on timely manner. The Company Secretary shall also be responsible for dissemination of the Company's information pursuant to the specified criteria to the Office of the SEC, the SET and the relevant agencies, such as material information which may impact the Company's securities prices or decision-making of the Company's stakeholders and investors in the Annual Registration Statement/ Annual Report (Form 56-1 One Report) and/or the Company's website, and etc. Investors can contact the Company's Investor Relations Department at:

Silicon Craft Technology Public Company Limited

40 Thetsabanrungsunnua Road, Ladyao, Chatuchak, Bangkok 10900

Phone: (66) 2 589 9991

Fax: (66) 2 589 8881

E-mail Address: ir@sic.co.th

Principle 8: Ensure Engagement and Communication with Shareholders

The Board of Directors puts emphasis to the Company's shareholders to ensure that they shall be treated equally and shall fully exercise all fundamental rights, such as;

1. Right to purchase, sell and transfer securities;
2. Right to share the Company's profits;
3. Right to receive relevant news and information adequately via the Company's website or the SET's website or by other means;
4. Right to attend the meeting and exercise their voting right independently during the shareholders' meeting with regards to the appointment or removal of directors, consideration of the directors' remuneration, appointment of the auditor, payment of dividend, capital increase or issuance of new security as well as right to make inquiry to the Board concerning the Board's report and other matters proposed to the meeting for consideration and approval;
5. Right to propose the meeting agenda in advance and nomination of the candidate to be elected as the Company's directors as well as to participate in decision making of the Company's important matter.

All shareholders shall have the right to vote pursuant to the number of shares they hold, where one share shall have one voting right.

In addition, the Board of Directors shall also realize and places importance to the shareholders' right by not performing any act which may violate or deprive the shareholders' right and make them feel confidence that they can take part in making decision on the Company's important matter. The Board shall oversee to make sure that the arrangement of the shareholders' meeting is successful, transparent, efficient and that the shareholders can

exercise their right properly. The resolutions of the shareholders' meeting shall be disclosed and the minutes of meeting shall be correctly and completely prepared.

The Company shall review such policy regularly, at least once a year.

This Corporate Governance Policy was firstly approved by the Board of Directors Meeting No. 2/2019 held on April 19, 2019. It was recently reviewed and approved by the Board of Directors Meeting No. 4/2024 held on July 18, 2024.

This announcement made on July 18, 2024.



(Dr. Bodin Kasemset)

Chief Executive Officer

**Business Ethics
and
Code of Conduct**

Silicon Craft Technology Public Company Limited

Announcement

SIC-BC-PLC-2024-024

Subject: Business Ethics and Code of Conduct Handbook

Company: Silicon Craft Technology Public Company Limited

In order to ensure that the operations of the Board of Directors, executives and employees of Silicon Craft Technology Public Company Limited ("the Company") are conducted to the highest standards of quality and ethics, the Company has undertaken the process of enhancing the Business Ethics and Code of Conduct Handbook. This is to provide guidelines for work practices and collectively uphold a good reputation and the pride of employees, leading toward an organization with effective governance.

Silicon Craft Technology Public Company Limited is committed to encouraging the Board of Directors, executives, and employees to consistently adhere to the principles outlined in this handbook in all circumstances so that they become ingrained in the way we work.

This version of the Business Ethics and Code of Conduct Handbook has been recently reviewed and approved by the Board of Directors Meeting no. 4/2024 meeting held on July 18, 2024.

The announcement made on July 18, 2024.



Mr. Bodin Kasemset

Chief Executive Officer

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1. Definition

Definitions	Meanings
Management	The Board of Directors, Executive Committee, and Departmental Executives/ Equivalent or higher
Employees	Employees at supervisory level or equivalent and below
Business Ethics	Good practices in conducting the Company's business operations by it's the directors, management and employees, leading the organization toward effective governance
Assets	Real estate, properties, technologies, copyrights, company rights, intellectual property rights of the Company
Specific Information	Information owned or controlled by the Company, which holds economic value both present and future. It's restricted and not disclosed to external parties before authorization from those with authority. This includes customer and employee information, sales and marketing data, product and service data, accounting data, business plans, marketing plans, financial plans, project plans, etc.
Stakeholders	Individuals and/or legal entities involved in the Silicon Craft Technology Public Company Limited's business operations, including shareholders, management, employees, customers, partners, creditors, competitors, and society at large
Upholding Legal Principles	Making decisions and conducting business operations in accordance with the laws and relevant regulations (Rule of Law)
Fairness and Integrity	Consistently carrying out responsibilities in an impartial manner, refraining from bias in decision-making based on principles of fairness and morality
Transparency	The openness of decision-making and operational procedures that can be disclosed to the public and verified under the framework of rules and laws (Transparency)

Definitions	Meanings
Integrity	Honesty and integrity in fulfilling duties in accordance with regulations, ethics, and good morality
Responsibility	Consciousness of duties to be carried out with full ability and efficiency
Accountability	Acceptance of consequences arising from the performance of duties, whether positive or negative
Vision	Forward-looking creativity aimed at creating long-term value and striving for excellence in operations

2. Business Ethics

Silicon Craft Technology Public Company Limited upholds business ethics in its operations. Both the management and employees adhere to these principles as representatives of the company, as follows:

2.1 Upholding Legal Principles

Silicon Craft Technology Public Company Limited adheres to legal principles in its business operations. Furthermore, it is the duty of management and employees to understand the Company's regulations, relevant laws, as well as laws in the future that may impact their work and operations.

Guidelines for Practice

- 2.1.1 Management and employees must study and comprehend the rules and regulations that serve as the foundation for government operations, both those currently in effect and those that will come into effect in the near future.
- 2.1.2 Management and employees must not seek confidential trade secrets of competitors or sensitive information of competitors through illegal means, such as theft, espionage, or breaching agreements to keep competitors' information confidential, regardless of whether it is obtained from customers or other individuals.
- 2.1.3 Management and employees must adhere to labor laws and various regulations related to fair labor practices, refraining from using forced labor, human trafficking, or child labor that is prohibited by law.
- 2.1.4 Management and employees must comply with various provisions related to the laws of fair trade.
- 2.1.5 Management and employees must adhere to laws and regulations regarding environmental protection, safety, and health.

2.2 Transparency

The decision-making processes and operational methods of Silicon Craft Technology Public Company Limited are conducted with transparency that allows information to be disclosed to all stakeholders for acknowledgment and verification, under the framework of laws, regulations, and the Company's practices related to preventing unauthorized leakage of trade secrets to business competitors.

Guidelines for Practice

2.2.1 Management and employees must prepare accounting and financial reports, business status, and operational results that accurately and truthfully represent the financial status and operational outcomes of Silicon Craft Technology Public Company Limited in accordance with accounting standards. These reports should be reliable and subject to audit as determined by the audit committee.

2.2.2 Management and employees must adhere to the Company's purchasing and procurement procedures, ensuring clarity, transparency, and fairness in line with the policies of Silicon Craft Technology Public Company Limited. These processes must be auditable by the procurement committee.

In cases where business partners have managers, sales personnel, or shareholders who are relatives or individuals residing in the same household as the managers or employees of Silicon Craft Technology Public Company Limited, these managers or employees must immediately notify their supervisors in writing and avoid being involved in any transactions related to the procurement process.

2.2.3 Management and employees must follow guidelines that clarify the authority of Silicon Craft Technology Public Company Limited strictly.

2.2.4 Management and employees involved in the procurement process, including relatives and individuals residing in the same household, should avoid participating in various activities with business partners, including dining or sports events. In cases where it is necessary and unavoidable to participate, there must be more than one representative from Silicon Craft Technology Public Company Limited, and this must be communicated in writing to the supervising authority beforehand.

2.3 Upholding Integrity and Ethics

Silicon Craft Technology Public Company Limited is committed to maintaining integrity and ethical behavior towards all stakeholders, fostering continuous positive relationships in business operations. Moreover, the company refrains from unfair treatment, utilizing personal relationship assessments, while providing equal opportunities without discrimination based on race, nationality, religion, or gender.

Guidelines for Practice

- 2.3.1 Management and employees must act fairly and refrain from unfair treatment towards stakeholders in business operations. Providing benefits to customers should align with the policies and principles of Silicon Craft Technology Public Company Limited.
- 2.3.2 Management and employees must manage their roles with transparency, ensuring that shareholders have trust and confidence in decision-making that is conducted with integrity, considering the utmost benefit of all shareholders.
- 2.3.3 Management and employees must act fairly and avoid biased practices in employment, including recruitment, compensation consideration, hiring benefits, promotions, transfers, performance evaluations, training, compliance, termination, rehiring, as well as participating in society and recreational activities.
- 2.3.4 Management and employees must consistently aim to exceed customer expectations in service, providing customer service that is honest, transparent, and just, refraining from deceit or manipulation.
- 2.3.5 Management and employees must adhere to fair and honest trade conditions with business partners/creditors. In cases where compliance is not possible, partners/creditors should be informed to collaboratively find solutions.

2.4 Prioritizing Customers

The management and employees of Silicon Craft Technology Public Company Limited place significant importance on and care for customers. This is achieved by ensuring that products and services are of high quality, resulting in customer satisfaction.

Guidelines for Practice

- 2.4.1 Management and employees must possess a deep understanding of the products and services offered by Silicon Craft Technology Public Company Limited and provide accurate and comprehensive information to customers.
- 2.4.2 Management and employees must thoroughly understand customer needs before presenting products or services, ensuring that customer requirements are met accurately. Additionally, they should continuously seek knowledge and enhance work experience to improve customer satisfaction.
- 2.4.3 Management and employees must treat customers with politeness, respect, and proper communication.
- 2.4.4 Management and employees must respect customer decisions and opinions while safeguarding customer personal rights.

2.5 Social Responsibility

Silicon Craft Technology Public Company Limited acknowledges its responsibility towards society and the community as a primary duty, aspiring to create beneficial projects and activities that contribute to societal and community development.

Guidelines for Practice

- 2.5.1 Management and employees should participate in or organize public-benefit activities for societal development, such as supporting education or environmental initiatives.
- 2.5.2 Management and employees must be aware of their involvement in conserving natural resources, the environment, and strive to avoid actions that could be harmful or detrimental to natural resources, the environment, and related ecosystems under Silicon Craft Technology Public Company Limited.

2.6 Non-Involvement in Politics

Silicon Craft Technology Public Company Limited respects and supports individuals' use of their freedom of expression under the constitution. The Company remains neutral.

Guidelines for Practice

- 2.6.1 Management and employees shall not use their positions to influence, pressure, or compel colleagues or subordinates to support any political activity or organization, including political organizations or their members.

3. Ethical Guidelines

Silicon Craft Technology Public Company Limited establishes ethical guidelines for management and employees to serve as a framework for their work as follows:

3.1 Leadership Qualities

Management should demonstrate ethics and fulfill the roles of appropriate leadership, conducting themselves in a manner that is socially acceptable and beneficial for the Company's management.

Guidelines for Practice

- 3.1.1 Management must communicate a vision for management, being conscious of their roles and responsibilities for the outcomes of their tasks to be reliable and socially acceptable.
- 3.1.2 Management should adopt and implement quality management systems to streamline processes and enhance work efficiency. This involves seeking suitable innovations, providing training and development for employees to align with innovation and quality management systems, creating a sustainable business, and leading the Company toward business excellence.
- 3.1.3 Management should address and investigate complaints or grievances from stakeholders or individuals, verifying facts and resolving issues swiftly and fairly. Management should not attempt to address complaints or grievances using informal methods, such as through mystical means.
- 3.1.4 Management should encourage and support the development of leadership qualities within the employee community. They should promote the involvement of employees at all levels in the development of Silicon Craft Technology Public Company Limited.

- 3.1.5 Management should participate in and encourage employees to engage in community and society-oriented activities for the common good. This will make Silicon Craft Technology Public Company Limited an integral part of the community, fostering positive relationships with all members of the community and society.

3.2 Honesty and Integrity

Management and employees must fulfill their duties with honesty and integrity, safeguarding the interests of Silicon Craft Technology Public Company Limited.

Guidelines for Practice

- 3.2.1 Management and employees must carry out their responsibilities with honesty and integrity, free from bias, and avoid using their positions to seek personal benefits for themselves or others.
- 3.2.2 Management and employees must not produce or maintain false or erroneous reports or records, and they must promptly report any inaccurate or erroneous reports or data related to Silicon Craft Technology Public Company Limited to their superiors.
- 3.2.3 Management or employees should dedicate their time to work efficiently and effectively, meeting the standards set in the Company's regulations. They must refrain from compelling or influencing colleagues or subordinates to use work time for activities unrelated to the benefits of Silicon Craft Technology Public Company Limited or its stakeholders.
- 3.2.4 Management and employees must fulfill their assigned tasks with complete knowledge and skills, along with a sense of responsibility for the outcomes of their duties.

