

รายงานประจำปี 2564

Annual Report 2021

(Form 56-1 One Report)



บริษัท อุตสาหกรรมถังโลหะไทย จำกัด (มหาชน)

THAI METAL DRUM MANUFACTURING
PUBLIC COMPANY LIMITED

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*This report is made in accordance with the requirements of
Annual Registration Statement/Annual Report (Form 56-1 One Report)
as of 31 December 2021*

Section 1

Business Operations and Operating Performance

Operating Structure of the Group Companies

1. Policy and Business Overview

Thai Metal Drum Mfg. Public Co., Ltd. and its subsidiaries commit to be a leading manufacturer of 200-liter metal drum and PET Bottle with high quality in response to meet with the customer's demand together with building trust and create maximum satisfaction to the product of the Company for all customers.

The Company continuously develops production processes and cost management to increase efficiency and reduce loss during production process, which results in a decrease in the overall production cost while maintain high quality of products. In addition, the company pays an important on services and after sale service by monitoring and evaluating customer satisfaction for the company's products continuously and consistently to maintain the standard and improve the quality of products and services.

In accordance with the principles of sustainable development and good corporate governance as well as being well accepted in the industry of 200-liter metal drums and PET plastic bottles manufacturer, the Company and its subsidiaries also focus on enhancing and developing personnel capability by providing regular training and seminars, promote teamwork, build up good relationships and connection to the company as well as providing fair and equal compensation and welfare to employees at all levels.

Moreover, the company has a dividends payment policy to shareholders not less than 40% of its net profit of the Company's Separate Financial Statement and target the revenue growth at 5-10%.

Thai Metal Drum Manufacturing Company Limited was established in 1958 with the registered capital of Baht 5 million. The mission is to manufacture and distribute 200-liter metal drums containing lubricants, chemical and agricultural products. Significant changes and development of businesses are as follows:

1987	Established Songkhla Metal Drum Co., Ltd. with Baht 20 million registered capital of which the plant has been located in Hadyai, Songkhla, to produce and distribute 200-liter metal drums for rubber latex. The Company has held 80% stake in Songkhla Metal Drum Co., Ltd.
1989	Increased the registered capital to Baht 50 million and listed in Securities Exchange of Thailand.
1992	Increased the registered capital to Baht 150 million for expanding its business into real estate development with the purchase of office space in Lake Rajada Office Complex for sale and rent, along with holding shares in Lake Rajada Co., Ltd.
1994	Became a public company and established The Pet Co., Ltd. with Baht 50 million registered capital of which the plant has been located at Lad Lum Kaow, Pratumthani, to manufacture and distribute plastic containers e.g., PREFORM tubes and PET bottles. The Company has held 65% stake in The Pet Co., Ltd.
1997	Expanded the business of The Pet Co., Ltd. in plastic products by increasing production line and distributing plastic and corrugated sheets (POLYBOARD) which are used for packing in industrial application including for producing advertisement sign boards and product displays.

2000	Acquired additional shares in The Pet Co., Ltd. from existing shareholders, resulting in increased shareholding from 65% to 75% of the registered capital. As for property business, the Company has additionally purchased 2.208 square meters of office space in Lake Rajada Office Complex for renting out.
2001	Obtained ISO 9001 version 2000 certificate from Bureau Veritas Quality International (BVQI)
2002	Songkhla Metal Drum Co., Ltd. obtained ISO 9001 Version 2000 certificate from SGS Yardley International Certificate Services (SGS)
2003	The Pet Co., Ltd. obtained ISO 9001 version 2000 certificate from Bureau Veritas Quality International (BVQI) The Pet Co., Ltd. established Eastplast Co., Ltd. with Baht 7 million registered capital to produce and distribute PET bottles and plastic bottle cap where the plant is located in Nikompattana, Rayong. The PET has held 99% of registered shares in Eastplast while the PET has increased its shares in The Pet Co., Ltd. from 75% to 79.99% by acquiring common shares from the existing shareholders.
2006	The Company had purchased new production line of 200-liter steel drum and was obtained a privilege from the Board of Investment (BOI). The Company had relocated the factory to the Wellgrow Industrial Estate and discontinued the production at the Chongnonsee factory.
2008	Obtained ISO14001:2004 environment management system from United Registrar of Systems (Thailand) Ltd. (URS)
2009	The PET Co., Ltd. Obtained Food Safety Certification (GMP) from Bureau Veritas Quality International (BVQI).
2011	The PET Co., Ltd. had branched another factory for manufacturing PET bottle in Amphur Muang, Suratthani.
2013	The Company had increased its production capacity of 200-liter steel drum by purchasing the new production line (2 nd line) that was obtained a privilege from the Board of Investment (BOI). The Company had changed par value of ordinary share originally from 10.00 Baht per share of total paid registered capital of Baht 150 million to 1.00 Baht per share, resulting in an increase of number of ordinary shares to 150 million shares. The Company had registered the change of par value to the Ministry of Commerce.
2014	Eastplast Co., Ltd. which the PET Co., Ltd. holds share of 99.99% increased its capital registered to Baht 12 million to cater for expansion of new machinery located at the new branch in Suratthani and was promoted by the Board of Investment (BOI).
2015	Eastplast Co., Ltd. has increased its capital registered to Baht 20 million and the new branch in Chiangmai had opened.
2017	Eastplast Co., Ltd. obtained a privilege from the Board of Investment (BOI) in manufacturing 200-liter plastic drums.
2019	Eastplast Co., Ltd. increased its capital registered to Baht 50 million to expand its production.
2021	The Pet Co., Ltd. and Eastplast Co., Ltd. jointly invested with business partners by installing PET bottle making machines at the business partners' sites in both central and northeastern regions.

OVERVIEW OF BUSINESS NATURE OF THE COMPANY GROUP

Nature of business of the Company and its Subsidiaries can be divided into the following products and services:

(1) Packaging Industry

- Metal Drum
- Plastic Product which can be classified into 4 types:
 - 1) Plastic Produce – from PET (raw material), for example PET Bottle
 - 2) Plastic Produce – from PP (raw material), for example Poly Board
 - 3) Plastic product, for example plastic plugs
 - 4) Product made of HMW HDPE (High Molecular Weight High Density Polyethylene)
for example 200-liter plastic drum

(2) Office for rent at Lake Rajada Office Complex

COMPANY INFORMATION

Company's Name	: Thai Metal Drum Manufacturing Public Co., Ltd.
Office Location	: 35 th Floor, Lake Rajada Office Complex, 193/142 Rachadapisek Road, Klongtoey, Bangkok 10110 Tel. 02 264 0817-9 Fax. 02 264 0820 www.thaimetaldrum.com
Factory Location	: 179 Moo 9 Bangwua, Bangpakong, Chachoengsao 24180 Tel. 038 571 980-2 Fax. 038 571 983
Type of Business	: Manufacturer and distributor of 200-liter metal drum and office building for rent
Registered Number	: 0107537000645
Type and Number of Shares Issued	: 150,000,000 Common stocks of Baht 1.00 each, fully paid.

2. Shareholder Structure of The Company

2.1 STRUCTURE OF REVENUE

Details of revenue structure of The Company and its subsidiaries is as follows:

Unit : Million Baht

Type of Product	2022		2021		2020	
	Income	%	Income	%	Income	%
Metal Drum	1,590.21	68.17	1,075.82	60.40	1,075.82	60.40
Plastic Product	677.05	29.03	638.81	35.87	638.81	35.87
Rent and Service	65.20	2.80	66.39	3.73	66.39	3.73
Total	2,332.46	100.00	1,781.02	100.00	1,781.02	100.00
Less Related Transaction	94.13	-	72.17	-	72.17	-
Total Value Add	2,238.33	-	1,708.85	-	1,708.85	-

2.2 DESCRIPTION OF PRODUCT OR SERVICE

PRODUCT CHARACTERISTICS

(1) Packaging Industry

Metal Drum

The core business of the Company is to produce and supply 200-liter metal drum for containing lubricant, chemical products, fruit juice and rubber latex. Majority of the customers are in Bangkok, suburban and in Industrial Estate in Eastern part. The Company's operation for this above-mentioned group does not vary seasonally due to its various groups of customers resulting in stable average sales each month. Conversely, the sales of the Songkhla Metal Drum, the subsidiary whose major customers are rubber latex producers will vary seasonally according to the demand of rubber latex from China.

Plastic Products can be divided into 4 types as follows

1) Plastic Produce – From PET (raw material)

The subsidiary company is in the business of producing PET plastic bottle for containing carbonated water, drinking water and vegetable oil by joint venture with Serm Suk Public Company Limited who is the major user. The products produced and sold are PREFORM tubes for blowing bottles and 0.25-6 liters PET plastic bottles.

2) Plastic Produce – From PP (raw material)

The subsidiaries company produces poly board to be used as raw material for various forms of goods, i.e., packaging for industrial application, advertising board, display board as well as stationery business and others.

3) Product made of Plastic

The subsidiary company is the manufacturer of plastic plugs used for sealing PET bottles as well as supply plugs for steel and plastic drums and other plastic products.

4) Product made of HMW HDPE (High Molecular Weight High Density Polyethylene)

The Company's subsidiary is the manufacturer of 200-liter plastic drum to contain chemical product and others.

(2) Office Building for Rent

The Company has acquired office spaces in Lake Rajada Office Complex, a Grade-A office building in the business area located on Rachadapisek Road (Sukhumvit – Rama 4) with the total area of 9,103 square meters. The total space amount to 51,730 square meters comprising spaces for office rental and commercial shops. The Company has a total rentable space of 8,786 square meters. ranging from a size of 80 square meters to 1,400 square meters. The rest of spaces are used to locate the head office of the Company.

PRODUCT RESEARCH AND DEVELOPMENT

The company sees the value in the product research and development which is deemed as a key to enhance the competitiveness and business growth. The company is, therefore, committed and dedicated to improving the efficiency of the production process continuously through research and development of products to enable the company to maintain its leadership in the production of 200-liter metal drums and plastic products. Therefore, the company has set up a policy of research and development of products as a framework for management and operate in accordance with the mission and vision of the organization. The details are as follows:

- Allocate appropriate budget for product research and development
- Annual review of work plans related to product research and development

- Establish principles and processes for product research and development that are standardized, and it must cover intellectual property
- Support and promote research projects and exchange knowledge with personnel of product research and development

The research and development of the company's products are crucially based on anticipating to the needs of the customers by applying knowledge of technology and innovation in every aspect of the production process to supply customers with quality products and the best value, for example, applying production technique of drum with W Hoop with having additional corrugation like "W" as an option of metal drum for customer to choose. This type of drum will help save space and reduce cost of transportation but still maintain the best quality and hardness standard of metal drum because the technique of having a small corrugation will increase strength and vacuum resistant than the normal metal drum. For plastic products, the company has selected standardized plastic pellets through research and development from reliable manufacturers, in order to obtain raw materials suitable for use in the production of products along with using state-of-the art machinery and technology to maximize efficiency and quality of products including reducing the use of resources and being environmentally friendly, etc.

INDUSTRY ENVIRONMENT AND COMPETITION

(1) Marketing Strategy

Metal Drum

The Company's key competitive strategy is to build confidence and create highest satisfaction toward the Company's product by focusing on the product quality enhancement to anticipate the needs of each customer. As most of products are custom made to order and different according to customer's need, the company as a result must have good production plan and distribution system in place in order that products are delivered completely and timely and meet with the quality required by the customer. Besides, the Company remains focusing not only the production enhancement but also controls every step of the production process closely. The company also gives an important on the personnel enhancement to increase production effectiveness, reducing loss during production resulting in a decrease in production cost, including getting the best quality of product. Moreover, the Company gives priority on the after sales service by following up regularly with customer if there is any problem found after delivery and to improve and enhance quality of product.