3.3 Legal and Regulatory Compliance

Management and employees must fulfill their duties related to the Company's business with utmost diligence, avoiding actions that may negatively impact on the Company's reputation.

Guidelines for Practice

- 3.3.1 Management and employees must not violate, circumvent, resist, or neglect company regulations, policies, or orders issued by Silicon Craft Technology Public Company Limited, including those that are legally and ethically binding.
- 3.3.2 Management and employees must not produce or possess unlawful items for personal use, distribution, or on behalf of others.

- 3.3.3 Management and employees should responsibly use communication systems and computer systems, avoiding actions that cause division, harm to others, destruction of morale, or the promotion of hostility in the workplace.
- 3.3.4 Management and employees must not use communication and computer systems for activities that are illegal, contrary to the Company's policies, or the internet or similar services that may cause harm, embarrassment, loss of trust, or damage the Company's reputation.
- 3.3.5 Management and employees must strictly adhere to the Company's regulations regarding computer-related misconduct.
- 3.3.6 Management and employees must recognize the importance of intellectual property and follow general principles for the management of intellectual property issued by the Company. They must adhere to relevant regulations and standards for patent applications, analysis, and risk prevention in patent infringement.

3.4 Asset Management

Management and employees are responsible for caring, maintaining, and utilizing the assets of Silicon Craft Technology Public Company Limited to their full potential for the benefit of the company only, and not for the benefit of others or for unauthorized purposes.

Guidelines for Practice

- 3.4.1 Management and employees must comply with the safety regulations of Silicon Craft Technology Public Company Limited when using tools, equipment, and working environments.
- 3.4.2 Management and employees must not use, sell, lend, borrow, or transfer the Company's assets, regardless of their value or condition, without proper authorization.
- 3.4.3 Management and employees must not intentionally cause damage, engage in sabotage, or destroy the assets of Silicon Craft Technology Public Company Limited.
- 3.4.4 Management and employees must not use the assets of Silicon Craft Technology Public Company Limited for personal benefit or external business purposes without authorization from superiors.
- 3.4.5 Management and employees must assist or attempt to acquire patents, copyrights, or protect intellectual property trademarks of Silicon Craft Technology Public Company Limited.

3.5 Interaction with Superiors, Colleagues, and Subordinates

Management and employees must maintain a work environment free from personal rights violations, and display mutual respect, cooperate, offer suggestions, and collaborate in problem-solving.

Guidelines for Practice

- 3.5.1 Management and employees must refrain from ridiculing, defaming, or belittling others, which can lead to division. They should also avoid claiming credit for others' work.
- 3.5.2 Management and employees must not engage in any behavior that violates gender equality among colleagues. If they witness or become aware of such violations, they must promptly report to their superiors.
- 3.5.3 Management and employees should be disciplined and treat superiors, colleagues, and subordinates with respect, performing their duties with politeness, compassion, and good interpersonal skills.
- 3.5.4 Management and employees must respect the rights of colleagues to participate or not participate in organizational representation activities.

3.6 Being a Good Citizen

Management and employees should fulfill their roles as good citizens, collaborating with others in society harmoniously.

Guidelines for Practice

- 3.6.1 Management and employees should develop themselves morally and ethically, as well as seek additional knowledge to enhance the effectiveness and efficiency of their duties.
- 3.6.2 Management and employees should not engage in behaviors such as disliking others, using offensive language, engaging in misconduct, accumulating excessive debt, gambling, using illicit substances, consuming alcohol during work, or any other actions that compromise moral integrity.
- 3.6.3 Management and employees should not carry weapons to the workplace unless authorized by higher-level authorities.

3.7 Avoiding Excessive Gifts and Benefits

Management, employees, and close associates should not accept money, benefits, or items from business associates of Silicon Craft Technology Public Company Limited that could be perceived as a favor, bias, or special business relationship, which could harm the Company.

Guidelines for Practice

- 3.7.1 Management, employees, and relatives or residents of the same household must refrain from soliciting or accepting social activities, sports events, entertainment, rewards, gifts, or incentives from individuals involved in business with the Company.
- 3.7.2 In unavoidable cases, if management or employee receives benefits or gifts valued over 3,000 Baht as a result of business-related activities, such as lucky draws, raffles, or souvenirs, they must report in writing to their superiors and submit the benefits or gifts to Silicon Craft Technology Public Company Limited.
- 3.7.3 If management and employees, as representatives of the Company, attend business dinners or off-site training/events and receive benefits or gifts valued over 3,000 Baht, they must follow the same procedure as mentioned in section 3.7.2.

3.8 Avoiding Conflicts of Interest

Management s and employees should refrain from engaging in activities that could lead to conflicts of interest with Silicon Craft Technology Public Company Limited.

Guidelines for Practice

- 3.8.1 Management, employees, family members, and individuals residing under the same household must not conduct any business or activities that could be perceived as conflicting with the interests of Silicon Craft Technology Public Company Limited, either directly or indirectly.
- 3.8.2 Management and employees must not collaborate with family members or close associates to conduct any business or activities that could create conflicts of interest with Silicon Craft Technology Public Company Limited, either directly or indirectly. To avoid such situations, they must disclose the relationship to the Company's superiors in writing.

3.9 Avoiding Improper Use of Confidential Information

Management and employees should not use confidential information of Silicon Craft Technology Public Company Limited for improper purposes.

Guidelines for Practice

- 3.9.1 Management and employees who are responsible for using confidential information must be cautious not to allow others to overhear, eavesdrop, record, or intercept their conversations. They should avoid discussing confidential matters in public places using communication

devices or engaging in conversations with family members or close associates that could lead to unintentional disclosure.

- 3.9.2 Management and employees must manage, store, and categorize detailed confidential information in strict compliance with the regulations and rules of Silicon Craft Technology Public Company Limited.
- 3.9.3 Management and employees should not disclose confidential information of Silicon Craft Technology Public Company Limited to unauthorized individuals unless approved in writing by authorized individuals or departments with the necessary authority, and in accordance with business agreements and regulations.
- 3.9.4 Management and employees should not use confidential information to engage in the trading of securities or share such information with others for securities trading purposes.

4. Complaint Reporting and Suggestions

In order to ensure that the provisions regarding business ethics and work practices are fair and effective, Silicon Craft Technology Public Company Limited's the board of directors provides opportunities for employees and stakeholders to voice complaints, express opinions, report violations of laws, and outline the process to be followed when receiving complaints or suggestions, as follows:

4.1 Channels for Complaint Reporting and Suggestions

Complaints and suggestions can be communicated through the following channels:

- 4.1.1 Immediate supervisor or manager.
- 4.1.2 Human Resources department.
- 4.1.3 Other available channels within the company, including:
 - Via postal service, by attention to:
 - The Chairman of the Board of Directors or the Chairman of the Audit Committee
Silicon Craft Technology Public Company Limited
40 Thetsabanrangsannua Road, Ladyao, Chatuchak, Bangkok 10900
 - Via email:
 - The Audit Committee: ac@sic.co.th
 - The Company Secretary Department: comsec@sic.co.th
 - Via the Company's website: <http://www.sic.co.th>
 - Via phone: (+66) 2-589-9991

4.2 Process Upon Receiving Complaints

- 4.2.1 The person receiving the complaint gathers relevant facts related to the alleged violation or non-compliance with the ethical and work practice guidelines.
- 4.2.2 The person receiving the complaint reports the facts to the management and/or the independent directors and/or the audit committee, as appropriate, to conduct an investigation into the matter.
- 4.2.3 **Action Plan:** The management and/or the independent directors and/or the audit committee take necessary actions to investigate the complaint or suggestion, confirm the facts, and implement appropriate measures promptly to suspend any violation or non-compliance with business ethics and work practices.
- 4.2.4 **Reporting Results:** The management or the independent directors or the audit committee informs the complainant of the results of the investigation. If the complainant reveals themselves and the case is significant, the results are reported to the chairman of the board and/or the board of directors for information.

5. Conclusion

The directors, executives and employees of Silicon Craft Technology Public Company Limited has a responsibility to understand and adhere to the standards outlined in this Code of Business Ethics and Work Practices. This includes carrying out their duties with honesty and integrity, even in areas not explicitly covered by this Code. All employees are expected to fulfill their duties honestly and willingly, as a commitment and promise. However, if any employee violates any standard in this Code of Business Ethics and Work Practices, or the Company's policies and related procedures, or laws and regulations that apply to the Company's operations, the Company will take disciplinary action, utilizing measures specified in the Company's Work Regulations Section 6 (Discipline and Disciplinary Measures), or any other appropriate measures.

The Company will provide opportunities for employees to learn about the Company's business ethics regularly, and compliance will be audited by internal audit units. Additionally, there will be an annual review of this Code of Business Ethics and Work Practices. However, if there are significant changes or cancellations, timely reviews may occur to ensure relevancy and compliance.

SIC-BC-CHA-2024-001

Charter of the Board of Directors**Silicon Craft Technology Public Company Limited****Objective**

The Board of Directors, as the supreme leader of the organization, appointed by the shareholders and representing the shareholders, plays an important role in supervising the operation of the Company, formulating business policies and strategies and ensuring that the management implements policies and strategies in the direction of the maximum benefit to shareholders and all groups of stakeholders according to the set of vision, mission, and strategy. The Board of Directors shall therefore perform its duties with responsibility, carefulness, and integrity, as well as supervise the Company's operation in accordance with the laws, regulations, resolutions of the meetings by the Board of Directors, resolutions of the meetings by the Shareholders and the relevant policies of the Company to ensure that the business has good performance and create sustainable value for the business of the Company in long run.

Composition of the Board of Directors

1. The Board of Directors shall consist of not less than five (5) directors and not less than one half of total directors must reside in the Kingdom and not less than three-fourths of total directors shall hold Thai nationality
2. The Board of Directors shall consist the Independent Directors at least one-thirds of members of the Board, but not less than three (3) directors.
3. The Board of Directors shall elect one of the directors to be the Chairman of the Board. If deemed suitable, The Board of Directors may elect one or more person as the Vice Chairman.

Qualifications of the Directors

1. Have qualifications and have no prohibited attributes by the Securities and Exchange Act or by the rules of the SEC as well as having no characteristics that demonstrate the lack of suitability to be entrusted with the management of a publicly held enterprise as determined by the SEC.

2. Have knowledge, competence, and experience that is useful for the conduct of business; have good intentions and ethics in the conduct of business.
3. Be able to exercise honest and independent discretion from the management team and any other interest groups.
4. Be able to dedicate sufficient time to the Company and be attentive to fulfilling their duties and responsibilities.
5. Must not operate business in the same condition and compete with the Company's business, or be partners in a general partnership or unlimited liability partners in a limited partnership, or be directors of a private company or other companies operating in the same condition and competing with the Company's business, whether for their own benefit or for the benefit of others, unless notified to the shareholders' meeting before the resolution of appointment.
6. Be able to hold a director's position in other companies, but that directorship shall not be an obstacle to performing the Company's director duties and shall be in accordance with the guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand. An individual director shall not hold directorship of more than 5 listed companies (including the Company).

Appointment, Term of Office and Termination

Appointment of the Directors

1. Board's candidates shall be screened by the Nomination, Remuneration and Corporate Governance Committee which shall be based on criteria under Section 68 of the Public Limited Company Act, B.E. 2535 and pursuant to the notification of the Securities and Exchange Commission and/or the relevant laws.

The Board's members shall be selected from the qualified persons who have fundamental knowledge and expertise in various fields which will be beneficial to the Company's operations with regards to provision of recommendation, opinion in various aspects from perspectives of the people who have direct experiences, with wide-range vision, integrity and ethic. He/she shall have transparent

working history and have capability to independently express opinions to ensure that there are sufficient details to support the decision of the Board of Directors and/or shareholders.

2. The appointment of the Board of Directors shall comply with the Company's Articles of Association and the requirements of relevant laws. The Company must be transparent and clear by obtaining approval from the shareholders' meeting by majority vote in accordance with following criteria and methods:

- 2.1 Each shareholder shall have one vote per share held by him/her.

- 2.2 Each shareholder shall exercise votes in electing persons to be a director.

- 2.3 The candidate with the most votes is to be appointed directors up to the number open at the meeting. If more candidates receive equal votes than the number of Directors required, the Chairman of the meeting must cast a deciding vote.

Term of Office of Directors

The directors shall have a term of office of 3 years at a time. At the end of the term, the director may be nominated for reappointment.

Appointment of the Directors

At every annual general meeting, one-third of the directors shall be removed from office. If the number of directors to be retired cannot be divided into the whole numbers, the number shall be as close as possible to the proportion of one-third.

The directors who shall retire in the first and the second years after the Company's registration shall be drawn through lots. For the following years, the directors who has held office longest shall retire. The directors who retire under that term may be re-elected.