Plastic Product

The Company's strategy for this product is to sell directly to an end user or customer because it is a unique product for each customer. The company focus to export the product to Asian Countries by offering quantity-based discounts. For strategy to maintain existing customers and to expand the market for PET bottle, PET manufacturing line would be installed at the customer's factory to lower the packaging cost and transportation cost including the manufacturing of other related plastic product such as part for plastic crate. In addition, expanding production capacity and competitive prices and services are also one of our strategies.

Strength : The Company has an expertise in manufacturing product together with using the state-of-the-art machinery, enabling to manufacture product with high quality and meet with the standard. As a result, the company has earned customer trust in a long term.

Weakness : Most customers determine details and requirement of product, such as, different shape of bottle resulting in high investment cost for different mold.

Lake Rajada Office Complex

The highlight of Lake Rajada Office is its location in the business areas, on Ratchadapisek Road (Sukhumvit – Rama IV). Getting there is convenient as it takes only a few minutes' walk from Sukhumvit MRT station or Asok BTS Station, surrounded by important landmarks such as Queen Sirikit Convention Center and overlooking Benjakitti Park.

Building Management Policy is to keep up the good condition as grade A office building for both domestic and international business by providing convenient facilities, a strict security system for tenants, and to hire the professional building management company to be the building manager.

(2) Sale and Distribution Channel

Metal Drum

The product of the company is sold only in the country because the product is bulky resulting in high transportation cost and is unable to compete with foreign countries. For domestic sales, the company will sell directly to customers who are the manufacturer of various products and need steel drum for containing their own products. The company has well-trained marketing & sales team who specializes in providing production information as well as responding to the needs of both current and future customers.

Plastic Product

For PET bottles, PREFORM tubes and 200-liter plastic drums, the company is the distributor direct to the customers. For poly board and plastic closure, the company partly sell through wholesale customers for a cheap price as the company focuses on selling in large quantities and use pricing and service policy to maintain and expand the market.

Lake Rajada Office Complex

To find a prospect tenant at Lake Rajada Office Complete is normally done by the real estate consulting firm or agent which they will receive a commission at the rate of 1 month of rental income.

(3) Customer Characteristics

Metal Drum

Most of company's customers are regular customers with fixed quantity of order each month. The top 12 biggest customers accounted for 60% of the total sales of the company. No single customer places an order more than 30% in each year. The company's customer can be categorized in 3 groups which are lubricant oil group, chemical group, and agriculture group, having the order quantity accounted for 27%, 61% and 12% respectively. Only agriculture group that the sales will be varied seasonally especially during March – May because the orders from rubber latex customer will be low comparing to other period of the year. For the customers in lubricant oil and chemical group, order remains consistent throughout the year.

Plastic Product

The major customers of PET bottles are the manufacturer and packing of carbonate drink, water, and vegetable oil. Top Ten customers of trading volume in the past three year represented 60% to 75% of the total sales of the company.

The customers of poly board are the end users both domestic and international customers such as billboards business or end user converting material into other products, wholesaler of stationery, office suppliers and stores.

The customer of 200-liter plastic drum (HMW HDPE) are the local end users who use plastic drum to contain chemical product and others

Lake Rajada Office Complex

Most tenants are international customers who need to create a good image and trustworthiness for the company. Selecting an office location, it takes into account the image of the office building as a Grade A office building and its convenient location in the business area as well as having professional building management and good security system for the tenants and visitors. Moreover, it is well equipped with comfortable facilities within the building.

(4) Industry Environment, Competition, and Changes Over the Past Year

Metal Drum

In 2021, cold rolled steel price which is the major raw material in steel drum production remained volatile and increased every quarter. The key driver of push the steel price substantially high is due to China's restrictions on exports and steel production cut to reduce air pollution emissions coupled with rising demand of global steel market from the world economy recovery and the roll out of economic stimulus measures through ongoing infrastructure development projects in many countries. Although major steel producers in foreign countries have started to open new production but still cannot produce enough steel to meet with the rising demand.

In term of the customer's demand for steel drum in 2021, the overall demand increased by 12% compared to the previous year. The Company and its subsidiary were able to increase total sales Baht 514.93 million, rising 47.81% compared to the last year. This was the year that the Company and its subsidiaries have achieved the highest record of sales. Customers of the Company purchased an increasing quantity of steel drums, especially the customer in the chemical industry due to an increase in demand for this business deriving from ongoing economic recovery and strong growth of exports. Besides, steel price continued upward while the supply is limited. Most customers were aware of the storage and therefore, focus on purchasing and stocking up on steel drums to meet with their demands rather than negotiating on the price, resulting in less intense price competition. For customers in Agriculture sector, the demand for this group reduced constantly.

The company and its subsidiary focus not only on maximizing raw material cost effectively, maintaining the quality of products and services but also pay close attention on steel price, enabling to manage stock of the raw material as appropriated and to have adequate stock for the needs of customer's demand especially during raw material shortage. In addition, the Company and its subsidiary was able to adjust the selling price following to the rising steel price. As a result, the Company and its subsidiary reported an increase in profit from the previous year by Baht 89.55 million or rising 34.95%.

Plastic Product

The demand of PET bottles to contain drinking water of the Company's major customer has changed from purchasing from outsource suppliers to allow the PET bottles manufacturer to install their production facilities of PET bottles at the factory of the customers to reduce the transportation cost, wages, and the packaging cost. As a result of this change, it enabled the company to drive more sales volume continuously especially at the factory in Surat Thani and the factory of customers where the company added more molds for new shape of packaging to cater for rising demand of PET bottles in the Southern, Eastern and Northeastern region. The sales volume of PET bottles to contain drinking water of this year was similar to the sales volume of previous year. Raw material cost increased considerably. As a result, the Company's net profit declined comparing to the previous year.

Price competition in Polyboard has continued to persist, especially among major customers as their product quality has not been uniquely different from one another. Therefore, manufacturers and distributors must maintain their customers as many as possible. The Company, therefore, pays a great deal of attention to achieve the highest standard of product quality and services through constantly re-engineering the production process and modernizing machinery continuously including giving an important on reducing cost of production in term of energy consumption saving. For the overseas customers who the transaction is made in US dollar, the profit per unit in the past year dropped due to the significant increase in raw material and in freight cost.

Lake Rajada Office Complex

The COVID-19 pandemic in 2021 remains critical led to an ongoing depressed condition in office market. To prevent the spread of COVID-19, companies and organizations adapted to new norm of working practices by encouraging more employees to work from home which became new workplace strategies as well as to pay more attention to managing property cost by downsizing office spaces and to using workspaces in a more efficient and productive manner. Besides, an increase in new supply in 2021 coupled with slow and fragile economic recovery had an impact on the rental growth. Rents for new property will be lower than expected while the rent of the existing buildings will be flat or continue shrinking because most of landlords reduced rents to attract new tenants and maintain the same rent to retain the existing tenants including offering special discounts throughout the year for tenants who have been directly affected by the COVID-19 pandemic.

In 2021 the Company and its subsidiaries had gained revenues from rent and services with the amount of Baht 65.20 million, a decline of Baht 1.19 million or reducing 1.79% comparing to the previous year. A decrease in rent and services was from the Company's measure to support the tenant from the effect of the COVID-19 pandemic by reducing the rental fee at around 10-20%. Currently the Company and its subsidiaries had total tenants, representing 98.64% of the total leased spaces.

PRODUCT SOURCING

(1) Number of Factories and Production Capacity

Metal Drum

The Company and its subsidiaries have two factories for making 200-liter metal drum. The first factory is located in Wellgrow Industry Estate, Bangpakong, Chachoengsao and the other factory is in Hadyai, Songkhla. The company has the total production capacity of 3 million drums per annual. Production plan is based on the forecast of the next year sales by management team.

Plastic Product

The Company's subsidiary has 3 factories. The 1st one is located in Lad Lum Kaew, Patumthani, having the annual production capacity of PET Bottle, PREFORM tube and Poly board at 13,000 tons, 10,000 tons and 4,500 tons respectively. The 2nd factory is located in Nikompattana, Rayong and has production capacity of PET bottles at 1,500 tons per year. The 3rd factory is in Amphur Muang, Suratthani and has annual production capacity of PET bottle and PREFORM tube at 1,200 tons and 4,000 tons respectively. The Company's subsidiary had invested in production line of PET bottles and installed the production line at 4 customers' sites, 2 lines in Suratthani and 1 line in Surin and the other one in Samutsakorn. Production plan is based on the forecast of the next year sales by management team.

(2) Raw Material and Supplies

The Company and its subsidiaries have a policy to procure raw materials from various suppliers to prevent risk that may arise from the procurement of single source of raw materials.

Metal Drum

Major raw materials are cold rolled steel, flanges & plugs which the company sources raw material both locally and overseas, such as from Korea, India, Singapore. In 2021, the ratio of sourcing raw material locally and overseas was 97:3.

Raw material cost that is accounted for more than 50% of the Company's total production cost is the cold rolled steel which the historical price of the past 5 years was illustrated below:

	2021	2020	2019	2018	2017
Price (THB/Kg)	32.7	20.0	21.7	22.8	21.5

Plastic Products

Major raw materials are PET Resin and PP Plastic Resin which can be sourced locally while HMW HDPE Pellet must import overseas. There are many distributors of this type of material which raw material price of local supply is lower than world market price (included import tax).

ASSETS USED IN BUSINESS OPERATION

Tangible Assets

Asset Type / Property	Ownership	Book value (million Baht)
Land 22 parcels, total area of land 126-2-11.60 Rai	Owner	343.59
Investment Properties	Owner	66.32
5 Factories	Owner	111.17
Machines & Equipment	Owner	275.92

Land with building and machinery of the company's subsidiary is used as collateral loan with financial institutions.

3. Structure of Shareholder of the Company's Group

Juristic person's shares of which the company holds more than 10%

AFFILIATE COMPANIES

1. Company Name : Songkhla Metal Drum Co., Ltd.
Location : 35th Floor, Lake Rajada Office Complex,
193/142 Rachadapisek Road, Klongtoey, Bangkok 10110
Type of Business : Manufacturer and distributor of metal drums
Type and Number of Shares Issued : 200,000 ordinary shares of Baht 100 each
Type and Number of Shares Held : 160,000 fully paid ordinary shares
Percentage Equity stage : 80%
2. Company Name : The Pet Co., Ltd.
Location : 23/4 Moo 2 Patumthani-Lad Lum Kaew Road,
Banchang, Muang, Patumthani 12000
Type of Business : Manufacturer and distributor of Plastic Products
Type and Number of Shares Issued : 700,000 ordinary shares of Baht 100 each
Type and Number of Shares Held : 559,993 fully paid ordinary shares
Percentage Equity stage : 79.99%
- 2.1 Company Name : Eastplast Co., Ltd.
Location : 23/4 Moo 2 Patumthani-Lad Lum Kaew Road,
Banchang, Muang, Patumthani 12000
Type of Business : Manufacturer and Distributor of Plastic Products
Type and Number of Shares Issued : 500,000 ordinary shares of Baht 100 each
Type and Number of Shares Held by The Pet Co., Ltd. : 499,993 fully paid ordinary shares
Percentage Equity Stage by The Pet Co., Ltd. : 99.99%

3. Company Name : Surat Metal Drum Co., Ltd.
 Location : 35th Floor, Lake Rajada Office Complex,
 193/142 Rachadapisek Road, Klongtoey, Bangkok 10110
 Type of Business : Buyer and Distributor raw material to produce container.
 Type and Number of Shares Issued : 200,000 ordinary shares of Baht 100 each
 Type and Number of Shares Held : 199,994 fully paid ordinary shares
 Percentage Equity Stage : 99.997%
- 3.1 Company Name : Lake Rajada Co., Ltd.
 Location : 35th Floor, Lake Rajada Office Complex,
 193/142 Rachadapisek Road, Klongtoey, Bangkok 10110
 Type of Business : Distributor Machine and raw material for produce container, and advisor service.
 Type and Number of Shares Issued : 400,000 ordinary shares of Baht 100 each
 Type and Number of Shares Held by Surat Metal Drum Co., Ltd. : 399,994 fully paid ordinary shares
 Percentage Equity Stage by Surat Metal Drum Co., Ltd. : 99.9985%

SHAREHOLDERS

List of 10th Major Shareholders

No.	Name of Shareholders	Number of Share	% of Shareholding
1.	Mr. Nate Charanvas	48,952,910	32.635
3.	Mr. Nibhond Charanvas	14,632,260	9.755
3.	Mr. Yongyut Charanvas	13,499,987	9.000
4.	The Navakij Insurance Public Co., Ltd.	11,550,400	7.700
5.	Rangsit Ruampattana Co., Ltd.	6,435,000	4.290
6.	Miss Savitree Charanvas	4,556,000	3.037
7.	Mr. Nop Charanvas	3,493,000	2.329
8.	Thai NVDR Co., Ltd.	3,351,400	2.234
9.	Miss Koeka Takeuchi	2,900,000	1.933
10.	Bank of Singapore Limited	2,716,200	1.811

Remark: Percentage of shareholding was shown as of the last closing of registration book which was on March 12, 2021. Shareholders ranking no. 1, 2, 6 and 7 are in the same group of shareholders.