In addition to the end of a term of office, the directors shall retire upon:

1. Resignation

To resign from office, a resignation letter shall be submitted to the Chairman of the Board. Such resignation shall become effective on the date the resignation letter is received by the Company.

The resigning director may also inform the registrar of the resignation.

2. The shareholders' meeting has a resolution to leave the position (with a minimum of three-quarters of the number of shareholders present and entitled to vote) or dismissal by the court order
3. Lack of qualifications and having prohibited attributes required by law
4. Death

In case the position of director becomes vacant for any reason other than the end of an office term, the directors shall select a person who is qualified and does not have prohibited qualifications under Section 68 of the Public Limited Companies Act B.E. 2535 (1992) and/or relevant laws to become a substitute director at the next meeting of the Board of Directors. Unless the remaining term of the director is less than 2 months.

The person becoming the substitute director shall remain as a director for as long as the remaining term of the directors he/she represents and shall obtain a resolution of the Board of Directors by not less than three-quarters of the votes of the remaining directors.

Material authorities, Duties, and Responsibilities of The Board of Directors

The Board of Directors shall therefore perform its duties with responsibility, carefulness, and integrity, as well as supervise the Company's operation in accordance with the laws, regulations, resolutions of the meetings of the Board of Directors and the Shareholders and the relevant policies of the Company as identified from the following details.

1. To have power and duties pursuant to the Company's articles of association, as well as to oversee and manage the operations of the Company to ensure compliance with the laws, objectives, articles of association of the Company and the resolutions of shareholders' meetings;
2. To specify the Company's vision, mission, target, strategy and policy;
3. To approve the significant strategies, policies, objectives and targets with regards to business operations, assets management, finance, fund raising, investments and risk management of the Company as well as to follow-up on efficiently compliance with the specified plans;
4. To consider the matters which are required to propose to the shareholders for consideration and approval during the shareholders' meeting. Main agenda during the annual general meeting of shareholders are:

- To consider the report of the Board on the Company's performance proposed to the meeting;
 - To consider and approve the financial statements;
 - To consider on allocation of the Company's profits;
 - To propose a list of new director to replace the director who shall retire by rotation;
 - To nominate an auditor and fix the auditor's remuneration;
 - To consider any transaction which may have conflict of interest, in the part which is required to request for approval from the shareholders;
 - Other matters.
5. To prepare the report on general information and financial information of the Company in order to report to the shareholders and the stakeholders or the general investors correctly, on timely manner and pursuant to the applicable laws;
 6. To acknowledge important audit report of the Audit Committee or the supervisory agency and the internal audit unit as well as the auditor and the consultants of the Company and to specify guidelines on improvement or correction, in case material defects have been found;
 7. To specify clear and appropriated operating guidelines in order to make internal control system transparently and effectively;
 8. To review adequacy and appropriateness of the Company's internal control system and risk management system;
 9. To arrange the succession plan continually;
 10. To consider and evaluate performance of the Board of Directors and the sub-committees as well as supervise the Company to ensure that it has efficient process for evaluation performance of the top management;
 11. To appoint the Audit Committee and to give comment on power and duties of the Audit Committee;
 12. To appoint the representative to oversee the subsidiary, the associated company or the joint venture;
 13. To consider and specify management structure, power to appoint the Executive Committee, the President and other sub-committees, as appropriated, as well as to specify scope of power and duties of the

Executive Committee, the President and the sub-committees appointed to assist and support operations of the Board;

However, the delegation of authority pursuant to the specified scope of power and duties shall not be in the manner which can entitle the Executive Committee, the President and the subcommittees consider and approve any transactions which may have interests or other conflict of interests against benefits of the Company or the subsidiary (if any), unless it is the approval of transaction which conforms to policy and criteria already considered and approved by the Board of Directors;

14. To consider, define and amend name of the directors authorized to sign and bind the Company;
15. To authorize one or more directors or any person to act on behalf of the Board. However, the abovementioned authorization shall not include the delegation of authority which can entitle such authorized person to approve any undertaking that such person or a person who might have conflict of interest (the definition of "a person who might have conflict of interest" shall be as per defined in the notification of the Securities and Exchange Commission), interests or any benefits in any other manners against benefits of the Company;

However, the following undertakings shall be exercised only after they have obtained an approval from the shareholders' meeting first, provided that, any director or any person who might have any conflicts, interests or conflict of interest regarding any transaction with the Company and/or its subsidiary shall not have the right to vote for such transaction:

- Any matter that the laws has specified that it must have an approval from the shareholders' meeting;
- Any transaction that any director may have some interests and in scope that the laws or regulations of the Stock Exchange of Thailand prescribed that it must have an approval from the shareholders' meeting;
- In addition, the following activities are required to have approval with majority votes from the Board of Directors' meeting presenting at the meeting and from the shareholders' meeting with the votes not less than three fourths of votes of shareholders present at the meeting and have the voting rights:

- Disposition or transfer of total or some material parts of the Company's businesses to other persons;
- To enter into, amend or revoke the contract concerning rental of total or some material parts of the Company's businesses; the assignment of other person to manage business of the Company or merger of the other's business for profit sharing purpose;
- Issuance of new securities to repay to the Company's creditors pursuant to debt to equity conversion project;
- Registration to decrease the Company's registered capital by reducing the number of shares or devaluation of shares;
- Increase, decrease, issuance of debentures, merger or dissolution of the Company;
- Other matters, as per specified by the laws.

In addition, a transaction that the director or the person authorized by the director or the person who might have any conflicts, interests or conflict of interest regarding any transaction with the Company or its subsidiary, shall not have the right to vote on such matter.

In addition, the Board shall have duties to oversee and ensure that the Company shall comply with the laws on securities and exchange, requirements of the stock exchange, such as connected transactions, acquisition and disposition of assets pursuant to criteria of the Stock Exchange of Thailand or as per the notification of the Securities and Exchange Commission, the Capital Market Supervisory Board or the laws relevant to the Company's businesses.

Board of the Directors' meeting

1. Submission of the meeting's notice: The Company Secretary prepares a notice to the Board of Directors' meeting which clearly defines the date, time, location and agenda and delivers the meeting documents to the audit committee and attendees in advance with a period of time not less than 7 days to allow directors and attendees to have sufficient time to consider matters or request additional information for consideration, in the invitation letter should be clearly informed of the agenda that must be approved with complete and clear documentation for consideration.

2. Number of meetings: The Board of Directors has at least 1 meeting in every 3 months depending on the situation and necessity. If at least 2 directors request for a meeting, the Company must hold a Board of Director's meeting within 14 days from the date of request.
3. Attendees: The Board of Directors meeting must be attended by not less than half of the total number of directors to complete the quorum. The Chairman of the Board of Directors shall preside over the meeting. In the event that the Chairman of the Board of Directors is absent from the meeting or is unable to perform his duties. If there is a Vice Chairman of the Board of Directors, The Vice Chairman of the Board of Directors shall be the Chairman. If there is no Vice Chairman of the Board of Directors or is unable to perform his duties, the directors attending the meeting shall elect one of the directors to be the chairman of the meeting. The committee can invite a sub-committees, executives, external auditors and internal auditors of the Company to attend meetings as necessary and appropriate.
4. Voting: The total of directors that joining the meeting for voting shall not be less than two out of three of the total number on the Board of Directors with using the majority voting system as a resolution of the meeting; in case the majority is not decisive, the Chairman of the Board of Directors can vote an additional vote to be decided. However, in the event of a hearing in relation to a particular director, directors who may have conflict of interests in such those matters must abstain from voting on the matters.
5. Minute of the Meeting: The Company Secretary writes down the minutes of the meeting, as the directors who attended the meeting must be responsible as decided, and if any director has a different opinion from the other directors or abstains from voting, such comments must be recorded to demonstrate the extent of responsibility in such matters. The Company must complete the minutes of the Board of Directors meeting within 14 days from the date of the meeting and store it at the head office. If the director requests it, the Company must be able to quickly deliver the minutes of the meeting to them.

This Charter of the Board of Directors was firstly approved by the Board of Directors Meeting No. 1/2017 held on February 28, 2017. It was recently reviewed and approved by the Board of Directors Meeting No. 4/2024 held on July 18, 2024.

This announcement made on July 18, 2024.



(Mr. Manop Dhamsirianunt)

Chairman of the Board of Directors

SIC-BC-CHA-2024-003

Charter of the Audit Committee**Silicon Craft Technology Public Company Limited****Objective**

The Audit Committee is a sub-committee of the Board of Directors which was appointed to help ease the Board of Directors' mission in its operations and to provide the business with a good corporate governance. The Audit Committee was established to enhance the efficiency of operations and value-added to the organization in various areas as follows.

1. Confidence and reliability, as well as transparency of the Company's financial reports
2. Increased awareness of the performance of the Board of Directors' duties. The Audit Committee shall take into account on its responsibilities as follows.
 - 2.1. Financial reporting
 - 2.2. Choosing the right accounting policy
 - 2.3. Financial Management
 - 2.4. Internal control system and internal audit
 - 2.5. Consideration of the independence of the internal auditors and/or third-party internal auditors, as well as the evaluation of the work of the head of internal auditors and/or the third-party internal auditor
 - 2.6. Compliance with relevant requirements and laws
 - 2.7. Business Risk Management and Control
 - 2.8. Recommendation of appointment and evaluation of the performance of the certified auditors
3. Allows the Board of Directors to consider in depth in other matters other than financial reporting and internal control systems and increase efficiency in other areas of management
4. Strength in the role and authority of external directors
5. Strengthen the directors' understanding of the scope of the audits that have been determined

In order to perform the duties of the Audit Committee, the Committee must maintain a working relationship with the Board of Directors, executives, as well as external auditors and internal auditors of the Company to ensure efficient operation. Each audit committee member needs to develop and maintain expertise and knowledge as well as understanding of responsibilities and understanding of the company's business and damages.

Nomination and appointment of The Audit Committee

1. The Board of Directors shall appoint the Audit Committee which consists of at least 3 persons and all of them must be the Independent Directors;
2. The independent directors who have been appointed as the Audit Committee shall possess qualifications as per stipulated by the regulations of the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand and at least one member of the Audit Committee shall have adequate knowledge, understandings or experiences on accounting and/or finance;
3. Term of office of each member is 3 years each. The Audit Committee may be re-appointed pursuant to the agenda approved by the Board of Directors but the term of office shall not be renewed automatically;
4. The Audit Committee shall jointly elect one of the members to be the Chairman of the Audit Committee;
5. The Audit Committee shall appoint the secretary to assist the works pertaining to summoning of meetings, preparation of the meeting agenda, submission of the meeting document and record the minutes of meeting;
6. Apart from vacating office upon expiry of the term, the Audit Committee may vacate from holding office upon occurrence of the following circumstances;
 1. Resignation;
 2. Expiration of the term or termination from the being the Company's Director;
 3. The Board of Directors passed a resolution to remove from office;
 4. Lack of qualification and possess any prohibited characteristic, as per specified by the laws;
 5. Death.

Qualifications of The Audit Committee

1. Be an Independent Director and have qualification as prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand (please see more details in topic “Qualifications of the Independent Director);
2. Must not be a director who is appointed from the Board of Directors to make decision with regards to the business operations of the Company, its parent company, its subsidiary, its associated company, a subsidiary in the same level, a major shareholder or a controlling person of the Company;
3. Must not be a director of the parent company, its subsidiary, or a subsidiary in the same level, only of the listed company;
4. To have duty in the same manner specified in the notifications, regulations and/or rules of the Stock Exchange of Thailand on qualifications and scope of work of the Audit Committee;
5. To have adequate knowledge, understandings and experiences on accounting or finance that can audit credibility of the financial statement as well as perform other duties as the Audit Committee.

Qualifications of the Independent Director

The Company has the process to nominate the independent director by assigning the Nomination, Remuneration and Corporate Governance Committee to consider the right independent directors from qualifications and prohibited qualifications of the directors pursuant to the Public Limited Companies Act, laws on securities and exchange, notifications of the Office of the Securities and Exchange Commission, the Market Capital Supervisory Board, the Stock Exchange of Thailand, as well as the relevant notifications, regulations and/or rules.

The Board shall consider and select the independent directors from the experts who have working experiences and other appropriated aspects. The Company has policy to appoint the independent directors at least one-thirds of total number of directors and the number shall be at least 3 persons with qualifications as follows.

1. Holding shares not exceeding 1.00 percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliated company, principal shareholder or controlling person of the Company. Shares held by the related persons of such independent director shall also be included;
2. Not being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliated company, same-level subsidiary, major shareholder or controlling person of the Company unless the foregoing status has ended not less than 2 years prior to the date being appointed 124 as the independent director. However, such prohibited characteristics exclude the case where such Independent Director used to be the government official or the advisor of the government entity who is the major shareholder or the controlling person of the Company;
3. Not being a person related by blood or registration under laws, i.e. father, mother, spouse, sibling, and child, including spouse of the children of the executive, major shareholder, controlling person, or person to be nominated as executive or controlling persons of the Company or its subsidiary;
4. Not having a business relationship with the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person of the Company, in the manner which may interfere with his or her independent judgment, and neither being nor having been a significant shareholder or controlling person of any person having business relationship with the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person of the Company unless the foregoing relationship has ended not less than 2 years prior to the date being appointed as the independent director. Such business relationship includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the Applicant or its counterparty being subject to indebtedness payable to the other party in the amount of three (3) percent or more of the net tangible assets of the Applicant or twenty (20) million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Securities and Exchange Commission concerning rules on connected transactions, mutatis mutandis. The combination of such

indebtedness shall include indebtedness taking place during the course of one (1) year prior to the date on which the business relationship with the same person commences;

5. Neither being nor having been an auditor of the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person of the Company, and not being a significant shareholder or controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the Company unless the foregoing relationship has ended not less than two (2) years from the date being appointed as the independent director;
6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding 2 million Baht from the Applicant, its parent company, subsidiary, affiliated company, major shareholders or controlling person of the Company, and neither being nor having been a significant shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended not less than 2 years from the date being appointed as the independent director;
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the major shareholders;
8. Not operate any business which has the same nature as and is in significant competition with the business of the Company or subsidiary, or not being a significant partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or holding shares not exceeding 1.00 per cent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the Company or its subsidiary;
9. Not having any characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs.



Authority of the Audit Committee

The Board of Directors assigns the Audit Committee the authority to:

1. Perform duties within the scope of responsibilities set out in the Charter of the Audit Committee;
2. Invite directors, executives or employees attend meetings or clarify or respond to inquiries relating to the Company's business and operations, subsidiary, joint ventures, and joint venture projects within the scope of duties and responsibilities of the Audit Committee;
3. Consult an expert or advisor of the Company (if any) or hire a consultant or external expert, if necessary, at the expense of the Company;
4. Inspect and investigate as necessary in matters, as well as request the Company's for information as necessary to complete the performance under the responsibilities of the Audit Committee.

Material authorities, Duties, and Responsibilities of The Audit Committee

1. To review accuracy and adequacy of the Company's financial reporting by coordinating with the external auditor and the executives who are responsible for preparing of quarterly and yearly financial reports. The Audit Committee may recommend the auditor to review or audit any transaction which it deems necessary and materially during the Company's auditing process;
2. To review the Company's internal control system and internal audit jointly with the external auditor and the internal auditor to ensure that they are suitable and efficient, to determine independence of the internal audit unit and/or the outsourced internal auditor, including to approve the appointment, transfer and dismissal of the chief of the internal audit unit and/or the outsourced internal auditor;
3. To review the Company's compliance with the laws on securities and exchange, regulations of the stock exchange and the laws pertaining to the Company's businesses;
4. To select and propose an independent person to be the Company's auditor and to fix his/her remuneration based on creditability, adequacy of resources and amount of auditing work of such auditing firm, including the experiences of the personnel assigned to perform the Company's audit works, as well as to attend the meeting with the auditor without any participation of the Company's Management at least once a year;

5. To consider the connected transactions or transactions that may lead to conflicts of interest to ensure their compliance with the laws, notifications and regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board to make sure that such transactions are reasonable and for the best interests of the Company;
6. To consider transactions on acquisition or disposition of the Company's assets of which transaction size is required to obtain approval from the Audit Committee as per specified in the laws, notifications, regulations of the Stock Exchange of Thailand and criteria of the Office of the Securities and Exchange Commission and the Capital Market Supervisory Board;
7. To prepare the Audit Committee's report and disclose in the Company's annual report. Such report must be signed by the Chairman of the Audit Committee and at least it must contain the following information:
 - Recommendation on accuracy, completeness and creditability of the Company's financial report;
 - Recommendation on adequacy of the Company's internal control system;
 - Recommendation on compliance with the laws on securities and exchange, regulations of the Stock Exchange of Thailand, or laws related to the Company's businesses;
 - Recommendation on suitability of the auditor;
 - Recommendation on transaction which may have conflict of interest;
 - Number of the Audit Committee's meetings arranged and attendance of such meetings by each committee member;
 - Overall recommendations or observations that have arisen while the Audit Committee performed its duties in accordance with the Charter;
 - Other matters which should be made available to the shareholders and general investors within scope of duty and responsibilities assigned by the Company's Board of Directors.
8. The Audit Committee shall conduct self-evaluation on its performance and report such evaluation results together with problems or obstacles found in performing the works which may make them unable to achieve objectives as per specified to the Board for acknowledgement every year;

9. To approve the internal audit plan, as well as to consider on acknowledgement of performance report of the Internal Audit Unit and/or the outsourced internal auditor;
10. To consider, review and improve the Audit Committee Charter and propose to the Board for consideration and approval;
11. In carrying out duties, if the Audit Committee has found or is suspicious about any of the following transactions or activities which may have material impacts to the financial position or performance of the Company, the Audit Committee must report the Board of Directors to take corrective action within a period of time it deems appropriated. Such transaction include: Recommendation on accuracy, completeness and creditability of the Company's financial report;
 - Transaction with the conflicts of interests;
 - Fraud or unusual transaction or significant deficiency in the Company's internal control system;
 - Violation or breach of laws on securities and exchange, notifications and regulations of the Stock Exchange of Thailand and the laws related to the Company's business.
12. To conduct an investigation of the matter notified by the Company's auditor. If the Company's auditor discovered any suspicious circumstance concerned with the director, manager or any person responsible for the Company's operations, which can be regarded as the fraudulent act as per specified in the Securities and Exchange Act and the auditor has reported such issue to the Audit Committee, the Audit Committee must conduct an investigation and shall report the result of the preliminary investigation to the Office of Securities and Exchange Commission and the auditor within 30 days from the date notified by the auditor;
13. To perform any other tasks as assigned by the Board of Directors and approved by the Audit Committee.

In performing the operations pursuant to the scope of authority and duty, the Audit Committee shall have power to invite or order the concerned management, the department head or the employee of the Company to provide recommendation, participate in the meeting or submit document which is deemed relevant and necessary. Moreover, in performing duties under scope of authority and duty of this regulation, the Audit

Committee may consult with the external independent consultant or the expert in various professions, if it deems necessary and appropriated, at the Company's expenses.

Audit Committee Meeting

1. Submission the meeting's notice: Secretary of the Audit Committee prepares an invitation to the Audit Committee meeting, with clearly defined the date, time, location and agenda, and send the documents to the Audit Committee and the attendees in advance for a sufficient amount of time (or at least 7 days) to consider the matters or request information for further consideration, and to determine the matters that are in the responsibilities of the Audit Committee as follows:
 - Consideration of financial statements and related financial reports, accounting principles and accounting practices, compliance with generally accepted accounting standards, the existence of the business, major changes to accounting policies, including management's reasons regarding accounting policy making before presenting to the Board of Directors for publicity to shareholders and investors;
 - Consideration of Internal Control and Internal Audit system;
 - Review of the Company's Annual Audit Plan, as well as the coordination procedures of various relevant audit plans and audit evaluations in conjunction with internal auditors and auditors to ensure that such audit plans help detect fraud or deficiencies of the internal control system;
 - A joint review with the Internal Auditor on issues or limitations arising during the audit and review the performance of the internal auditor;
 - Consideration with the auditor on issues or limitations arising from the audit of the financial statements;
 - A joint review with internal auditors and auditors to plan a review of electronic data processing methods, controls, and security, specifically to prevent fraud or misuse of electronic information systems by the Company's employees or third parties;
 - Review of items that may cause conflicts of interest, such as connected transactions of the Company etc;
 - Self-evaluation of duties and responsibilities as assigned.

2. Number of meetings: The Audit Committee has at least 1 meeting in every 3 months, depending on the circumstances and necessity.
3. Attendees: The Audit Committee should invite external auditors and internal auditors of the Company to present their work and may invite others who are not audit committee members, such as the executives to attend meetings as necessary and appropriate.
4. Voting: Use the majority voting system as a resolution of the meeting.
5. Minutes of the Meeting: The Secretary of the Audit Committee prepares the minutes of the meeting, which must be submitted to the Audit Committee and the Directors of the attendance, and forwarded to the auditor to confirm the information and inform about the matters that the audit committee is paying attention to or should be paid special attention to within 14 days from the date of the Audit Committee meeting.

The reports

The Audit Committee has a duty and responsibility to report the activities of the Audit Committee or any other duties assigned by the Board of Directors. The Audit Committee's report is important to the Board of Directors, shareholders, and investors as it expresses the independent and frank opinions of the Audit Committee and ensures that the management of the Company manages business operation carefully and with respect to the interests of all shareholders equally.

1. Reporting to the Board of Directors:

1.1. Report regular activities to the Board of Directors to be aware of the activities of the Audit Committee

- Minutes of the Audit Committee meeting, which clearly stated the opinions of the Audit Committee on matters.
- Summary of activity reports made during the year
- Reports an opinion on financial reports, internal audit, and internal audit process
- Any other reports that the Board of Directors should be aware of

1.2. Report what is detected immediately so that the Board of Directors can find a solution in time

- List of conflicts of interests
- Suspicion or presumption of fraud or irregularities or significant deficiencies in the internal control system
- Suspicion of possible violation of the Securities and Exchange laws, the stock exchange regulations, or related laws of the Company
- Any other reports that the Board of Directors should be aware of

2. Reporting to official agencies:

If the Audit Committee has reported to the Board of Directors what has a significant impact on its financial position and performance and has been discussed with the Board of Directors and management, revisions must be taken. When a time is due, if the Audit Committee finds that such corrective action has been ignored without reasonable justification, any member of the Audit Committee or the Audit Committee may report such findings to the Securities and Exchange Commission or the Stock Exchange of Thailand.

3. Reporting to shareholders and investors:

Report on activities made during the year in accordance with the duties and responsibilities assigned by the Board of Directors. The report shall be signed by the Chairman of the Audit Committee and disclosed in the Company's annual report.

This Charter of the Audit Committee was firstly approved by the Board of Directors Meeting No. 1/2017 held on February 28, 2017. It was recently reviewed and approved by the Audit Committee Meeting No. 3/2024 held on July 17, 2024 and also reviewed and approved by the Board of Directors Meeting No. 4/2024 held on July 18, 2024.

This announcement made on July 18, 2024.



(Mrs. Monluedee Sookpantararat)

Chairman of the Audit Committee

SIC-BC-CHA-2024-004

Charter of the Risk Management Committee

Silicon Craft Technology Public Company Limited

Objective

The establishment of the Risk Management Committee in accordance with the guidelines and principles of good corporate governance. In addition, for management and employees to be aware of their relevant roles and responsibilities.

Nomination and appointment of the Risk Management Committee

The Risk Management Committee shall be appointed by the Board of Directors of the Company. The Board of Directors shall appoint one of the Risk Management Committee who is the Company's director to be the Chairman of the Risk Management Committee. The Risk Management Committee will consist of;

1. At least one of Independent Directors
2. At least one of Executive Directors
3. One of executives shall be appointed as secretary of the Risk Management Committee

Term of office

The directors shall have a term of office of 3 years at a time. A retired director may be re-appointed by the Board of Directors but the term of office shall not be renewed automatically.

Apart from vacating office upon expiry of the term, The Risk Management Committee may vacate from holding office upon occurrence of the following circumstances:

1. Resignation;
2. Expiration of the term or termination from the being the Company's Director;
3. The Board of Directors passed a resolution to remove from office;
4. Lack of qualification and possess any prohibited characteristic, as per specified by the laws;
5. Death.

The Board of Directors has the power to appoint more members of Risk Management Committee to carry out the Company's objectives or to replace the directors in the committee who retired from the office. The person who is appointed to the Risk Management Committee, substitute for resignation or resolved to vacate, will only be in office as long as the remaining term.

Material authorities, Duties, and Responsibilities of The Risk Management Committee

1. To specify risk management policy and risk appetite to propose to the Board;
2. To specify overall policies and guidelines of the Company's risk management which shall cover financial risks, investment risks and other risks which might impact the Company's reputation, and etc. to propose to the Board for approval;
3. To specify the Company's risk management plan, framework and processes to make them correspond to risk management policy, then monitor on implementation, as well as review efficiency of risk management framework;
4. To review risk management report and operation to make sure that risk management is continually conducted and risk appetite can be adequately and suitably managed;
5. To develop and review the Company's risk management system to make it efficiently and effectively on continued basis by constantly evaluating and monitoring risk management process pursuant to the specified policy;
6. To appoint the Risk Management Steering Committee (RMSC), as appropriate, as well as to support the Risk Management Steering Committee on personnel, budget and other necessary resources which are consistently with its scope of responsibility;
7. To constantly coordinate with the Audit Committee by exchanging knowledge and information on risk and internal control which has or may have impact to the Company;
8. To make decision and provide recommendation concerning important issues occurred in the risk management process;
9. To present performance report of the Risk Management Committee to the Board of the Directors for acknowledgement and/or consideration every quarter;
10. To perform other duties as per assigned by the Board.