4. Total Registered Capital and Issued & Paid Capital

The Company has the total registered capital with the amount of Baht 150 million which had already been paid, dividing into the common share with the amount of 150,000,000 shares. The par value is 1 Baht per share.

5. Issuance of Other Securities

None

6. Dividend Payment Policy

The Company and its subsidiaries have policies to pay out dividend no less than 40% of net profit of the Company's separate financial statement excluding extraordinary items on the condition that there is no accumulated loss brought forward. In 2021, the Company approved the dividend payment at Baht 1.40 or equivalent to Baht 210,000,000.00 totally or 74.39% of the net profit of the Company's Separate Financial Statement of year 2020.

Historical Dividend Payment Information

Fiscal Year /Year of Dividend Paid	2020/2021	2019/2020	2018/2019	2017/2018	2016/2017
Net Profit per Share (Baht)	1.88	1.82	2.17	1.80	1.92
Dividend per Share (Baht)	1.40	1.40	1.40	1.20	1.20
Dividend Payment Ratio to Net Profit (%)	74.39	76.90	64.50	66.55	62.54

Risk Management

1. Risk Management Policy & Plan

Concerning to the Risk Management in 2021, the Board of Risk Management Committee had considered and reviewed the risk factors with high impact high possibility, high impact medium possibility and less impact less possibility with a guideline on risk management and submit to the Board of the Director and to the Executive of the Company for their information to operate the business more effectively. The Risk Management committee had conducted an analysis of risk factors and impacts along with the consideration of past performance to prepare a report and risk management guidelines which has been proposed to the Board of Directors for consideration.

The Company had made a policy of risk management in detail and was disclosed in the company's website at www.thaimetaldrum.com/sustainability

2. Risk Factors toward the Company's Business Operation

Fluctuation of Raw Material Price

Fluctuation in cold rolled steel price is still considered the key risk factor toward the metal drum business because the cold rolled steel is the major raw material for drum manufacturing and accounted for 75% of the total production cost. To cushion with this risk, the Company has conducted price comparison every time when purchasing raw material to select the source with the best price and condition and meet with the quality required. In addition, the Company has placed an important on the regular surveillance of steel price movement as this is the useful information on the management of stock inventory to have enough raw materials with the suitable quantities at the right time.

Changes in Purchasing Policy of the Customers

Since some of the major company's customers had changed the purchasing method to combine the quantities of steel drum from the group of the company so that there would become a big volume of packaging for supplier to submit the best offer. In addition, the customer determines the formula for steel drum price adjustment by referring to the steel price index set by the customer. This could be a high risk for being unable to adjust the selling price of steel drum following to the steel price the company had purchased. Besides, there would be a high chance that the customer would select only single supplier of packaging to receive the lowest bid price in a designated delivery time. Some manufacturers, therefore, choose to adopt a price cutting strategy. Consequently, there would be a chance that affects toward sales and profitability of the company in the future.

Risk from Being Controlled in the General Meeting by Major Shareholders

A group of majority of shareholders of the company, namely Charanvas consisted of Mr. Nibhond Charanvas, Mr. Nate Charanvas, Miss Savitree Charanvas and Mr. Nop Charanvas (collectively called "the Majority shareholders") who are the same group of shareholders, holding shares accounted for 47.76% of the company's total issued shares and some of them are the executives and directors who have signing authority of the company. As a result, they are the authority who manages and nearly controls the crucial majority votes in engaging in other matters requiring approval by the majority of the general meeting with the exception of laws and company's regulations requiring three-fourth of the number of shareholders attending the meeting and having the voting rights. Therefore, the other shareholders who attend the meeting and have the voting rights may not gather the votes to counterbalance the management of the majority shareholders.

However, the management structure of the company is comprised of the board of directors, the audit committee and the nomination and remuneration committee. The duties and responsibilities of each committee are clearly set. In addition, the Chairman of the Company and the audit committee are the independent directors who are knowledgeable in operating business, understanding financial statement and report which have an ability to perform duties systematically, transparently, and accountably.

Driving Sustainability in Business

Thai Metal Drum Mfg. Public Co., Ltd. is the 1st first manufacturer of 200-liter metal drum in Thailand, founded in 1958. Throughout the years, the Company never stops creating and developing business to meet the needs and expectations of all stakeholders of the Company. By being a pioneer and dominating the market of 200-liter metal drum for more than 60 years coupled with the business performance that has always grown steadily, this has evidently shown the long lasting and sustainable success of the Company.

1. The Policy and Objectives of Sustainability

The Company places the utmost value and importance on sustainable development through our commitment to operate the business covering every aspect of the economic, social, and environmental performance and good corporate governance. To striving to our forthcoming business success and growth, we ensure our readiness by integrating responsible business, market, environment, and good governance into our sustainable efforts to minimize and control adverse impacts and risks along our entire value chain as well as to create the synergized values among every stakeholder. Therefore, the Company establishes a sustainability policy as described below:

- We are committed to developing a business process by adhering to the principle of good corporate governance and managing all risks effectively. We strive to operate our business in a responsible and accountable manner with equality, fairness, transparency, and traceability in every aspect.
- We are committed to provide an environment free of discrimination where all stakeholders at every level are treated with respect and dignity without violation of human rights principles directly and indirectly.
- We cultivate the ethical consciousness and awareness of our management team including directors, executives and employees at every level and encourage them to perform duties with integrity and with the moral and ethical manner that will foster the responsible and accountable mindset as the corporate culture.
- We promote the wellness and good life quality to our employee by maintaining the secured and safe environment for both life and property of our employees that will lead to happiness in lives and effectiveness at work of our employees.
- Through our awareness of potential impacts on society and the environment caused by Company's business operations, we encourage our employees to recognize their environmental responsibilities and give them a support to implement sound environmental practices of core business.
- We uphold the principle of sustainable development as a corporate guideline for our business operations concerning our economic, social, and environmental responsibility.
- We encourage and support stakeholders in every sector to engage and implement sound social and environmental practices through responsible and accountable manners whilst performing all duties and operating a business process.

2. Managing Impacts on Every Stakeholder Across the Entire Business Value Chain

The Company realizes that all stakeholders in all sectors are important to company business operation which is regarded as a major factor for company's sustainable business growth and success. The Company continually strive to develop valued products to meet the requirements and expectations of both internal and external stakeholders by identifying the impacts of our value chain on different stakeholders concerning their business operation. We define appropriate response to their business expectations according to the following procedures.

Stakeholders	Participation	Expectation	Response
Employees	<ul style="list-style-type: none"> - Performance appraisal - Listening to complaints and opinions of employees - Exchange and sharing knowledge and work experiences. - Updated information about safety and occupational health - Training, and seminars for skill enhancement - Developing and improving work safety and proper work environment 	<ul style="list-style-type: none"> - Appropriate and fair compensation and benefits - Opportunities for personal development, developing potentials, skills, and knowledge at work - Safety, hygiene, occupational health, and good working environment - Career security and advancement - Equality, Equity, and Fairness 	<ul style="list-style-type: none"> - Adjusting annual bonus and compensation to be in line with the performance of the employees and company's business operation result - Fair performance evaluation - Provide training regularly - Provident fund - Interest-free emergency loan - Environmental management with the international standard ISO14001 - Human rights and fair labor practice, equal treatment
Shareholders	<ul style="list-style-type: none"> - Annual General Meeting of Shareholders - Quarterly business operation performance report - Disclosure of information through various company's official channels 	<ul style="list-style-type: none"> - Attractive share value and return - Sustainable growth of company's business - Good corporate governance - Equitable treatment of Shareholders - Transparency, accuracy, completeness, and timeliness of information - Having effective and proper measures for monitoring control system - Having risk management system 	<ul style="list-style-type: none"> - Good corporate governance with transparency, fairness, and accountability - Appropriate dividend payment - Disclosure of information with transparency and timeliness - Handle risk management with cautious - Have in place an Investor Relations Team for giving accuracy of information
Company Board of Directors	<ul style="list-style-type: none"> - Board of Director Meeting - Board of Audit Committee Meeting - Board of Remuneration and Nomination Meeting - Board of Risk Management Committee Meeting 	<ul style="list-style-type: none"> - Act in compliance with laws, regulations, and ethical practices - Act with transparency and traceability - Success of the Company's business 	<ul style="list-style-type: none"> - Good corporate governance in compliance with policy and regulation strictly - Report of business operation result
Customers	<ul style="list-style-type: none"> - Customer visit - Satisfaction survey - Technical knowledge support - Provide opportunity for a visit to see the production process. - Having recreation activities 	<ul style="list-style-type: none"> - Supply high-quality products and services with complete quantity ordered punctually - Accurate technical information about the product - Fair-trade compliance 	<ul style="list-style-type: none"> - Efficient production control to meet customer's requirement and satisfaction in term of punctual delivery and quantity required. - Using state-of-the art machinery and technology and high-quality of raw material.

Stakeholders	Participation	Expectation	Response
Customers	<ul style="list-style-type: none"> - Have a meeting in an exchange for product information and development/ improvement 	<ul style="list-style-type: none"> - Product warranty - Maintaining confidentiality of customer information - Maintaining a good relationship 	<ul style="list-style-type: none"> - Product and service liability - Quality management with the international system ISO9001 - Corporate governance with transparency, fairness, and accountability - Strengthen trust and relationship through plant touring and visit.
Business Partners	<ul style="list-style-type: none"> - Plant visits to see the production process and an inspection of product quality - Meetings to exchange information and guidelines for improvement - Annual business partner evaluation 	<ul style="list-style-type: none"> - Act as compliance with commercial term - Act according to agreement fairly - Fair Trade Competition with transparency - Building good relationships 	<ul style="list-style-type: none"> - Punctual payment of goods - Act according to the policy of procurement without discrimination - Act according to the Anti-Corruption Policy
Waste Contractor	<ul style="list-style-type: none"> - Exchange knowledge about legal compliance and best practices 	<ul style="list-style-type: none"> - Act according to the mutual agreement strictly - Being compliance with related laws and regulations 	<ul style="list-style-type: none"> - Tracking and verifying waste disposal process of Waste Contractor - Assess the performance of waste contractor
Overdue Debtor	<ul style="list-style-type: none"> - Face-to-Face Meeting 	<ul style="list-style-type: none"> - Compromise amortization of debt 	<ul style="list-style-type: none"> - Negotiation - Take legal action
Government Agencies	<ul style="list-style-type: none"> - A visit for clarification - Business Visit - Legal Compliances and conditions 	<ul style="list-style-type: none"> - Act according to related regulations and laws - Provide cooperation in providing information for improvement - Supporting in government projects that are beneficial to all parties 	<ul style="list-style-type: none"> - Act in compliance with regulations and laws in every respect - Pay relevant tax completely, accurately and on time - Disclosure of accurate and transparent information - Report information required by law
Community and Society	<ul style="list-style-type: none"> - Participation in social and environmental programs arranged by the government and private corporation - Survey on opinions and taking complaints 	<ul style="list-style-type: none"> - Support activities and program beneficiary to social and community - Operate business without having impact on community and society - Provide aids and participation in solving social and community issues. 	<ul style="list-style-type: none"> - Supportive in activities for social and community interest - Budget allocation to support social and community development - Being compliance with anti-corruption policy - Strictly abide with Human rights Policy

Stakeholders	Participation	Expectation	Response
Community and Society		<ul style="list-style-type: none"> - Transparency and good governance in operating business - Participation in the anti-corruption campaign 	<ul style="list-style-type: none"> - Create a career for community
Environment	<ul style="list-style-type: none"> - Organize activity within company regarding energy conservation and environmental protection - Information and data disclosure for energy conservation and environmental protection. - Meeting with responsible governmental units for energy conservation and environmental protection - Partnership with government and private sector concerning energy conservation and environmental protection 	<ul style="list-style-type: none"> - Taking part in corrective measures for energy conservation and environmental protection. - Not engaging in having any impact on environment direct and indirectly way 	<ul style="list-style-type: none"> - Cultivate awareness of responsibility in reducing the use of energy and natural resources - Setting target and goals to control utility cost including fuel, oil, Chemical substance used in production - Develop and improve the process of production and transportation and others to be environmentally friendly process - Comply with the international environmental management standard ISO14001

3. Sustainability in Environmental Management

3.1 Environmental Policy and Practice

The company recognizes the importance of environmental protection. We therefore continue to strengthen the conservation of natural resources and promote responsible consumption. The company has set policies and guidelines for the environment as follows.

- Consider using alternative natural resources that minimize the impact on society, environment, and quality of human life.
- Continually implement activities contributing to safety and environmental protection.
- Continually cultivate the awareness of environmental protection among employees at every level and provide complete training and workshops on environmental protection.
- Giving priority to the business partners who uphold the same visions and values concerning environmental protection.
- Strengthen cooperation or ensure regulatory compliance with laws and regulations issued by relevant authorities.

3.2 Environmental Performance

The Company conducts ongoing research to formulate greenhouse gas emission policy and practices to meet international requirements. However, the Company always manage every step of the production process carefully and efficiently to prevent and minimize any potential impacts on the environment. The Company have continued to strengthen our environmental policy by searching for the integration of the technology and measures contributing to the reduction in energy, and natural resources consumption as well as the reduction in waste and greenhouse gases emissions through purchasing new equipment

and machinery to replace the obsolete machinery that pollutes the environment and use excessive consumption of energy by replacing Diesel-Powered Machines and Equipment with Electrical Machines and Equipment etc.

The Company is determined to participate in the promotion and conservation of environmental quality and express an intention by continually participating in relating projects of the government and private sectors, such as, Green Industry, the Project of improvement of production efficiency by replacing, upgrading machinery for energy conservation, etc.

In 2021, the Company tried to use renewable energy in the production process to reduce pollution and use of resources. Therefore, a study was conducted and initiated a project to install a solar system on the factor roof to generate electricity. It's estimated that this project will help the company to reduce its greenhouse gas emissions (co2) by 650-700 tons per year. This project is expected to be completed and able to generate electricity from sunlight by mid of year 2022 onwards.

The Company and its subsidiaries do not have any manufacturing process that affect environment in term of waste from raw material such as metal scrap, wastepaper, and plastic scrap. Waste and scrap will be sold or brought for recycle process. Additionally, we strengthen our efforts to provide monthly statistics on the consumption of electricity, water resources, fuels, chemicals as well as other consumables from factories and offices to set corporate goals of reduction in energy and resources consumption. Such contributions will enable every employee to deliver environmental goals in operating responsible production and energy consumption and resources at the optimal benefits. We encourage our employee engagement through incentive initiatives for every employee who champions responsible consumption. The example is awarding the drivers who drive responsibly for both fuel consumption and cost reduction.

The company aims to protect local and surrounding communities from environmental damage, and nuisance odors resulting from its activities by constructing an Activated Carbon treatment system. We continue to maintain the system and monitor the impacts on the environment, air, and pollution. We have worked with the specialist organization, Thai Environment Co., Ltd, to measure the air quality at the factory and surrounding areas. According to the evaluation, there were no issues on air quality and the environment violating to safety standard

The Company was accredited the 2015 edition of the environmental management system standard ISO 14001 by UNITED REGISTRAR OF SYSTEMS (THAILAND) LTD. (URS) and the green industry level 3 certificate from the Ministry of Industry. We continue to implement systematic environmental management through monitoring, evaluating, and reviewing for continuous development. Additionally, the Company provides channel for employees and community to report their complaints. In the past year, there were no complaints about the environment from our communities and other stakeholders.

4. Sustainability Management for Society

4.1 Social Policy and Practice

The Company endorses equality, fairness, and morality and honesty as our corporate culture. We maintain benefits with trade partners and creditors by strictly abiding by the laws and regulations established together. We strictly follow a code of conduct against corruption in all its forms including extortion and bribery and remain transparent in trade with partners according to corporate governance policy. The company focuses on developing product quality and personnel development to meet customer satisfaction in our product and service quality. We follow the corporate social responsibility principle from the Securities Exchange of Thailand as our sustainability strategy to achieve the business goals.

HUMAN RIGHT RESPECT

The company continues to implement fair practices and equal treatment to every stakeholder including employees, community, business associates and society. We reinforce the standard principles of responsibilities to people by upholding their rights and treating them with respect and dignity. We ensure to provide fair employment opportunities to people of all ages, races, and religions equally. Additionally, we undertake initiatives to encourage every stakeholder to report misconducts and complaints on unethical and unfair practices from employees and every stakeholder. We have implemented a policy to ensure that information about complaints and incidents shall remain confidential to protect employees, and complainants

according to human rights principles and company announcement issued No. 4/2557 regarding the policy on reporting complaints and disciplinary actions on offenders.

FAIR BUSINESS OPERATION

To ensure the fair business operation, the Company is committed to operate the business to comply with our integrity and ethical framework contributing to fair business competition under the laws, rules and regulations concerning the business code of conduct and ethics. The Company continues to adhere to the principles of free trade competition, respect the property rights without infringement of intellectual property and avoid activities that may create conflicts of interest as well as implement fair business practices with our stakeholders by setting competitive product price and ensuring reasonable trade term of payment or acquisition of the property according to our established policy and Corporate Governance Manual with the updated version of the Code of Conduct on December 20, 2021.

FAIR LABOR PRACTICES

The Company recognizes the importance of employees as valuable assets contributing to the success of the business operation. Therefore, the Company takes responsibility for improving the lives and working condition of our people with the implementations of initiatives and programs responding to employee needs such as fair compensation and benefits by establishing the corporate work regulations, and fair remuneration to ensure the proper life condition of employees. The Company not only provides fringe benefits for employees to reduce the burden and worries about the cost of living but also promote the wellness of employees and their families by always managing a safe working environment and life security of employee. We ensure to take proper measures for job promotion or relocation including the reward and the punishment with equality and fairness. The Company provides opportunities to employee to develop their fullest capability. The Company has set clear procedures and methods for receiving complaints from employees and to ensure timely action to solve problems and treated employees with courtesy and respect for their right and dignity.

SAFETY, OCCUPATIONAL HEALTH, SECURITY AND WORKING ENVIRONMENT

The company realizes the importance of occupational health, safety, and security as a fundamental working environment for employees. Safety at work is the first duty and responsibility in the performance of every employee. The Company encourages employees to be aware of safe working conditions by providing support and various appropriate resources necessary for operation. We supervise employees to follow safety procedures and ensure that every visitor strictly follows the safety regulation and occupational health measures to create a sustainable workplace safety culture. The Company has developed a management system for occupational safety, health, and working environment following the law and international standards and to meet other requirements benchmarked to ensure adequate safety equipment. We establish preventive measures to monitor and evaluate the performance in accordance with the Corporate Governance Manual with the updated version of the Code of Conduct dated December 20, 2021.

RESPONSIBLE PRODUCTION AND SERVICE TO CUSTOMERS

The company is committed to being the leading manufacturer of high-quality 200-liter metal drums in the market and to ensure to meet customer satisfaction and trust by delivering high-quality products and punctual services. We aim to build trusted relationships and transparent business for our customers including disclose news, providing complete and accurate information about product and reliable services. We ensure to provide warranties for products and services under reasonable return conditions and periods and established a system for customers and all relevant parties to make complaints about products and services. We show our sincerity to handle complaints in a fair, respectful, and timely manner and offer competitive prices and punctual service for customers. In addition, the Company aims to handle customer information discretely and confidentially and avoid abusive uses of information for personal gain.

COMMUNITY AND SOCIAL DEVELOPMENT

The company has considered the needs of the community and provide support to the community and promote social development. The Company annually allocate budgets to provide our assistance to local stakeholders and encourage employees to engage with social responsibilities by participating in public activities to support the community.

4.2 Social Performance

For the past year, there was no complaint regarding human rights violations and unfair treatment to workers, customers, society, and communities. Additionally, we are moving toward becoming a responsible organization against unfair treatment and unethical practices for every stakeholder. Such manners are considered conflicting with our corporate governance policy and business ethics that we have valued.

The Company conducted a survey on satisfaction on the product quality and services rated by the 22 customers who placed orders in 2021. The survey result had showed the customers had satisfied with the overall product quality and services of the company, representing 89.95% which the company aimed at 85%. The result of the total score on each topic received exceeded all the goals set.

As of 31 December 2021, the Company had 161 employees in total and the compensation for the employees in 2021 amounted Baht 70.83 million. It consisted of salary, wage, position allowance, working allowance, annual bonus, welfare fund such as subsidy in case of health problems of employee and their family, disability or death, emergency loan, uniform, shuttle bus service, social security and provident funds and others in relating with labor and law practices and the policy of treating employees that company had determined.

The company has a policy to support personnel development at all levels by encouraging every employee to upgrade their skills and knowledge including enhancing their potentials and capabilities through attending both in-house and outside training regularly. The topics for training and seminars in 2021 included transportation (200 litre steel drum), weld inspection, Mixture of leak test solution, training of 200 litre steel drum transferring., responsible driving safely and economically, training on good working attitude-how to be happy at work, training on business sustainability with moral by competition law, Financial Analysis for Management Decisions and Risk Management Program for Corporate Leaders (RCL) etc.

The company recognizes the importance of occupational health, safety, and good hygiene as the fundamental working condition for every employee. Besides the setting of policy and guideline concerning occupational health, safety and good hygiene for the employees, the Company continually strengthen the processes by regulating intensive security on duty, developing preventive action and contingency plan for an accident, establishing protocols of Storage and Handling of Hazardous Chemicals and Sewage, and organizing an annual evacuation training for the factory on December 4, 2021, and for the office on November 18-19, 2021. Additionally, we have arranged annual statistics of occupational accidents and aim to raise the safety standard by targeting having “zero” occupational accidents in the workplace.

Since 2021, the Company had joined with Sathorn Thani Co., Ltd in organizing the project “Sharing the Dream” annually with the purpose of helping students who lack of educational opportunities. But due to the COVID-19 pandemic, the Company was aware of the dangers and possible risks that may arise. Therefore, the said activity for the year 2021 have been postponed.