Meetings and Reports

1. The Risk Management Committee arranges or calls for meetings as deemed appropriate at least 4 times a year and has the power to request additional meetings as needed. The meeting shall consist of member of the Risk Management Committee not less than half of the total number of directors.
2. Chairman of the Risk Management Committee acts as chairman of the meeting. In the case of Chairman of the Risk Management Committee is not in the meeting or unable to perform his duties, the member of the Risk Management Committee who attended the meeting may choose one of the risk members to be the chairman of the meeting.
3. The resolution of the Risk Management Committee is conducted with a majority. The Risk Management Committee, which has any interest in the matters considered, shall not participate or express the opinion and shall not have the right to vote on the matter.
4. The meeting's notice to the Risk Management Committee shall be delivered in advance of the meeting, unless necessary or urgent. The invitation of the meeting will be informed by other means or schedule the meeting earlier. The Secretary of the Risk Management Committee will record in the minutes of the meeting.
5. The Risk Management Committee can invite relevant parties to attend the meeting to clarify the facts to the Risk Management Committee to acknowledge.

This Charter of the Risk Management Committee was firstly approved by the Board of Directors Meeting No. 1/2017 held on February 28, 2017. It was recently reviewed and approved by the Board of Directors Meeting No. No. 4/2024 held on July 18, 2024.

This announcement made on July 18, 2024.

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(Dr. Wuthipong Suponthana)

Chairman of the Risk Management Committee

SIC-BC-CHA-2024-006

Charter of the Nomination, Remuneration and Corporate Governance Committee**Silicon Craft Technology Public Company Limited****Objective**

Nomination, Remuneration and Corporate Governance Committee has been appointed by the Board of Directors to promote good corporate governance. It is responsible for setting criteria and policies for the nomination and remuneration of the Board of the Directors' members and sub-committee's members, as well as nominating, selecting, and proposing suitable persons to serve as directors, and considering the remuneration for directors. The Committee is responsible to conduct corporate governance and perform other tasks as assigned and present to the Board of Directors and/or the Shareholders' Meeting.

Composition of the Nomination, Remuneration and Corporate Governance Committee

- Nomination, Remuneration and Corporate Governance committee is appointed by the Board of Directors and consists of at least 3 directors and/or executives, with more than half of the total directors having to be independent directors.
- The Nomination, Remuneration and Corporate Governance Committee shall jointly elect one of the members to be the Chairman of the Nomination, Remuneration and Corporate Governance Committee

Term of Office

- The directors shall have a term of office of 3 years at a time.
- A retired director may be re-appointed by the Board of Directors but the term of office shall not be renewed automatically.
- Apart from vacating office upon expiry of the term, the Nomination, Remuneration and Corporate Governance Committee may vacate from holding office upon occurrence of the following circumstances:

1. Resignation;
 2. Expiration of the term or termination from the being the Company's Director;
 3. The Board of Directors passed a resolution to remove from office;
 4. Lack of qualification and possess any prohibited characteristic, as per specified by the laws;
 5. Death.
- The Board of Directors has the power to appoint a member of Nomination, Remuneration and Corporate Governance committee for carrying out the objectives or to replace the directors in the committee who retired from the office. The person who is appointed to the Nomination, Remuneration and Corporate Governance committee, substitute for resignation or resolved to vacate, will only be in office as long as the remaining term.

Material authorities, Duties, and Responsibilities of The Nomination, Remuneration and Corporate Governance Committee

The Board of Directors assigns the Nomination, Remuneration and Corporate Governance Committee the authority to:

On Nomination

- To specify criteria and policy on nomination of the directors and the sub-committees by considering from appropriateness of the number, structure and component of the Board, specify qualifications of the director to propose to the Board and/or to propose to the shareholders' meeting for approval, as the case may be;
- To consider, recruit and propose suitable persons to be the Company's director or replace the director whose term shall be expired and/or when such position is vacant and/or when it is required to appoint additional director;
- To consider a list of the proposed candidates then select the person whose qualifications conform to the specified criteria;

- To approach the person whose qualifications, conform to the criteria specified to make sure that such person is willing to accept the position of the Company's director, if he/she appointed by the shareholders;
- To perform other tasks assigned by the Board of Directors pertaining to nomination;
- To nominate and evaluate performance of the Chief Executive Officer to propose to the Board of Directors' meeting for consideration and approval.

On Remuneration

- To prepare criteria and policy on determination of remuneration of the Company's Board of Directors and the sub-committees to propose for approval from the Board and/or the shareholder's meeting, as the case may be;
- To specify necessary and suitable remuneration, both pecuniary benefits and non-pecuniary benefits, of the Board of Directors, individually in each year based on scope of authority, duties and responsibilities (Accountability and Responsibility), performance and from comparing with other companies engaging in similar businesses as well as benefits expected to be obtained from the director to propose to the Board of Directors for consideration and further propose for approval from the shareholder's meeting;
- To be responsible for the Board and to have duty to clarify and answer any queries on remuneration of the Board during the shareholders' meeting;
- To consider evaluation criteria of performance of the Chief Executive Officer;
- To report policy, principle/reason on determination of remuneration of the directors and the management pursuant to regulations of the stock exchange, by disclosing in the annual report (form 56-1 One Report) of the Company;
- To determine annual remuneration of the directors and the Chief Executive Officer, pursuant to the payment criteria considered then propose to the Board of Directors for consideration on approval of remuneration of the Chief Executive Officer. For remuneration of the directors, the Board shall propose to the shareholders' meeting for approval;

- To consider on appropriateness and to give consent in case of offering of newly issued securities as incentives to the Company's directors and employees, by adhering to fairness to the shareholders in order to motivate the directors and the employees to perform duties on enhancement of value to the shareholders in the long term and to be able to truly retain the qualified employees;
- To perform other tasks relevant to the determination of remuneration as per assigned by the Board; The management and the department heads shall report or present relevant information and document to the Nomination, Remuneration and Corporate Governance Committee to support its operations in order to achieve the assigned duties;
- To consider bonus framework, salary increase and key index performance of the organization to propose to the Board for consideration.

On Corporate Governance

- Consider to set guidelines and policy regarding business ethics, as well as anti-corruption policy, in accordance with the principles of good corporate governance to the Board of Directors and management to establish an organization's code of conduct which has standardized and appropriate;
- Supervise, consult, evaluate and review policies and adhere to good corporate governance principles and business ethics, including social and environmental responsibility, as well as sustainability development, to develop and enhance the company's corporate governance to international standards;
- Suggest on guidelines about social and environmental responsibility, as well as supervising, consulting, supervising, and monitoring the progress of the organization's sustainable development actions and evaluating the effectiveness of the operation;
- Review the suitability of the Charter of the Nomination, Remuneration and Corporate Governance committee annually and present to the Board of Directors for approval if the charter has been updated;
- Perform any other duties as assigned by the Board of Directors.

Reporting

The Nomination, Remuneration and Corporate Governance Committee reports to the Board of Directors.

Meeting

- The Nomination, Remuneration and Corporate Governance Committee holds or calls meetings as deemed appropriate at least once a year and has the power to request additional meetings as needed. The meeting shall consist of members of the Committee not less than half of the total number of the members.
- All the committee's members should attend the meeting every time unless there is a reason for not being able to attend the meeting. Chairman of the Nomination, Remuneration and Corporate Governance Committee shall be notified.
- The Chairman of the Nomination, Remuneration and Corporate Governance Committee act as Chairman of the meeting. In case the Chairman of the Committee is not present at the meeting or is unable to perform his duties, one of the members shall be selected to chair the meeting.
- The Committee's vote is conducted with a majority. The Nomination, Remuneration and Corporate Governance Committee's members who has any interest in the matters considered, shall not participate in the meeting or express an opinion and shall not have the right to vote on the matter.
- Meeting invitations to the Nomination, Remuneration and Corporate Governance Committee shall be delivered in advance of the meeting, unless necessary or urgent. The invitations of the meeting shall be informed by other means or schedule the meeting earlier. The Secretary of the Nomination, Remuneration and Corporate Governance Committee will record in the minutes of the meeting.
- The Nomination, Remuneration and Corporate Governance Committee can invite the relevant parties to attend the meeting to clarify the facts to the Committee to acknowledge.

This Charter of the Nomination, Remuneration and Corporate Governance Committee was firstly approved by the Board of Directors Meeting No. 1/2017 held on February 28, 2017. It was recently reviewed and approved by the Board of Directors Meeting No. 4/2024 held on July 18, 2024.

This announcement made on July 18, 2024.

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(Dr. Sarote Phornprapha)

Chairman of the Nomination, Remuneration
and Corporate Governance Committee

SIC-BC-CHA-2024-005

Charter of the Executive Committee

Silicon Craft Technology Public Company Limited

Appointment of the Executive Committee

1. The Executive Committee is appointed by the Board of Directors with be consisted of a number of company directors, company executives and probably appropriate outsiders. The Board of Directors shall appoint an executive director who is a director of the Company to be Chairman of the Executive Committee.
2. Chief Executive Officer shall be automatically one of member of Executive Committee.
3. The Executive Committee shall appoint the secretary of the Executive Committee.

Term of office

The directors shall have a term of office of 3 years at a time. A retired director may be re-appointed by the Board of Directors but the term of office shall not be renewed automatically. Apart from vacating office upon expiry of the term, The Executive Committee may vacate from holding office upon occurrence of the following circumstances:

1. Resignation;
2. Expiration of the term or termination from the being the Company's Director;
3. The Board of Directors passed a resolution to remove from office;
4. Lack of qualification and possess any prohibited characteristic, as per specified by the laws;
5. Death.

The Board of Directors has the power to appoint a member of Executive Committee carrying out the objectives or to replace the directors in the committee who retired from the office. The person who is appointed to the Executive Committee, substitute for resignation or resolved to vacate, will only be in office as long as the remaining term.

Material authorities, Duties, and Responsibilities of The Executive Committee

1. To have power to make decision on important operations of the Company by specifying scope, type or size of business, objectives, guideline and policy of the Company within the scope of power assigned including to supervise overall operations, productivity, relationship with the customers as well as to be responsible for the Board;
2. To oversee and manage the Company's business operations pursuant to the policy specified by the Board of Directors and to report operating results to the Board;
3. To formulate strategy and business operation plan, annual budget including management structure so that the works can be undertaken pursuant to the policy and target specified by the Board, as well as to propose to the Board for consideration;
4. To specify approval authority of each person appropriately, segregate duties which may be prone to corruption then propose to the Board for approval then supervise to ensure that the approved principles and regulations have been adhered to;
5. To have power to manage salary structure, to specify scope of duty on work, appointment, transfer, wages cutting or reduction, removal, dismissal, disciplinary penalty, awarding and merit of the employees;
6. To consider on approval of financial transactions with the bank or the financial institutes to support normal course of business operations, such as opening or closing of bank account, loan, borrowing, credit line financing, pledge, mortgage, guarantee and etc., including purchase, sale and register for ownership in any land for normal course of business operation pursuant to the approval power approved by the Board of Directors;
7. To consider on investment, work expansion as well as acquisition and disposition of the Company's fixed assets to propose to the Board;
8. To have power to act and represent the organization with the third party in the activities related to and beneficial to the organization;
9. To consider about the Company's fund raising activity to propose to the Board;
10. To approve on appointment of consultants in various fields necessary for business operations;

11. To manage general business of the Company;
12. To consider and approve operation plans of each department and consider and approve the requested application of any department which exceeds power of such department;
13. To jointly work with the Risk Management Committee on formulation of risk management policy and risk appetite to propose to the Board;
14. To jointly work with the Risk Management Committee to specify overall risk management policy and guidelines of the Company covering various material types of risks, i.e. financial risk, investment risks and risks which may impact to the business's reputation, and etc. to propose for the Board's approval;
15. To jointly work with the Risk Management Committee to specify the Company's risk management plan, framework and process to make them consistent with the risk management policy and follow-up on its implementation as well as review efficiency of the risk management framework;
16. To jointly work with the Risk Management Committee to review management report and to operate to make sure that risk management is continually conducted and risk appetite can be adequately and suitably managed;
17. To jointly work with the Risk Management Committee to develop and review the Company's risk management system to make them efficiency and effectiveness continually by constantly evaluating its results and to monitor risk management processes to ensure that they are consistently with the specified policy;
18. To jointly work with the Risk Management Committee on appointment of the Risk Management Steering Committee (RMSC) as well as to support on personnel, budget and other necessary resources which are consistently with its scope of responsibility;
19. To jointly work with the Risk Management Committee on coordination with the Audit Committee constantly by exchange knowledge and information on risk and internal control which has or may have impact to the Company;
20. To jointly work with the Risk Management Committee on making decision and provision of recommendation with regards to material problem occurred in the risk management processes;

21. To jointly work with the Risk Management Committee to present the performance report of the Risk Management Committee to the Audit Committee for acknowledgement and/or consideration every quarter;
22. To perform any other tasks assigned by the Board of Directors.