To help mitigate the impact of the Covid-19 epidemic on businesses, the Company has given an aid to its retail customers in tourism, restaurants, barbershop, and spa by reducing rental rate by 10-20%.

The Company recognizes the importance of vaccines against Covid-19 virus to control the spread and to reduce severity of symptoms and mortality. The company took a part in boosting herd community and in keeping society safe during pandemic by providing and facilitating employees to receive vaccinations including motivating employees by giving money of 3000 baht to all employees who have received 2 shots of vaccines.

In 2021, the Company took part in helping underprivileged and poor people by donate 300,000 baht to 4 organizations such as, Phayathai Baby Home, the foundation for the Blind in Thailand, Baan Nok Kamin Foundation, Non-Tha Pum Home.

Management Discussion and Analysis

1. Business Performance Over the Past Period

Year 2021 was the year that the Company and its subsidiaries could make the remarkable profit since the establishment of the Company and its subsidiaries especially the performance of steel drum business. The Company and its subsidiaries achieved a significant increase in profit. The Company and its subsidiaries pay an important not only on cost control to be in a suitable level for the company's business but also on the quality of product and services while maintaining the market share. Thus, this enabled the Company and subsidiaries to gain good profit constantly.

The Company and its subsidiaries reported the net profit from the business operation of Baht 370.04 million, an increase of Baht 53.56 million or 16.92%. The Company reported a net profit per share at Baht 2.47, an increase of Baht 0.36 per share comparing to year 2020.

In 2021, the Company and its subsidiaries gained increasing revenue from sales and services which can be described by product line as below:

The revenue from sales of metal drum was Baht 1,590.21 million, an increase of Baht 514.39 million or 47.81% which the company and its subsidiary gained an increase in sales volume by 12.32% and the unit selling price also rose by 33.06% comparing to the year 2020. In the past year, cold rolled steel price which is the major raw material, and the main cost of steel drum business significantly increased every quarter. Price went up by 85.35% comparing to the previous year. Thus, sales cost increased from 68.04% in 2020 to 72.89% in 2021. Due to an increase in sales volume of the Company and its subsidiaries to 12.32% in 2021 and an increase in the unit selling price following to an increase in steel cost, this led to an increase in profit of the Company and its subsidiaries of Baht 345.74 million, an increase of Baht 89.55 million or increasing by 34.95%.

The revenue from plastic products was Baht 677.05 million, increasing Baht 38.24 million or 5.99%. Sales volume of the Company's subsidiary was similar to the previous year. Raw material price highly increased but the unit selling price slightly increased. As a result, sales cost of the company's subsidiary increased from 85.51% in 2020 to 89.38% in 2021. Thus, the company's subsidiary gained the profit of plastic products Baht 20.73 million while last year's profit was Baht 46.01 million, a decline of Baht 25.28 million or decreasing 54.95%.

The Company and its subsidiaries had gained revenues from rent and services Baht 65.20 million, reducing Baht 1.19 million or 1.79% comparing to the previous year. A decrease in rent and service was from the impact of COVID-19 outbreaks because the Company had to reduce the rent fee for some tenants and the early termination of lease agreement made by certain tenants. Currently the company and its subsidiaries had total tenants, representing 98.64% of the total leased spaces.

Sales cost against sales income of steel drum product increased from 68.04% in year 2020 to 72.89% in year 2021. In 2021, sales cost increased by 4.85% due to an increasing price of the major raw material. For plastic products, sales cost against sales income increased from 85.51% in 2020 to 89.38% in 2021 or grew by 3.87%.

Expenses incurred from sales and administrations increased Baht 2.50 million or increasing 1.81%. Payment for interest was Baht 0.04 million, decreasing from the previous year by 78.34%. Corporate income tax increased with the amount of Baht 69.08 million in 2020 to be Baht 86.47 million in 2021, an increase Baht 17.40 million or increasing by 25.18%. An increase in corporate income tax derived from an increase in profit of the Company and subsidiaries.

The Company and its subsidiaries were not affected from the risk of currency exchange because the business transaction with overseas was low. The Company's subsidiary gained sales revenue from export Baht 27.13 million accounted for 1.25% of the total revenue from sales. (Please refer to note 25 the financial statement, section of sales export).

The Company and its subsidiaries reported the total income Baht 2,294.61 million, increasing from the year 2020 Baht 535.69 million or increasing by 30.48%. The Company and its subsidiaries reported the revenues from sales of the packaging products representing 94.71% of total revenue while the rest revenue came from rental and service income and other incomes, representing 2.84% and 2.45% respectively.

Gross margin of the Company and its subsidiaries decreased from 28.64% in year 2020 to 24.79% in year 2021. Profit from operation decreased from 20.58% to 18.52%. Return on earning fell from 17.99% to 16.12%. The ratio of gross profit and profit from operation decreased because the total sales cost of the Company and its subsidiaries increased. However, due to an increase in sale volumes of the Company and its subsidiaries, the Company and its subsidiaries had an increasing profit compared to the previous year.

Return on equity increased from 10.57% to 12.51%. In year 2021, the Company through the Board of Directors resolved to pay the dividend for the year 2021, with the period of January 1, 2021 to December 31, 2021 at Baht 1.60 per share, totaling Baht 240.00 million or equivalent to 69.22% of the net profit of the separate financial statement of the Company. In 2020, dividend paid was Baht 210.00 million equivalents to 74.39% of the net profit of year 2020. The policy of dividend payment of the Company is not less than 40% of the total net profit of the separate financial statements of the Company. This resolution will be brought into the 2022 Annual Shareholder's meeting for approval held on April 25, 2022.

Efficiency Ratio on Profit Gained	Year 2021 (%)	Year 2020 (%)
Gross Profit	24.79	28.64
Profit from Operation	18.52	20.58
Return on Earning	16.12	17.99
Return on Equity	12.51	10.57

2. Financial Status

ASSET

Asset Mix

Current Assets increased Baht 51.42 million or 3.47%. Cash and cash equivalent decreased Baht 151.46 million. Net account receivable increased Baht 140.17 million. Inventory increased Baht 174.61 million. Other current financial assets decreased Baht 125.08 million. Other current assets increased Baht 13.20 million. The change in current assets of the Company and subsidiaries increased compared to the previous year. Trade receivable and inventories increased due to the increase in sales volume and unit price as raw material prices increased. Other current financial assets decreased due to an increase in investment of long-term financial assets.

Total value of Non-Current Assets increased by Baht 160.61 million or 8.56%. Other current financial assets increased Baht 209.68 million. Property, plant, and equipment reduced Baht 48.71 million. Investment property decreased Baht 6.41 million, mainly from the annual depreciation and from the purchase of machines to replace some certain old machines by the Company's subsidiary.

Quality of Asset

The Company and its subsidiaries viewed that the account reflects fair value of assets and there is no indication of impairment or collection loss. In that case, the Company and its subsidiaries have already set aside the reserve or the provisions for impairment of assets according to note 3.1 to note 3.10 and note 5 to 14. From the below table of Efficiency Ratio, it showed that in 2021, the Company and its subsidiaries had an increase in ratio of the return on Asset comparing to the previous year. This was from an increase in net profit of the Company and its Subsidiaries. While the fixed Asset of the Company and its subsidiaries increased owing to an accumulative increase in net profit every year. However, the above-mentioned efficiency ratio of the Company is still better than the ratio of other companies in the same industry. The Company and its subsidiaries tried to maintain the better ration of the return on Assets to increase the profit to the Company in the future.

Efficiency Ratio	2021	2020
Return on Asset	10.68%	9.71%
Return on Fixed-Asset	23.69%	22.54%
Asset Turnover	0.66 Times	0.54 Times

Net accounts receivable increased from Baht 278.25 million to Baht 418.17 million, an increase Baht 140.17 million or 50.37%. Average collection period was 57 days; fell from the previous year by 14.58% which the policy of credits offered to customers is between 30 – 90 days. The company and its subsidiaries had the receivable overdue over 90 days with Baht 0.34 million or accounted for 0.08% of the total net accounts receivable (see note 6 on financial statements).

LIQUILITY

Cash Flow

Amount and proportion of cash flows from operating activities

Details of Cash Flow	2021 (Million Baht)	2020 (Million Baht)
Operating Profit before Changes in Assets and Liabilities	518.87	466.35
From Operating Activities	176.43	461.16
From Investment Activities	(100.40)	(142.90)
From Financing Activities	(227.50)	(91.60)
Cash and Cash-equivalence Increase (Decrease)	(151.46)	226.50
Cash and Cash-equivalence as of 31 December	144.99	296.46

In 2021, the operating profit of Company and its subsidiaries decreased from Baht 461.16 million to Baht 176.43 million, a decline Baht 284.73, because of an increase in trade receivables, inventories, unit price and raw material cost. However, a decrease in the Company's monetary profit will not affect the Company's operating efficiency and the money will be return to the next accounting period.

Cash flows from investment activities were increased with the amount of Baht 100.40 million, deriving from an increase in both of long-term investment and the investment in machinery & equipment. (Please see note no. 8 and no. 13 of the financial statements).

Concerning cash flows from financing activities, the Company and its subsidiaries had paid dividend to the shareholders Baht 219.20 million. As a result, the cash and cash equivalent as of December 31, 2021 for the Company and its subsidiaries remained Baht 144.99 million, decreasing from 2020 with the amount of Baht 151.46 million.

Liquidity Ratio

Details of Liquidity	2021	2020
Current Ratio	8.46 times	11.62 times
Quick Ratio	7.59 times	9.27 times
Account Receivable Turnover	6.24 times	5.33 times
Average Collection Period	57.69 days	67.54 days
Inventory Turnover Ratio	69.25 times	59.25 times
Average Day's Inventory	5.20 days	6.08 days
Account Payable Turnover	16.03 times	12.64 times
Average Payment Period	22.46 days	28.48 days
Cash Cycle	40.43 days	45.14 days

The above table showing liquidity ratio reflects the similar performance of liquidity of the Company and its subsidiaries when comparing to the year 2020. The average collection period decreased from 67 days in 2020 to 57 days in 2021. Average payment period reduced from 28 days in 2020 to 22 days in 2021 which the ratio was close to the past years. Thus, the Company and its subsidiaries had better and adequate liquidity to operate the business efficiently.

CAPITAL STRUCTURE

The capital structure of the Company and subsidiaries has been at the satisfactory level over the past years. The debts to equity ratio were 0.10, increasing from 2020 by 0.09 times, which was the lower equity ratio when comparing to those of the other companies in the similar business. The Company and its subsidiaries did not have policy to increase debt more than what's necessary. The shareholders' equity of the Company and subsidiaries increased from Baht 3,107.77 million to Baht 3,275.57 million, an increase of Baht 167.81 million or 5.40%, as a result from increasing accumulated profits which have not yet been allocated from Baht 2,145.98 million to Baht 2,312.07 million, an increase Baht 166.09 million or increasing by 7.74% due to the profit from the business operation result of the Company and its subsidiaries.

Liabilities of the Company & subsidiaries increased from Baht 250.00 million to Baht 294.23 million, an increase of Baht 44.23 million or equivalent to 17.69%. Trade and other payable increased Baht 43.17 million. Accrue income tax increased Baht 8.71 million. Deferred tax liability increased Baht 1.24 million. Employee benefit obligations decreased Baht 2.52 million. Long term load between the Company's subsidiary and the Company and to related party had been paid in full. (Please refer to note no. 4.3 of the financial statement). The Company and subsidiaries did not have loan in foreign currency, except the L/C obligation for purchasing raw material from abroad according to the note to financial statement no. 27.

IMPACT FROM COVID-19 PANDEMIC

The COVID-19 pandemic that has occurred since 2020 and continues until present does not have any significant impact on business operations, finance, financial conditions, contractual obligations nor risks to the survival of the Company's business.

FINANCIAL RATIO

		Consolidated financial statements			Separate financial statements		
		2564	2563	2562	2564	2563	2562
Liquidity ratio							
Liquidity ratio	(time)	8.46	11.62	8.81	12.93	14.64	10.31
Current ratio	(time)	7.59	9.27	7.23	11.34	11.78	11.82
Cash flow liquidity ratio	(time)	1.14	3.27	2.52	1.42	4.22	4.68
Accounts receivable turnover ratio	(time)	6.24	5.33	5.98	6.42	5.55	6.29
Average collection period	(day)	57.69	67.54	60.20	56.07	64.86	57.23
Inventory turnover ratio	(time)	69.25	59.25	58.40	81.87	76.24	77.65
Average product sales period	(day)	5.20	6.08	6.16	4.40	4.72	4.64
Payable turnover ratio	(time)	16.03	12.64	11.88	39.58	20.84	20.87
Repayment period	(day)	22.46	28.48	30.30	9.10	17.27	17.25
Cash Cycle	(day)	40.43	45.14	36.06	51.37	52.31	44.64
Profitability ratio							
Gross margin	(%)	24.79	28.64	24.26	28.91	35.01	30.39
Net profit margin	(%)	16.12	17.99	15.72	22.33	26.11	23.82
Return on equity	(%)	12.51	10.57	11.50	18.25	16.22	16.23
Operating profit margin	(%)	18.52	20.58	16.90	23.63	27.32	23.46
Other margin	(%)	2.45	2.85	3.08	4.65	6.00	5.79
Cash-to-profit ratio	(%)	42.56	131.15	118.29	27.13	102.46	105.40
Operating efficiency ratio							
Return on assets	(%)	10.68	10.48	11.11	17.23	15.19	15.25
Return on fixed asset	(%)	23.69	24.77	26.77	34.64	30.53	31.40
Asset turnover	(time)	0.66	0.67	0.68	0.77	0.58	0.64
Financial policy ratio							
Debt to equity ratio	(time)	0.10	0.09	0.10	0.06	0.06	0.06
Interest coverage ratio	(time)	6,240.53	2,828.55	1,831.30	-	-	-
Obligation settlement ratio	(time)	-	-	-	-	-	-
Dividend per share	(%)	64.86	66.36	63.72	69.22	74.39	69.22
Information per share							
Book value per share	(baht)	21.84	20.72	19.21	13.16	12.17	13.16
Earning per share	(baht)	2.47	2.11	2.20	2.31	1.88	2.31
Dividend per share	(baht)	1.60	1.40	1.40	1.60	1.40	1.60
Growth rate							
Total assets	(%)	6.31	6.22	1.13	8.26	8.29	8.26
Total liabilities	(%)	17.69	(10.84)	1.87	(11.11)	(17.78)	11.11
Revenue from sales and services	(%)	30.98	(15.88)	0.55	(45.65)	(3.12)	45.65
Operating cost	(%)	34.37	(19.60)	(0.93)	(53.05)	(10.65)	53.05
Net profit	(%)	16.92	(3.97)	(1.91)	22.82	3.37	22.82

General Information and Other Material Facts

1. General Information

Share Registrar	: Thailand Securities Depository Co., Ltd. 93 Ratchadapisek Road, Dindaeng, Dindaeng, Bangkok 10400 Thailand Tel. 02 009 9000 Fax. 02 009 9991
Auditor Accountant	: Mr. Pornchai Kitipanya-ngam Certified Public Accountant License No. 2778 or Mrs. Suwanee Kitipanya-ngam Certified Public Accountant License No. 2899 or Mr. Thanakorn Fakfaipol Certified Public Accountant License No. 4879 : Bunchikij Co., Ltd. 9th Floor, Modern Town Building, 87 Ekamai Soi 3, Sukhumvit 63 Road, North Klongton, Wattana, Bangkok 10110 Thailand Tel. 02 382 0414 : Accounting Period January 1 to December 31
Internal Auditors	: AMC International Consulting Co., Ltd. 408/162 Phaholyothin Place Building, 39th Floor, Phaholyothin Road, Samsen-nai, Phayathai, Bangkok 10400 Thailand Tel. 02 619 0221-5 : Audit Period January 1, 2021 – December 31, 2023
Legal Councilor	: None
Financial Advisor	: None
Others	: Listed on the Stock Exchange of Thailand on October 4, 1989 and changed to the Public Company Limited on February 22, 1994

2. Other Important Information

CONTACT CHANNEL TO THE COMPANY

The company provides a contact channel for all stakeholders to express opinion and suggestion, report problems or complaints as below detail:

Mrs. Wanida Chansikarin

Audit Committee Chairman

Tel: 02 689 2632

Email: stms_adv@truemail.co.th

Mr. Nate Charanvas

Managing Director

Tel: 02 264 0460

Email: tmdplc@loxinfo.co.th

M.L. Chintat Jombunud

Director, Company's Secretary and Secretary to Audit Committee

Tel: 02 264 0826

Email: chintatj@thaimetaldrum.com

Chief of Human Resources Department

Tel: 038 571 980-2 extension 15

Email: hr@thaimetaldrum.com

Mailing Address

Thai Metal Drum Manufacturing Public Co., Ltd.

35th Floor, Lake Rajada Office Complex, 193/142 Rachadapisek Road, Klongtoey, Bangkok 10110 Thailand

The Company's secretary is the responsible person in receiving and viewing documents that are sent to the Board of Directors and summarize an issue, ideas, suggestions, problems, and other complaints to bring them up to the Board of Directors at the Company Board of Director Meeting. Unlike, the documents which are sent to the Audit Committee will be sent directly to the Board of Audit Committee.

3. LEGAL DISPUTE

None

4. SECONDARY MARKET

None

Section 2

Corporate Governance

Corporate Governance Policy

1. Overview of the Policies and Practices of Corporate Governance and Business Ethics

The Board of Directors realizes the importance of the principles of good corporate governance as a major tool in leverage the standard of the company management system, ensuring transparency in operating business, boosting the Company's competitiveness, and building confidences and trust among shareholders, investors, and all relevant parties. The Board of Directors has determined the policy and defined strategic direction in compliance with the principle of good corporate governance set by laws. In addition, the Company has put in place the policy of good corporate governance as well as the ethics for board of committees and directors in written which had already been approved by the Company Board of Directors at the resolution of the 4/2004 Board Meeting dated December 8, 2004 and been published to all relevant concerned to follow as listed below:

- The Board of Directors shall treat all shareholders and stakeholders equally and fairly in accordance with their legal rights.
- The Board of Directors shall be committed to create added value and sustainable growth of the business for long term as well as operate business with prudent and carefulness in accordance with the relevant regulations and laws. The Board of Directors shall perform their duty with full capability and effectively to generate the maximum benefits to the shareholders. In addition, the Board of Directors shall oversee and resolve any potential conflict of interest and being responsible for their own decision.
- The Board of Directors shall operate business with transparency and can be examined as well as disclosing adequate information timely and accurately to all parties concerned.
- The Board of Directors shall consider any potential risk factor when operating business and shall have appropriate, efficient risk management processes and systems in place.
- The Board of Directors has formulated the Company's business ethics and code of conducts for the Directors, Executive management, and employees to adhere to. In addition, Directors, Executives, and all employees must do a test to assess their knowledge every year.
- The Board of Directors understands and recognizes the importance of diversity in the structure of the Board of Directors, whether it is gender, age, race, religion, education, experience, skill, or specialized expertise, which in the nomination and consideration of the appointment of directors. Besides using the knowledge and ability to qualify, also take the benefits of diversity into account.
- The Board of Directors has stipulated the maximum of board members in the listed company at 5 unless there is a reasonable cause. The President must seek permission and approval from the Board at the meeting if wanting to hold a director position at another company So that the directors and the managing director can fully devote time to corporate governance with full efficiency.

2. Business Ethics

The Company's code of ethics has been set for the committee, the management, and employees in written form to follow. In addition, guideline, and rules on working practice have been documented into a manual, which covers all working guidelines and disciplinary and punishment actions. The guidelines and rules are communicated to employees for understanding and acknowledgement in the new employee orientation including monitoring and following up along with promoting and developing awareness in accordance with the direction and established practice guidelines, for example, conducting a test and bring the

results of the test to assess the employees' cognition and efficiency of communication in order to further improve awareness and organize activities for employees and related persons.

Besides, the Company has prepared a confirmation document on conflict of interest for management at all levels to officially sign for acknowledgement as mentioned in the subject on conflict of interest.

The Company operates its business under Code of Conduct and Code of Business Ethics to create fairness in running business, not seeking benefit for oneself, promoting fair condition of competition, guard the right of intellectual property, avoiding conflict of interest and make the appropriate payment of purchase with fairness and has set the policy and guideline as below:

- All employees are responsible for maintaining trade secrets and intellectual property of the company, including all business information and technical information of the company and business partners, which must be protected to prevent that information from being leaked or use for personal or other personal benefits by the obligation to protect this information will continue, even when that employee has resigned from the company. Legal liability for disclosing information or using it without permission and causes damage.
- All employees must not solicit, receive, or use business information that has been obtained by unlawful means
- The company encourages not allowing any use which is violate of the intellectual property rights of others
- The company has established regulations regarding the use of computers and internet within the company in accordance with the Computer Crime Act.

And, for good corporate governance The Board of Directors and Executives have the duty to comply with the Code of Conduct as follows:

- To comply with the good corporate governance practice ruled by SET, the company has set a guideline for the Directors and Management to follow as set out below:
- To carry out their duty in comply with all laws, the objectives, and the regulation of the Company as well as the shareholders' resolutions.
- To always operate the business with integrity and honesty to maximize the benefits for the Company, shareholders, and employees.
- To avoid any possible conflict of interest when performing their duty so as to carry out duty with fullest capability and efficiency. The above-mentioned interests include:
 - Refrain using their positions for personal gain
 - Not hold the position in rival companies
 - Not engage in any conduct or activities that the Company enters a business or contractual relationship
 - Not use inside information of the Company for its own interest
- To perform their duty with care and prudent and not to create conflict of interest.
- To perform their duty with full capability to maximize the ultimate benefit for the Company.
- To commit to prevent and eradicate any type of corruption which must be done rapidly, clearly, and strictly.
- To refrain from seeking illegitimately benefit direct and indirectly way.
- To be independent in term of both making decision and action including the justification of the decision made by the Board of Director and Management Executive

3. Major Changes and Developments in Policies, Practices and Governance Systems over the Past Year

The Board of Directors of the Company is aware of the importance of corporate governance. Thus, the Board of Director determined the policy to follow which is compliance with the Corporate Governance Code for Listed Company in year 2017 of Securities and Exchange Commission (Corporate Governance Code: CG Code). The Company created Corporate Governance Policy and Practices covering the following 8 classifications to demonstrate that the company put in place the management system efficiently including information disclosure with transparency and accountability. Corporate governance under good management will bring about the confidences for shareholders, investors, stakeholders, and all parties concerned. In addition, the Board of Director of the Company believes that the corporate governance will create long-term value for shareholders in a long term as well as enhancing its competitiveness for sustainable growth.

Every year, the Board of Directors duly reviews its Corporate Governance Policy and adopts to suit prevailing company's business circumstances, for example, the Audit Committee Charter, and the Corporate Governance and Business Ethics Manual were reviewed and update in the past year. If it seems that certain good corporate governance code does not imply with the circumstances of the company's business, the Company will introduce the alternative measure and inform to all shareholders as well as stakeholders for acknowledgement.