However, the delegation of authority and responsibility of the Executive Committee shall not entitle the authorized person to have authority to approve any undertaking that such person or a person who might have conflict of interest (the definition of "Person who might have conflict of interest" shall have meaning as per specified in the Notification of the Securities and Exchange Commission), interests or any benefits in any other manners against benefits of the Company. Approval of such transaction is required to be proposed to the Board of Directors' meeting and/or the shareholders' meeting for consideration and approval, pursuant to the Articles of Association of the Company or the relevant laws, except it is the approval of the transaction which is normal course of business operation pursuant to the policy and criteria already considered and approved by the Company.

Meeting and Report

1. Executive Committee shall arrange meetings as a monthly basis or call meeting as deemed appropriate and has the power to request additional meetings as needed. The meeting shall consist of members of the Committee not less than half of the total number of the members.
2. The Chairman of Executive Committee act as Chairman of the meeting. In case the Chairman of the Committee is not present at the meeting or is unable to perform his duties, one of the members shall be selected to chair the meeting.
3. The Committee's vote is conducted with a majority. The Executive Committee's members who has any interest in the matters considered, shall not participate in the meeting or express an opinion and shall not have the right to vote on the matter.
4. The Meeting invitations to the Executive Committee shall be delivered in advance of the meeting, unless necessary or urgent, shall be informed by other means or schedule the meeting earlier. The Secretary of Executive Committee will record in the minutes of the meeting.

This Charter of the Executive Committee was firstly approved by the Board of Directors Meeting No. 1/2017 held on February 28, 2017. It was recently reviewed and approved by the Board of Directors Meeting No. 4/2024 held on July 18, 2024.

This announcement made on July 18, 2024.



(Dr. Naiyavudhi Wongkomet)

Chairman of the Executive Committee



Silicon Craft Technology Public Company Limited

Attachment 4

Internal Control Sufficiency Evaluation Form
for the year ended December 31, 2024

Internal Control Sufficiency Evaluation Form
Silicon Craft Technology Public Company Limited

For the year ended December 31, 2024
(As of January 31, 2025)

This assessment is prepared by the Board of Directors.
This is the opinion of the Board of Directors on the sufficiency of the internal control system.

Control Environment

1. The organization demonstrates a commitment to integrity and ethical values.

Questions	Yes	No
1.1 The board of directors and the management set up principles and guidelines based on integrity and codes of conduct in the following areas: 1.1.1 Daily routine operation and decision making; 1.1.2 Treatment of trade partners, clients and other parties. <u>Description</u> <i>the Company's Board of Directors and executives place importance on practice based on decisions and conducting business operations in accordance with the provisions of the law or relevant regulations. The Company adheres to the rule of law in doing business, maintaining transparency, giving importance to customers along with social responsibility, as well as establishing ethical practices for performing daily duties, making decisions on various matters and dealing with business partners and third parties. These are set out in the Business Ethics and Code of Conduct Handbook in order to be used as an updated guideline for proper conduct in the organization.</i>	✓	
1.2 Following written rules are provided to ensure that executives and employees perform the duties with integrity and ethics: 1.2.1 Appropriate code of conduct for executives and employees; <u>Description</u> <i>The Company has established a code of conduct for executives and employees as a guideline for their work by specifying in the Business Ethics and Code of Conduct Handbook in writing. The latest edition of the Business Ethics and Code of Conduct Handbook has been reviewed and approved according to the minutes of the Board of Directors' Meeting No. 4/2024 held on July 18, 2024.</i> 1.2.2 Prohibitions on any actions by the executives and employees that could cause conflicts of interest with the business; and prohibitions on corruptions which will cause damages to the organization. <u>Description</u> <i>The Company has ethical requirements that executives and employees must not follow or conduct any business or activity in a manner that may cause a conflict of interest, whether directly or indirectly, with the Company.</i>	✓ ✓	

Questions	Yes	No
<i>It also includes establishing policies and guidelines regarding anti-corruption clearly. The latest policy has been reviewed and approved by the Board of Directors meeting No. 4/2024 held on July 18, 2024.</i> 1.2.3 Appropriate penalties in the case of violation of the aforementioned rules <u>Description</u> <i>The Company has set up a penalty process when there is a violation or non-compliance with the policy in accordance with the regulations on work on disciplinary action of the Company.</i> 1.2.4 Communication of the aforementioned rules and penalties to the executives and the employees. For example: they are included in the orientation session for new employees; employees annually sign for acknowledgment of the rules and penalties; the code of conduct is publicized for employees and outsiders. <u>Description</u> <i>Requirements in the Business Ethics and Code of Conduct Handbook including penalties in business ethics have been communicated to all new employees at all levels to acknowledge through a video file during the employee orientation by the Human Resources Department with providing the test link in the Microsoft Forms program to ensure all employees understand code of conduct together with the rules and penalties. Additionally, executives and employees at all levels will undergo an annual review of the Business Ethics and Code of Conduct Handbook, which will be communicated via email by the Human Resources department, along with the link to the video file and the test from Microsoft Forms, similar to the process for new employees. In this regard, executives and employees at all levels can access various policies of the Company through the Share Point system. In addition, the Company has published and communicated business ethics and good corporate governance policies to external parties through the Company's website.</i>	✓	
1.3 There are procedures to monitor and assess whether the code of conduct is complied: 1.3.1 Monitoring and assessment by an internal audit unit or a compliance unit; 1.3.2 Self -assessment by executives and employees; 1.3.3 Assessment by independent professionals ,outsiders of the organization. <u>Description</u> <i>The Company determines compliance with the Code of Business</i>	✓	

Questions	Yes	No
<i>Conduct as one of the topics that the Board of Directors must assess annually.</i>		
1.4 There is timely management upon a detection of non-compliance with rules on integrity and code of conduct. 1.4.1 There are procedures for timely detection of the violations; 1.4.2 There are procedures for suitable and timely punishment or management of the violations; 1.4.3 There are timely and suitable corrections for the violations of rules for integrity and code of conduct. <u>Description</u> <i>The Company has established measures and procedures when receiving complaints or actions. For violation of any standard in the Business Ethics and Code of Conduct Handbook, the Company will take disciplinary actions as specified in the work regulations, chapter 11 on discipline and disciplinary action or as appropriate immediately. The investigation will be conducted to obtain facts and take action to stop the violation or non-compliance with that matter.</i>	✓	

2. The board of directors demonstrates independence from the management and exercises oversight of the development and performance of internal control.

Questions	Yes	No
2.1 The roles and duties of the board of directors are set separately from those of the management. The authorities of the board of directors are clearly defined. <u>Description</u> <i>The Company specifies the duties and responsibilities of the Board of Directors in the charter of each committee, including the authorization framework established where the right of approval is reserved for the Board of Directors such as vision, mission, goals, strategies and Company policies, annual budget, annual product research and development budget, management structure, purchasing or transferring assets, and investing in other or new businesses, fundraising, loan agreements, guarantees and financial obligations.</i>	✓	

2.2 The board of directors oversees whether the company goals are clear and measurable to be used as guidelines for executives' and employees' operation. <u>Description</u> <i>In 2024, the management attended a meeting and formulated a strategic plan for the year (Corporate Focus 2024) in order to achieve the set goals and objectives. The strategies are divided into ones that focus on sales marketing, technology, product development, operations, and personnel development which are consistent with the mission of the organization that places importance on unique products and technology, innovation, customers and business partners. The Corporate Focus 2024 has been presented to the Board of Directors for consideration and approval. The management has clearly defined key indicators (KPIs) for each goal, able to measure performance and report results to the Executive Board every month through the Executive Board meeting. It also includes reports on progress, strategies and business directions to the Board of Directors on a quarterly basis through the Board of Directors meeting.</i>	✓	
2.3 The board of directors oversees that the Company follows the laws and charters in specifying roles and duties of the board of directors, the executives, the audit committee, auditors, internal auditors, and the personnel who is responsible for financial statements. <u>Description</u> <i>The Company defines the roles and responsibilities of the Board of Directors in the Board of Directors Charter, and the charter of each sub-committee. It also includes high-level executives such as the Chief Executive Officer Charter and Company Secretary Charter, which clearly covers roles and responsibilities. Each charter has been reviewed and approved by the Board of Directors Meeting No. 4/2024 (held on July 18, 2024).</i>	✓	
2.4 The board of directors are knowledgeable for the Company business and have expertise beneficial to the company or can seek advices from experts in a particular area. <u>Description</u> <i>The Company assesses the specific knowledge and competencies of the Board of Directors by preparing a skill matrix to consider both knowledge, expertise or experience in macro-management, specific field, and corporate governance or good corporate governance. It is evaluated from skill matrix assessment. The Company has a committee consisting of people who have knowledge about the Company's business, and expertise that is beneficial to the Company in all aspects.</i>	✓	

2.5 The board of directors comprises of independent directors who are knowledgeable, reliable and truly independent in performing the duties. For example, the independent directors should have no business relationship with the Company or any relationship that could influence their judgement and independent performance. <u>Description</u> <i>The Board of Directors consists of three independent directors who are knowledgeable and competent in different fields, and are independent in performing their duties and using appropriate discretion in considering various matters, including no shareholding in the Company.</i>	✓	
2.6 The board of directors oversees the development and implementation of the internal control in the organization, including creating control environment, risk assessment, control activities, information and communication, and monitoring activities. <u>Description</u> <i>The Board of Directors is responsible for supervising and managing the Company's accounting system, reliable financial reporting, transparent internal control system with sufficient and appropriate level, as well as taking care of risk management to cover the entire organization. In addition, the Audit Committee, which is a sub-committee, is mainly responsible for ensuring that the Company has an adequate internal control system with an international standard. It also supervises to have a reliable accounting system and financial reports, and review the Company to comply with the law, regulation or legal requirements related to the Company's business.</i>	✓	

3. Management establishes, with board oversight, structures, reporting line, and appropriate authorities, and responsibilities in the pursuit of objectives.

Questions	Yes	No
3.1 Top management set up the organizational structure which supports the pursuit of the Company's objectives by considering appropriateness of business functions and legal requirements. There is, also effective internal control function. For example, there is a separation of duties in important business units which would result in check and balance; there is an internal audit unit which reports directly to the audit committee; there is a clear line of report.	✓	

<u>Description</u> The Company has set up an organizational structure both at the organizational and department level appropriately. There is a clear chain of command and report where each department will have a consistent work relationship to achieve the objectives of the Company with a division of duties, making checks and balances between departments.		
3.2 Top management establishes reporting line by considering appropriateness of authorities, responsibilities and communication.	✓	
3.3 Authorities and responsibilities among the board of directors, top management, management and employees are appropriately defined and assigned. <u>Description</u> The Company defines the duties and responsibilities of the Board of Directors. Each sub-committee, executives and employees of the Company are defined and identified in their charter and Job Descriptions respectively, which are appropriately prepared and approved by the authority. It also includes the establishment of approval authority for operations both at the organizational and operational level. It was officially announced for work reference.	✓	

4. The organization demonstrates its commitment to attract, develop and retain competent individuals in alignment with objectives.

Questions	Yes	No
4.1 The Company has policies and practices to recruit, develop and retain competent employees and regularly reviews such policies and practices. <u>Description</u> The Company has an annual manpower plan, as well as written process and procedure for recruiting and hiring personnel used as a tool for selecting employees having knowledge, competence and experience suitable for the job position as specified in the Job Description. It also includes planning and training employees at all levels according to the annual employee development and training plan in order to develop potential knowledge and ability of employees to be able to work efficiently.	✓	

4.2 The Company has evaluation process, incentives or rewards to employees with good performance, and management measures for employees who do not achieve the targets. Such processes are well informed to executives and employees. <u>Description</u> <i>The Company has established guidelines and criteria used in the annual performance appraisal for both executive and employee levels. There is a process of clarifying and notifying the results of the assessment for employees to sign and acknowledge in writing, including reviewing and approving the assessment results from the official authority.</i>	✓	
4.3 The Company has process of timely solutions and preparation when lacking competent employees. <u>Description</u> <i>The Company has established a succession plan policy in order to prepare in a timely manner for the lack of competent personnel. The job positions that are important to the organization are defined such as C-Level positions and Manager levels of each department, including positions and employees in subordinate order suitable for succession to such important positions clearly to be prepared if important positions become vacant and then can continue working in a timely manner.</i>	✓	
4.4 The Company has process of recruitment, development and retention for executives and employees such as providing mentoring system and trainings. <u>Description</u> <i>The Company determines job positions and identifies employees who are suitable for succession in important positions, including adding topics for development and training to enhance skills and prepare for the succession in each important position in the Individual Development Plan (IDP). In addition, the Human Resources Department provides training for employees at all levels, both internal and external in order to develop knowledge and skills of employees on a regular basis, along with recording the training history of employees.</i>	✓	
4.5 The Company has a succession plan for important positions. <u>Description</u> <i>The Company has a written succession plan policy which has been reviewed and approved by the Board of Directors in order for the Company to have a guideline for the replacement and succession plan for retirement and</i>	✓	

<i>talent management or job positions targeted by the market or competitors, and to reduce the rate of loss of personnel who have with knowledge and experience. There is a clear, transparent recruitment process, including an assessment of efficiency and potential, and encouragement to develop suitable knowledge and skills. As a result, the employees are motivated to work, able to succeed in the position which will make continuity of the operations.</i>		
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5. The organization hold personnel accountable for their internal control responsibilities in the pursuit of objectives.