The conduct under good corporate governance policy illustrates the company's business ethics including, the ethics of its Board of Directors and Sub-committee to ensure that the Board of Director of the Company perform their duties thoroughly and completely. Details of good corporate governance practices and policies that the Company's Board of Director, the management, and employees including those of subsidiaries comply with shown as below:

RIGHT OF SHAREHOLDERS

The Company recognizes and attaches important to the right of shareholders by promoting to all shareholders to use their own rights and not to violate or reduce the rights of other shareholders as well as not do any act to limit chances of shareholders to receive sufficient data and information of the Company to attend the Shareholder's Meeting. The basic rights are shareholders are to purchase, sell or transfers shares, the rights to obtain dividend, to have a share in profit of the business, to receive sufficient data and information of the Company, to attend the shareholders' meeting to exercise their rights in the shareholders' meeting to appoint or remove directors, approve the Directors' remuneration, appoint auditor and matters having impact on the Company such as dividend allocation, determination or amendment to provisions of the Memorandum and Articles of Association, capital increase or reduction and approval for special transactions (if any). Shareholders has an equal right to receive in advance the information in of date, time and venue as well as the agenda of the shareholders' meeting including to receive an adequate information of related matter that needed to be voted in the Shareholders' Meeting. The Company notifies shareholders the rule & regulation as well as the procedures to attend the Shareholders' Meeting, voting and proxy appointments. The Company also posted the Notice of the AGM in the company's website in advance prior to send out the document in order to ensure that Shareholders have sufficient time to consider agenda items of the AGM including prior to receive the document from the Company. The aforesaid Notice of AGM contained information regarding to the right of shareholders to attend the meeting, the channel to express their opinions, questions, suggestion and to consider change that is important to the Company which the Chairman of AGM meeting allocates appropriate time for discussion and any queries the shareholders may have and encourage to express opinion during the meeting in an equitable manner.

SHAREHOLDERS' ORDINARY MEETING

In 2021, the Company arranged a shareholders' Ordinary Meeting of year 2021 on April 26, 2021 at 14:00 pm at the Company's meeting room, Lake Rajada Complex Building, 16th Floor, Zone D, Klongtoey, Bangkok. The Company conducted the Shareholders' Ordinary Meeting according to law and good corporate governance as detail below:

The Company assigned Thailand Securities Depository Company Limited who is the Company's share registrar, is responsible for forwarding an invitation to attend the AGM meeting in advance. The document was sent on April 8, 2021, 18 days prior to the meeting date. The Company informed date, time, venue of the meeting and the agenda of the meeting with clarification and opinion of the Board of Director in each agenda clearly both in Thai and English. In addition, the Company also posted the same information in the Company's website at www.thaimetaldrum.com on March 15, 2021, 42 days prior to the meeting.

The Company had the policy to facilitate shareholders to use their rights to cast their vote and to attend the meeting as well as to encourage every shareholder, shareholders who are institution investors to attend the Shareholders' meeting of the Company while ensuring that the policies are observed to conduct the meeting in compliance with the laws and guidelines for shareholders' meeting. In organizing the meeting, the Company shall consider the convenience of the venue of the meeting and all facilities ready for the meeting. In addition, the Company will determine date and times for the meeting that is convenient and appropriate that is during 9.00–17.00 hours and not organizes the meeting on traditional holidays or holiday of commercial bank. The Company arranged the sufficient officers to welcome and provide the sufficient information on document checking and registration and to provide stamp duty to the shareholders who appoint the proxy to attend the meeting, as well as prepare lunch, coffee break and souvenirs for the shareholders attending the meeting.

The Company invited shareholders to propose matters to be included as meeting agenda items, qualified candidates for directorship, and questions in advance of the shareholders' meeting based on the criteria announced on the Company's website.

The Company had sent the 2 types of proxy letters to shareholders to select in case that they will assign a proxy to attend the meeting. 2 types proxy letters are Proxy Form A by which the Company nominated at least 1 Independent Director of the Company to be the proxy while the Proxy Form B is for shareholders to determine to cast their vote on each agenda.

ON-SITE MEETING PROCEDURE

In the 2021 shareholder's meeting, there were 9 Directors of the Company attended which were accounted for 100% of the total numbers of Directors. The Directors who attended were comprised of Chairman, Audit Committee Chairman, all members of Audit Committee, Managing Director, and other Directors. Besides, the Company auditor from Bunchikij Co., Ltd. and the representative from Thai Investors Association attended the meeting.

To preserve voting transparency, the Company made available ballots to facilitate exercise of voting right by shareholders with clearly explanation of vote-casting and vote-counting procedures for each agenda in case those shareholders expressed their disapproval or abstention of any agenda being considered. The Company will deduct the vote of disapproval or vote for abstention from the total numbers of votes. Shareholders who casted their vote with disapproval or abstention would raise their hand and the office of the Company would collect the ballots and recorded the result. The Chairman of the Meeting will clearly announce the vote result onsite to make known to all attending shareholders immediately following the end of voting procedure in each agenda. In case that there were several items in the agenda to be voted, such as, the vote for each director candidate, the Company also provided ballots and vote on an individual basis for this agenda.

In the 2021 shareholder's meeting, Mr. Suchin Wanglee, the Chairman of the Board was presided over the meeting. There were 28 shareholders and by proxies attend the meeting in person holding 96,740,633 shares or 64.49% of total units of shares, constituted as a quorum according to the company's regulation and Public Act which required number of attendees in person or by proxy not less than 25 persons and having total shares more than one third of the total shares.

The Company would also give an opportunity to shareholders to raise questions or to give opinions with reasonable time for discussion of the matters of the Company and its subsidiaries which the company representative recorded questions and answers during the meeting until there were no more questions. The Chairman would end the meeting.

PREPARATION OF MEETING MINUTES AND DISCLOSURE OF THE SHAREHOLDERS' MEETING RESOLUTIONS

The Company's secretary would document and take minutes of the meeting in detail such as list of Directors of the Company attending the meeting, Director who was absent as well as the procedure of voting and resolution. All questions raised by shareholders and answered given during the meeting session and the complete resolutions of the meeting were recorded completely and correctly.

After the meeting, the Company publicized the resolutions of all agenda considered in the Annual General Meeting of Shareholders both in Thai and English on the Company's website and through the Stock Exchange of Thailand communication systems on the date of meeting. The Company submitted the complete resolutions of the meeting to the Stock Exchange of Thailand communication systems and forwarded to corporate website within 14 days after the meeting date so that the shareholders would know the resolution completely and rapidly.

EQUITABLE TREATMENT OF SHAREHOLDERS

The Company has the policy to treat its shareholders equally by placing emphasis on equality for all major shareholders, small shareholders institutional shareholders including foreign shareholders, regardless of gender, age, race, nationality, religious beliefs, social status, disability, or political opinion. The Board of Directors had put in place the practices as follow:

THE USE OF INTERNAL INFORMATION

To create transparency and to prevent the use of internal information for personal gains, the Company imposes preventive measures to guard against the use of internal information for personal gains among the Board of Directors, Management member and employees which the measures will cover the trading of shares of the Company as detail below:

Every director and executive including their spouse and children below lawful age must report any change made to the securities ownership of their own to the Company's secretary in order to submit to such report to the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) within the period set by law and regulation.

The Board or management members or employees with access to, or acknowledgement of, internal information are not allowed to leak the information to the outsiders or other unauthorized persons which can affect the trading of the Company's share. The Directors, Executive and employees shall not use inside information of the Company or business trading partners of the Company, that they know from performing duties, to purchase or sell or offer to purchase or sell or persuade others to purchase or sell or offer to purchase or sell securities of the Company or those of the Company's trading partners for personal gains or for the gains of others.

Therefore, the Company had ruled the policy of the use of internal information for all employees and Executives and all Company's Directors to strictly comply with. The breach of the rules will be punished according to the rule & regulation of the Company. In addition, every year, the Company provided written document for employees, executives, and everyone to sign for their acknowledgement and to follow.

PROTECTION OF MINOR SHAREHOLDERS

The Company provided opportunity for minor shareholders to propose any agenda item in advance including the nomination of candidates by minority shareholders by mean of publicizing criteria, channel to propose and the timing of proposal through the company's website at www.thaimetaldrum.com in the investor relations section.

The Company provides a proxy form on which shareholders can dictate the direction of their voting through proxies if shareholders are unable to attend the meeting in person. At least one independent director will be nominated in a notice of meeting as an alternative proxy for shareholders.

A notice of meeting will specify the documents or evidence, including instructions and process for appointing a proxy, to ensure correct preparation by shareholders and to avoid problems in the attendance of meeting by proxies. The rules, procedures, and conditions for the appointment of proxies will be prescribed according to the legal requirements. The Company will not intentionally include any other requirement to make it complicated for shareholders to appoint proxies.

The Company shall ensure that no shareholder who is an executive can add any agenda items without advance notice, through the same process applicable to general shareholders.

The Company gives its shareholders equal voting right, one share one vote for ordinary share.

A policy regarding transactions which may cause conflicts of interest shall be established to provide explicit guidelines and prescribe a careful, reasonable, and independent consideration process for the execution of such transactions within the scope of the code of ethics and for the interests of the Company and shareholders.

The Company shall explicitly disclose shareholders information on related party transactions, which include the names and relationships of the related persons, pricing policies, and transaction values, as well as the Board's opinions relating to such transactions.

ROLES OF STAKEHOLDERS

The Company perceives the importance of right of all stakeholders and equitable treatment, as the Company foresees the importance of their support and the cooperation between the Company and the various groups of stakeholders in that it can secure long-term business wealth, employment, and financial stability. Therefore, the Company adheres to equitable treatment of all stakeholders based on the equitable treatment considering to the roles of stakeholders by law or by agreement with the company and not to do any act to reduce the rights of stakeholders to create sustainable growth and profitability to all concerned as summarized below:

SHAREHOLDERS

The Company attaches the most importance on the right of all shareholders with equitable treatment. The Company realizes that the shareholders are the business owner. Therefore, the Company oversees and operates according to the right of shareholders under the good corporate governance and treats all shareholders on an equal basis. The Company had ruled the practice as below:

- To be committed to conducting business with transparency under good corporate governance
- To report and disclose the operating result of the company's business completely and correctly to all shareholders
- To give an importance on the right of shareholders under the policy of good corporate governance
- To provide equitable treatment to all shareholders

CUSTOMERS

The Company is committed to be the leading in manufacturing high quality of 200-liter metal drums in response to the satisfactory of the customer and to create confidences among customers that the product the Company supply are of high quality as well as to build long term relationship and operate business in a fair manner. The Company had set guideline to treat the customers as below:

- Create satisfaction and confidence to the customer to ensure that the products are of high quality and being delivered punctually.
- Disclose the information of production and service completely thoroughly and correctly and not to distort information whilst building good long-term relationship with customers and operate business in a fair manner.
- To guarantee the quality of product and service under the mutual agreement in a proper time.
- To set the system for customer and other concerned party to be able to make a complaint on product and service as well as any unfair act so that the complaint can be responded immediately.
- Not to make any overprice when comparing to the quality of product and services in the same type of product and not to create unfair condition to the customers.
- To keep confidential on the customer's information strictly and constantly and not disclose information to make benefit for oneself and for related person.

From the result of 2021 customer satisfaction survey toward the company's quality of products and services, it showed that the customers were satisfied with the quality and services by 89.95% while the company aimed at 85.00%. The score of year 2021 was slightly lower than that in 2020 which gained 91.29%. Details is shown in the summary of 2021 customer satisfaction survey report below:

2021 Customer Satisfaction Survey Report

Survey Topic	Satisfaction Rating from 10 (Max) → 1 (Min)										No. of PCPs	Each Topic	
	10	9	8	7	6	5	4	3	2	1		Score	%
Quality of Product													
Quality of External Coating & Silkscreen	9	7	4	2							22	199	90.45
Quality of Internal Coating	9	9	4								22	203	92.27
Quality of Body Seam / Drum Edge	7	9	4	2							22	197	89.55
Overall Quality of Product	8	8	5	1							22	199	90.45
Quality of Service													
Order Taking	9	9	4								22	203	92.27
Cooperation	9	11	2								22	205	93.18
Fast Response	4	11	5	2							22	193	87.73
Correctness of Documentation	3	12	5		1		1				22	188	85.45
Punctuality of Delivery	8	6	5	3							22	195	88.64
Delivery Practice Under Rule of Customer	8	8	4	1	1						22	197	89.55
Percentage / Score from Customer	74	90	42	11	2	-	1	-	-	-	-	1,979	89.95
	33.5	41	19	5	1	-	0.5	-	-	-	100%		

*The target for customer satisfaction criteria is set at not less than 85%.