Questions	Yes	No.
5.1 The board of directors and executives have procedures and communication tools to enforce all employees to take responsibilities in internal control and to provide corrective measure for such procedure, if necessary. <u>Description</u> <i>The Company has established process and instilled employees to comply with policies, rules, regulations and guidelines/ procedures in various fields in order to perform their duties to the same standard. There is a representative selected from the management to monitor the ISO compliance on a regular basis. In addition, the Board of Directors supervises and monitors the results of internal control assessment through external auditors on a quarterly basis.</i>	✓	
5.2 The board of directors and executives set suitable indicators for performance appraisal, incentives and rewards with regard to code of conduct, and the company's short-term and long-term objectives. <u>Description</u> <i>The Company has set and communicated key performance indicators (KPIs) of each department and the performance indicators are evaluated every quarter, as well as creating incentives and rewards for employees who perform as the specified goals. For example, it determines the incentive payment criteria to continuously stimulate sales for sales staff.</i>	✓	

5.3 The board of directors and executives continuously assess the incentives and rewards by focusing on the connection between success of the performance and the compliance with the internal control .	✓	
5.4 The board of directors and executives do not put excessive pressures on each personnel duties. <i>Description The Company has set KPIs for use as a tool to measure and evaluate the performance of each department. This covers necessary internal control activities. Such indication is based on historical data. As a result, the standard values are set reasonably, which does not put too much pressure on the employees.</i>	✓	

Risk Assessment

6. The organization specifies the objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.

Questions	Yes	No
6.1 The Company is able to comply with the generally accepted accounting principles which is suitable to the business at that time by presenting that transactions in financial statements exist, complete, correctly show the rights or obligations of the Company, have the right value as well as properly disclosed. <i>Description The Company complies with generally accepted accounting standards and financial reporting standards related to business. The Company's financial statements have been reviewed/audited by certified auditors every quarter and every year who expressed an unreserved opinion on such financial statements.</i>	✓	
6.2 The Company determines materiality of the financial statement by considering key factors including financial report users, transaction sizes, and business trends.	✓	

6.3 Financial statements reflect true business operation activities of the Company. <i>Description The Company prepares financial reports in full compliance with generally accepted accounting principles. It has been audited/reviewed by an auditor approved by the SEC, who has expressed an unreserved opinion on the Company's financial reports.</i>	✓	
6.4 The board of directors or the risk management committee approves and communicate risk management policy to executives and all employees. The policy is acknowledged and accepted for practices as a part of the organization's culture. <i>Description The Company has formulated a risk management policy prepared as a guideline for executives and employees to apply in order to manage risks appropriately. Such policy has been formally reviewed and approved by the Board of Directors in accordance with the resolution of the Board of Directors meeting No. 4/2024 held on July 18, 2024.</i>	✓	

7. The organization identifies risks to the achievement of the objectives across the entity and analyses risks as basis for determining how the risk should be managed.

Questions	Yes	No
7.1 The Company identifies all risks which may affect business operation at levels of organization, business unit, departments, and working functions. <i>Description The Company has identified and analyzed all types of risks that may arise from both internal and external factors and considered together with other companies' risk factors in the same industry in order to develop an overall risk management framework in line with business goals, strategies and future operations. It considers impacts on business operations both at the organizational level and various departments, covering risks in various areas such as strategies, operations, customer, finance, and law and compliance.</i>	✓	

7.2 The Company analyzes all risks that could come from both internal and external factors, including risks from business strategies, operations, reporting, compliance with law and regulation, and information technology. <u>Description</u> <i>The management has analyzed the overall risk of the Company by considering risks from both internal and external factors. These include strategic risks, operational risks, customer risks, financial risks, Environmental, Social and Governance (ESG) risks, and compliance risks in order to assess and impacts the risk, current risk control and clearly define risk management methods in each aspect.</i>	✓	
7.3 Executives at all levels participate in risk management. <u>Description</u> <i>The Company has established a Risk Management Steering Committee (RMSC), comprised of main representatives who own the risks in each area and related function. There was an official letter establishing a Risk Management Steering Committee and Management Business Continuity team, a crisis management working group, in order to follow up on risk control measures, update the impact value and likelihood of the event to be up to date. It also adds list of new risks (if any), together with report of risk management results to the Secretary of the Risk Management Committee to present to the Risk Management Committee respectively.</i>	✓	
7.4 The Company assesses the significance of risks by considering the likelihood and the possible effects. <u>Description</u> <i>The Risk Management Steering Committee (RMSC) joins a meeting to assess the importance of risks. It considers both impact and likelihood of the event and is constantly reviewed.</i>	✓	
7.5 The Company has measures and operational plans to handle risk by either accepting, reducing, avoiding or sharing risks. <u>Description</u> <i>The Risk Management Committee has considered measures to manage each risk to be at an acceptable level. There are clearly defined</i>	✓	

<i>indicators and acceptable risk levels for timely monitoring and reporting of risk management results.</i>		
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8. The organization considers the potential for fraud in assessing risks to the achievement of the organization's objectives.

Questions	Yes	No
8.1 The Company assesses the potential for fraud covering all types of fraud including fraudulent financial reporting, losses of assets, corruptions, management override of internal controls, manipulations on important financial information, unauthorized acquisition or disposition of assets etc. <u>Description</u> <i>The Company has considered risks covering fraud risks by identifying events and assessing the likelihood and impacts in the process of a risk registration in order to determine management measures such as the risk from account manipulation, misappropriation of property/loss of property, abuse of power or credibility of the Board of Directors or Executives, the use of inside information not yet publicly been disclosed for securities trading, and the risk of corruption.</i>	✓	
8.2 The Company carefully reviews the operational objectives, considering possibility of achieving the goals. Also, incentives and rewards granted to the employees should be reasonable and would not instigate wrong doing. For example, The Company does not set expected sales much higher than its capabilities so that it will lead to sales manipulation. <u>Description</u> <i>The Company has set operational goals and annual budget plans for 2024 which mainly consider the feasibility of the goals and business growth opportunities. The management has presented the goals and annual budget to the Board of Directors for consideration and approval before applying to the management respectively.</i>	✓	
8.3 The audit committee considers and inquires executives in accordance with the potential for fraud and measures that the Company establishes to prevent or	✓	

correct the frauds.		
8.4 The Company communicates to all employees to understand and comply with the policies and guidelines. <u>Description</u> <i>The Company has a channel to communicate policies, operation manuals and guidelines through the Company's Share Point where executives and employees at all levels can access.</i>	✓	

9. The organization can identify and assess changes that could have impacts on the system of internal control.

Questions	Yes	No
9.1 The Company assesses changes of external factors which could affect the business operations, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently. <u>Description</u> <i>The Company evaluates changes in external factors that may affect the business operations of the Company through various meetings such as weekly meetings of the Production Planning Department (Planning), together with the Supply Chain Department to plan and acknowledge the plan and the period of time that the Company will receive the products from the contractor in order to manage the delivery of products to customers on time. There are weekly internal meetings of Global Sales and Marketing Department, and monthly meetings of the Executive Committee, etc., as well as policies and procedures to meet changes appropriately.</i>	✓	
9.2 The Company assesses changes in business models which could affect business operations, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently. <u>Description</u> <i>Through the Board of Directors' meetings, the Company assesses business models that may affect business operations in order to plan and formulate strategies for doing business each year.</i>	✓	

9.3 The Company assesses changes of the organizational leaders which could affect the business operation, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently. <u>Description</u> <i>The Company has formulated a succession plan policy with emphasis on executive positions (C-LEVEL) as well as director and manager levels in order to enable continuation of business operations. Currently, the Company has created a Potential Successor/ Critical Position that clearly specifies qualifications, skill, experience and responsibilities used as a criterion for recruiting successors to replace important executives. It also includes appointing executives who will replace in the event of force majeure or executives are unable to perform their duties (Emergency Replacement), both short-term and long-term, until a suitable successor can be recruited respectively. This is to reduce the impact on business operations and personnel shortage problems which may affect the Company.</i>	✓	
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Control Activities

10. The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of the objectives to the acceptable levels.

Questions	Yes	No
10.1 The Company's control measures are suitable to the risks and specific characteristics of the organization such as the environment; the work complexity, the characteristics of work, the scope of the operations, and other specific condition.	✓	
10.2 The Company has written internal control measures covering all procedures appropriately. For example, the company has policies and procedures in regard to financial transactions, procurement, and general administration. The Company also gives clear scope of authorities and approval hierarchy of each management level to prevent fraudulence. For example, the Company establishes: chart of authority approval to each management level to limit amounts of expenditures; project/investment approval manual; procurement and vendors selection manual;	✓	

decision making on procurement process manual; or equipment/tools disbursement manual. Therefore, following procedures are provided: 10.2.1 Collection on information of major shareholders, directors, executives and related persons, as well as connected persons benefits for monitoring and reviewing on related transactions or transactions with conflict of interests. The collection will be consistently up-to-date. 10.2.2 In case that the Company has already approved transactions or entered into the contracts with long term obligations such as purchasing and selling contracts, lending, guaranteeing, the Company monitors whether the conditions of the agreements are followed through the contracts periods. For example, monitoring compliance with loans repayment agreement or the contracts are regularly reviewed for appropriateness. <i>Description The Company has clearly defined the scope of authority and the approval process in each level for the approval authority, both executive and operational levels, in writing. It has been announced to all employees and requires that the suitability be reviewed regularly, including internal control measures written. There are also policies and operation manuals covering every process as a guideline for those involved in various functions to follow correctly. In addition, the Company also considers related transactions which has been approved by the Audit Committee and the Board of Directors respectively on a quarterly basis.</i>		
10.3 The Company sets up suitable varieties of internal control such as manual and automated controls or preventing and monitoring controls. <i>Description The Company has designed an internal control system, defined as a part of the operation manuals. It also includes the control of information access and various transactions approval, both in the form of protection and detective control, for example,</i> <i>1) Designate budget control for research and development projects through the ERP system – Microsoft Dynamics 365, with a system to prevent orders or budget exceeding the approved budget or changes in price per unit on an approved purchase order. It also includes requiring that the allocation be checked and cost recorded by the Accounting Authority on a monthly basis.</i>	✓	

2) <i>Designate control and monitoring of product development projects every week (Gate Review) so that each development process can be tracked or problems (if any) can be solved in a timely manner. It also reduces potential impacts in case the product has already been developed and significant errors are found later, for example.</i> 3) <i>Designate control the unit selling price starting from the preparation of the quotation through the ERP system – Microsoft Dynamics 365. The system will prevent the sale of products at a price lower than the approved price specified in the Pricelist automatically. In cases where it may be necessary to sell below the Pricelist price, the system will be configured to prompt for approval from authorized personnel, as per the specified approval process. Only after approval through the system can the quotation be printed and presented to the customer for sale."</i>		
10.4 The Company builds internal control throughout all level of the organization such as the group of companies, business unit, function, department, division or process. <u>Description</u> <i>The Company has established internal control at all levels of the organization, for example, the authorities and responsibilities of the Board of Directors, Chief Executive Officer, an organizational structure, departmental structure to determine appropriate lines of command and authority to approve transactions. There is a clear separation of duties to ensure mutual checks. The Department Manager is mainly responsible for ensuring that the internal control system is complied with.</i>	✓	
10.5 The Company conducts segregation of duties to the 3 parts as followed for check and balance purposes: (1) Authorization; (2) Recording accounting entries and information and; (3) Custody of assets. <u>Description</u> <i>The Company has clearly separated important duties and responsibilities such as</i>	✓	

1) Before recording the receipt of goods into the accounting system and the warehouse, the Inventory Division is responsible for inspecting the goods and QC section is responsible for checking the quality of the products before making a record and storing products in the warehouse. The accounting officer will inspect the accuracy and completeness of the supporting documents for entries before proceeding with debt collection records. The Account Manager approves all debt transactions, including requiring the Accounting Department to randomly check inventory together with the Inventory Division on a monthly basis. 2) In order to create a sales order in the ERP system – Microsoft Dynamics 365, the Sales Department must deliver customer demand information to the warehouse department to verify and confirm the availability of inventory before issuing an invoice every time. When the invoice is issued, it will be sent to logistics staff to prepare products, packaging and transportation companies respectively. In this regard, the sales invoice must be examined in terms of quantity and unit price by the Accounts Receivable Officer before submitting to the authorized person according to the established authority in order to approve the sales invoice every time. In addition, the Accounting Manager is the chief in the Accounting Department to approve all accounts receivable.		
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11. The organization selects and develops general control activities over technology to support the achievement of objectives.

Questions	Yes	No
11.1 The Company should define relationship between uses of information technology in the operation process and the general control of the information technology system. <u>Description</u> The Company uses the ERP system – Microsoft Dynamics 365 for its key operations in sales, purchasing, raw material and inventory control, budget control, payment and accounting records, etc. There is sufficient control for such	✓	

systems such as setting data access rights in the system and processing, including safe storage. In addition, the Company has a policy to maintain the security of information technology systems, including IT regulations clearly written. This has been communicated to employees and executives at all levels through orientation for new employees and presented as a monthly report to the management regarding the system security which may be at risk.		
11.2 The Company should define suitable control measures for infrastructure of technology system. <u>Description</u> For the management of information technology systems, the Company has established policies and complete and important operating regulations in writing to ensure that the Company's information is secure. There is reliable processing and ready to use in a timely manner.	✓	
11.3 The Company should define suitable security control for the technology system. <u>Description</u> The Company has limited the right to access the information system which will be classified according to the authority and responsibility of each job position. Physical and logical access controls are provided sufficiently and appropriately.	✓	
11.4 The Company should define suitable control measures on process of procurement, development, and maintenance of the technology system.	✓	

12. The organization deploys control activities through policies which establish what is expected and procedures that put the policies into action.

Questions	Yes	No
12.1 The Company has strict policies to monitor that transactions made by major shareholders, directors, executives, or the related persons must be passed through approval procedures as defined in , for example, by the articles of corporation, the regulation of the Stock Exchange of Thailand and SEC etc. This is to prevent exploitation of company benefit against the use for personal gains.	✓	

<u>Description</u> The Company has a written policy on related party transactions reviewed and approved by the Board of Directors at No.4/2024 on July 18, 2024, and has set guidelines for future transactions. It also includes the process of collecting transaction information in writing in order for such transactions to be approved and disclosed accurately and completely. In addition, the Company is aware of the importance of duties and responsibilities of the Board of Directors in disclosing information and ensuring the accuracy of information in the Company's statement to SEC. The Company Secretary will inquire and coordinate with each committee member to confirm names and transactions with related companies or individuals.		
12.2 The Company has a policy that a transaction must be approved by the person who has no personal interests in such transaction. <u>Description</u> The Company's policy on related party transactions determines that a person who may have conflicts of interest or has conflicts of interest in the transaction will not have the right to vote in approving the transactions between them.	✓	
12.3 The Company has a policy to approve transactions by considering the Company's best interests, and consider the transactions as at arm's length basis. <u>Description</u> The Company's policy on related party transactions determines the principles for transaction approval similar to those for general customers. The Company has considered comparing product or service prices with the external ones under similar product or service conditions. The consideration of the related party transactions will be proceeded by the Audit Committee meeting to provide opinions on the reasons and necessity of such transactions on a quarterly basis.	✓	
12.4 The Company has monitoring process for operations of subsidiaries or associated companies including setting guidelines to the person who is appointed as a director or an executive in the subsidiaries or associated companies. (Answer this question is not required if the Company does not invested in the subsidiary or associated companies)	✓	

<u>Description</u> The Company has established investment policies and guidelines for supervision of subsidiaries, associated company or joint venture which was reviewed and approved by the Board of Directors at No. 4/2024 on July 18, 2024. The policy has taken into account important requirements such as the appointment of a person as a director in a subsidiary or associated company, operational supervision and the approval authority before making transactions, in order to make the operations of the group more flexible and in the same direction.		
12.5 The Company assigns roles and responsibilities that executives and employees are to implement the policies and procedures in their operation.	✓	
12.6 The Company's policies and procedures are timely implemented by competent personnel including the process of operation correction. <u>Description</u> Policies and operational processes of each work process have been communicated to employees for acknowledgment in order to apply the same standard. There are channels for policy communication and operational manuals through SharePoint, where executives and employees at all levels can access.	✓	
12.7 The Company regularly reviews its policy and procedures. <u>Description</u> The Company arranges meetings to communicate policies and operational procedures between department executives and employees regularly or when there is a change.	✓	

Information & Communications

13. The organization obtains or generates and uses relevant and quality information to support the functioning of internal control as intended.

Questions	Yes	No
13.1 The Company specifies information required for business operations. The information should be from both internal and external sources, which are quality and related to the company business.	✓	

<u>Description</u> The Company has prepared a manual for each work process, including clearly specifying information or supporting documents that are required in the work process from both internal and external sources. For example, it requires documents for approval and registration of new customers in the customer database in the accounting system, and determines the supporting documents for the consideration of recording and month-end closing quarterly and annually, etc.		
13.2 The Company reviewed cost and benefit to gain the information, including quality and accuracy of such information.	✓	
13.3 The Company provides the board of directors with essential and sufficient information for their decision-making. Examples of essential information include details of the proposed agenda, reasons and impacts on the Company, and alternatives available. <u>Description</u> The Company specifies the names of documents and information delivered together with the meeting agendas to the Board of Directors and sub-committees to acknowledge. This will be sent to the directors in advance of the meeting to communicate and provide sufficient information to make decisions on important matters.	✓	
13.4 The Company provides the board of directors with the invitations to the board of directors' meetings and documentation for the meetings which contain necessary and sufficient information for consideration. The documents should be delivered before the meeting date at least as minimum requirement period by the regulations. <u>Description</u> Referred to 13.3	✓	
13.5 The Company provides minutes of board of directors meeting with sufficient details in order to be used for subsequent audit on appropriateness of each director's responsibilities; such as: records of directors' questions; directors' views and remarks of the issues; their opposing views and reasons against the proposed agenda etc.	✓	

<u>Description</u> The Company records the minutes of the meetings of each committee, namely the Board of Directors, Audit Committee, Risk Management Committee, and Nomination, Remuneration and Corporate Governance Committee regarding the agenda and resolutions of the meeting, with the secretary of each committee prepare and record the details of each meeting in writing in order to be able to verify retrospectively about the suitability of the performance of duties of each committee.		
13.6 The Company has the following procedures: 13.6.1 Filling and Classification with completeness on important documents. 13.6.2 In case of report of deficiency found by the external auditor or internal auditor on deficiencies in internal control, the Company fix the deficiency thoroughly.	✓ ✓	

14. The organization internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.

Questions	Yes	No
14.1 The Company has effective process of internal communication and appropriate channels of communication to support internal control. <u>Description</u> There are many channels of information communication between related departments within the Company such as department meeting, weekly meeting, monthly management meeting, company email, announcement board, the central Share Point, and Town Hall Meeting on a quarterly basis in order to support a system of communication and internal control on a regular basis.	✓	
14.2 The Company regularly reports important information to the board of directors. The board of directors has access to information sources that are vital to the operations or to review any transactions as required. For example, the Company assigned contact personnel for providing other information except those received from management; requesting information from external auditor and internal auditor; arranging meetings between the board of directors and executives as requested by the board of directors; conducting other meetings for the board of directors and	✓	

executives except the regular board of directors' meetings etc. <u>Description</u> <i>The Company assigns the Company Secretary to report important information to the Board of Directors and act as a coordinator between the Board of Directors, auditors and internal auditors to gather information to support the Board of Directors.</i>		
14.3 The Company establishes whistle-blower hotline in order that personnel could safely inform information or traces of frauds or corruptions to the Company. <u>Description</u> <i>The Company has a policy to notify clues or complaints of misconduct or fraud in writing and communicated to executives and employees through orientation and annual training. Thus, personnel within the Company can report, make complaints, express opinions or clues about wrongdoings. There are many channels for receiving complaints both from outside and within the Company; for example, for within the Company, notifying directly through supervisors or executives, Human Resources and through the SIC Alert line. It also includes channels for notification from stakeholders and outsiders through the topic of Investor Relations – Corporate Governance (complaint channels) on the Company's website, and requires an email connection to the Chairman of the Audit Committee, Company Secretary and the Secretary of the Chairman of the Audit Committee directly, including via postal channels or telephone according to the current information of the Company, etc.</i> <i>In addition, the Company has set a process to proceed when receiving complaints or clues, measures to consider the facts, as well as reporting the results of operations to independent directors or Audit Committee within a specified period after the actions taken. There are measures to protect whistleblowers or complainants safely.</i>	✓	

15. The organization communicates with external parties about matters affecting the functioning of internal control.

Questions	Yes	No
15.1 The Company has effective procedures of communication with external stakeholders and appropriate channels of communication to support internal control. For example, the Company sets up an investor relations officers/center or compliant center etc. <u>Description</u> <i>The Company has a channel for stakeholders to send comments, questions, and complaints to the Company through the Company's address, website and email of the Audit Committee. The Company has specified that such email be linked to the Chairman of the Audit Committee, Secretary of the Audit Committee and Company Secretary directly. Currently, the Company has established a clear communication channel between the Company and external parties, including preparing information for investor relations at https://investor.sic.co.th/en as information and effective communication with stakeholders outside the organization.</i>	✓	
15.2 The Company establishes whistle-blower hotline in order that external stakeholders could safely inform information or traces of frauds or corruptions to the Company. <u>Description</u> <i>refer to 14.3.</i>	✓	

Monitoring Activities

16. The organization monitors and evaluates to ascertain whether the components of internal control are completely present and suitably functioning.

Questions	Yes	No
16.1 The Company has a process to monitor the compliance with code of conduct and prohibit the executives and employees from conducting themselves in a manner is likely to cause conflicts of interest. The Company, for example, assigns each individual unit to monitor operation and report to the respective supervisors. Alternatively, the company assigns the internal auditor to monitor operation and report to the audit committee etc.	✓	

16.2 The Company provides inspection on compliance with internal control procedures by self-assessment and /or by independent assessment of internal auditors. <i>Description The Company has employed an external independent internal auditor to examine and assess the adequacy of the internal control system for each activity in line with the annual plan approved by the Audit Committee and the Board of Directors. It also includes monitoring the progress in the operational process correction and improvement, and presents to the Audit Committee for acknowledgment through the Audit Committee meeting on a quarterly basis.</i>	✓	
16.3 Frequency of monitoring and assessment activities is suitable to the Company's change.	✓	
16.4 The monitoring and assessment activities on the internal control are carried out by knowledgeable and competent personnel.	✓	
16.5 The Company specifies that the internal control evaluation is directly reported to the audit committee. <i>Description The Company has established an organizational structure where the Internal Audit unit reports directly to the Audit Committee. The Audit Committee will be notified of the results of audit from the internal audit staff or any flaws in the internal control system found by the auditor in order to report to the Board of Directors promptly and regularly.</i>	✓	
16.6 The Company encourages the internal auditors comply with International Standards for the Professional Practice of Internal Auditing (IIA).	✓	

17. The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate.

Questions	Yes	No
17.1 The Company evaluates and communicates internal control deficiencies and monitors for correcting immediately, in case that results of the performance significantly deviates from the target.	✓	

<u>Description</u> <i>The executives of each department have regularly communicated and followed up on faults arising from the operations and the internal control system regularly through department meetings in order to solve them in a timely manner. In addition, the Company requires that the actual performance be monitored and reported in comparison with the set goals. This has been reported and communicated to the management through the Quarterly Review meeting, including reporting to the Executive Committee on a monthly basis.</i>		
17.2 The Company has a reporting policy as follows : 17.2.1 Management must report to the board of directors immediately if there is an incident or a suspicion of serious fraudulence, law violation, or other unusual actions that could significantly affect the reputation and financial position of the Company. 17.2.2 Significant internal control deficiencies including solutions (although the problems may have already been managed) are timely reported to the board of directors/the audit committee for consideration. 17.2.3 The progress on remedies of the significant internal control deficiencies is reported to the board of directors/the audit committee. <u>Description</u> <i>The Company's executives report their performance to the Board of Directors through the Board of Directors' meeting every quarter, including having an independent internal auditor from outside to assess the internal control of the Company, suggest ways to improve/correct work process, and keep track of improvements every quarter for reporting to the Audit Committee.</i>	✓ ✓ ✓	

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