BUSINESS PARTNERS, COMPETITORS AND CREDITORS

The Company realizes the equity and honesty in operating the business and in sharing business profit with suppliers, competitors, and creditors. The Company will conduct business under law and regulation strictly in an ethical manner as per the below:

Relationship with Business Partner

- To maintain commitment to contract obligation and treat the business partners with fair, honest and sincerity.
- Do not use influence power or lobbying to exploit from the business partners.
- Do not disclose any confidential data and violate ownership property right of the business partners.
- To provide opportunity to the local business partners for joint venture.

Relationship with Competitor

- To act and comply with competitive rules.
- Refrain from seeking confidential information of the competitor with dishonest method
- Do not try to dishonor competitor's reputation by accusing without truth.
- Promote free trade, no monopoly or not impose the customer to do business only with the company.

Relationship with Creditor

- To maintain and strictly comply with the creditors' conditions in term of repayment, maintenance of collateral and other conditions.
- To report the company financial status to the creditors with honest.
- To report the creditors in advance in case of failing to meet the contract obligation and find together for problem-solving.

EMPLOYEE

The company considers employees as the key factor that shall drive the company to business success. The employee guidelines are defined as follows.

- To provide fair compensation to the employees in forms of salary, phone expenses, gasoline, allowances and/or annual bonus. Reviewing the compensation and welfare allocation of employees is made regularly to ensure that it can motivate employees to outperform competitively in the same industry.
- Provide special welfare to employees to reduce burden and concern about cost of living such as uniform cost, provident fund, emergency loans (0% interest) and determine financial support in case of employee deaths, shuttle bus service arrangement for employees who work at the factory, cafeteria welfare by providing free rice and water and provide hygienic food at a reasonable price including annual health examination, group health and accident insurance and others.
- Promote the well-being of employees covering the family of the employee such as medical expenses for child and spouse and funeral allowance for parent, spouse, and child.
- To look after and maintain safety working environment to the employees' lives and belongings regularly by implementing Safety and Health Policy. The company to disclose accident statistics, leave ratio, sickness ratio causing from work, posted on the board at the entrance of factory and including submitting reports to all relevant government units.
- Designation and transfer as well as rewarding and punishment to the employees must be treated equally, honestly and based on knowledge, capabilities and appropriateness including actions or behaviors of those employees.
- To emphasize on development, knowledge transfer and capabilities of the employees by providing them opportunity thoroughly and regularly with training plan and budget reserve regularly on yearly basis.
- To listen to comment and recommendation from the employees at all levels equally.
- Strictly follow the employment's laws and regulations.
- To manage by avoiding any unfair actions that shall impact job security of the employees.
- To treat employees with politeness and giving respect to individuals and human rights.
- To provide channels for the employees to be able to notify or raise any concerns which are incompliance with the rules or laws according to Whistle Blowing or Appeal Policy.

SOCIETY AND ENVIRONMENT

The company realizes and concerns on the social safety, environment and quality of people's lives as well as giving the importance to preserve natural resources and promoting energy usage in efficient way. The company is given Environmental Management System Certificate ISO14001 and gets the Certified Green Industry Level 3 from the Ministry of Industry. The company defines the social and environment guidelines as followings.

- The company shall consider alternatives to utilize the natural resources which will have the least impact to the society, environment, and quality of people's lives.
- To conduct activities that will establish society and environment regularly.

- To create awareness on social responsibility and environment among the employees at all levels continuously. Providing a training relating to the topics on social responsibility and environment for example, ISO14001:2015 Internal Audit, Energy Conservation and Delve into Government funds, Energy Conservation by law and how to drive a truck safely and properly.
- To focus on dealing with business partners having the same aim on social responsibility and environment.
- To do and collaborate or control of having strict practice in compliance with the laws and regulations issued by involved organization units.

INFORMATION DISCLOSURE AND TRANSPARENCY

The Board of Director of the Company devises policy on disclosure of importation information relating to the company's business both financial or non-financial information correctly, completely, punctually, and transparently through the dissemination channels with equality and reliability as set by regulation of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Board of Directors set the policy on information disclosure to the public as below detail:

- Information that will be disclosed must be correct, clear, and complete and disclosed in a timely manner under regulation of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- Every group of stakeholders including shareholders, investors, stock analyst and other parties who are interested in the company's share will have an equal right to obtain the Company's information disclosure.
- Information or other issue that effects on the stock of the Company and on the decision of the investors or effect on the right of shareholders, the Company must disclose the said information immediately through the channel of the Stock Exchange of Thailand.

The Company had disclosed the annual financial statement which was audited by the Certified Public Accountant within 60 days after the end of accounting period of the Company. Besides, the Company's auditor must be qualified and appointed by the Audit Committee to ensure that they do not have any relationship nor conflict of interest with the Company, Subsidiary of the Company, managements, and major shareholders. The Audit Committee also considered to approve the annual auditing fee and the scope of audit as appropriated and will be brought this to the Board of Director's meeting and the shareholder's meeting to appoint the auditors and approval of auditing fee. Detail of auditing fee will be illustrated in the annual report under section "Corporate Governance Structure and Important Information on the Board of Directors, Sub-Committees, Executives, Employees and Others" No. 6 "auditing fee of the auditor".

The Company also disclosed important information to all parties concerned for their acknowledgment under section of corporate governance structure which contained information on name, personal profile, duties, and company's shareholding as well as the training program attended by directors, audit committee, remuneration & nomination committee, numbers of meeting attended and the remuneration for director and executives.

For the operation of the Sub-committee, it was included in the Audit Committee Report as per the **Enclosure No. 6** including the report of the Board of Director on the financial statement in Section 3 - Financial Statement.

The Company has revealed the shareholder structures clearly in the company's website at www.thaimetaldrum.com by indicating names of 10th major shareholders of the company with percentage of shares holding including the relationship of the group of shareholders. In addition, the Company had done a report of shares holding of its directors and executive management with explanation & analysis from the management disclosed to shareholders, investors, and other interested person to better understand the operating result of the company's business.

The company has implemented Whistle Blowing and Appeal Policy on any act regarded as illegal and non-compliance with ethics, corruption of the personnel of the organization including employees, all stakeholders as well as having a mechanism to protect the Whistle blowers and keep confidential of the information to make the confidences to the Whistle Blowers as per detail disclosed in the company's website as detailed below:

Whistle Blowing Policy

— Purpose

- To encourage Company's Executives and employees to operate their business with accuracy, transparency, fairness and being verifiable in accordance with the principles of good corporate governance and the Company Code of Ethics. The company expects everyone to report in good faith any misconduct or suspected to be in violation of the principles to the Company. The Company shall improve or modify operations to be applicable, suitable, transparent, fair, and consistent with the law of the Securities and Exchange of Thailand on protecting information providers in good faith to regulators as well, which is the principle that the company has adopted
- To ensure that the supervisors and the Human Resources Department of the Company are responsible for well taking care, providing advice, and monitoring the employee to be in compliance with the policy. The informer of suspicious or corrupted acts shall be protected if they act in good faith.

— Scope of Whistleblowing

Doubtful actions which may violate the principles of good corporate governance practices in the following matters:

- Violation of compliance with the principles and practices of the good corporate governance policy
- Violation of company's rules and regulations
- Experience of unfair treatment at work
- Corruption
- Suspicious acts resulting in a negative image to the Company

— Channels in Notifying Suspicions or Complaints

- Chief of Human Resource Department
Tel: 038 571 980 to 2 extension 15
Email: hr@thaimetaldrum.com
- M.L. Chintat Jombunud
Director, Company's Secretary and Secretary of the Audit Committee
Tel: 02 264 0826
Email: chintatj@thaimetaldrum.com
- Mr. Nate Charanvas
Managing Director
Tel: 02 264 0460
Email: tmdplc@loxinfo.co.th
- Mrs. Wanida Charnsikarin
Audit Committee Chairman
Tel: 02 689 2632
Email: stms_adv@truemail.co.th

- Conditions and Consideration of Clues or Complaints.
 - Details of clues or complaints must be truthful, clear, or sufficient to investigate and taking further action.
 - Whistleblowers or complainants can choose to remain anonymous or not reveal their address and contact phone numbers, if the disclosure is considered to be unsafe or cause any damage. However, with self-disclosure, it would help running investigation faster and enable to enquire further useful information in case of need or mitigate damage faster and handily.
 - Information received will be kept confidential and the names of the whistleblowers or complainants were not disclosed without consent.
 - Whistleblowers or complaints will be protected by rights, whether they are employees or third parties.
 - Complaint processing time depends on the complexity of the matter, the sufficiency of documentary evidence received from the complainant, including documents and evidence of the respondent.
 - Complaint recipient and those involved in the investigation process must keep relevant information confidential and disclose it, as necessary. Considering the safety and damage of the complainant or the person who cooperates in the investigation, source of information, or related persons.
- Group of People Involved
 - Informer/ whistleblower means a person who gives information or makes a complaint.
 - Complaint coordinator refers to the person responsible for receiving and collecting preliminary information and keep a summary of the operation, namely the Human Resources Department and the Secretary of the Audit Committee.
 - Complaint administrator refers to the direct supervisor of the person being complained, or the superior supervisor of the business unit being complained.
 - Supervisor of discipline means the Human Resources Department.
 - Managing Director
 - Audit committee

— Procedures

Registration and submission

Complaint coordinator receives complaints and set the date for reporting the progress of the complaint to the complainant as follows.

- Cases that impact seriously to the reputation of the company must be taken urgently.
- In other cases, proceed as soon as possible.

Complaint coordinator will record information from the complainant as follows.

- Name of the complainant, unless the name is not specified
- Date of complaint
- Name of person or complaint incident
- Other relevant information

When registering for a complaint, then classify the secrecy according to the issue of complaint and proceed as follows.

- Assign the complaint administrator to investigate facts and give orders according to their authority.
- Send a copy of the issue of the complaint to the Human Resources Department to prepare for advice on disciplinary action or otherwise.
- Send a copy of the issue of the complaint to the Secretary of the Audit Committee, Managing Director, and the Audit Committee for their acknowledgement.

Collection of facts and action taken

- The complaint administrator conducts fact-finding and gives advice to those involved to act as appropriate or in a proper manner. If disciplinary action is required, the punishment will be enforced in consultation with the Human Resources Department to ensure the punishment is in accordance with rule set. And if the complaint administrator has no power to enforce the punishment, it must be brought to next level of authority, depending on the case and to submit the results of the fact-finding, proceedings, and punishments, to the Managing Director.
- In the case of an anonymous complaint with insufficient information, the complaint administrator sends a report on the investigation results, and comments of the complaint to the Managing Director, through the commander step by step to ask for guideline for an appropriate action. If the Managing Director is unable to process the investigation of such complaint, the complaint will be closed, and the complaint administrator will send a copy to the complaint coordinator to report to the audit committee.
- If the complaint administrator has examined the facts and found that the person being charged is not guilty or it is a matter of a misunderstanding or gave advice to the respondent and those involved in the complaint to act or perform as appropriate. Then considering that the matter should be closed without any punishment. The complaint administrator brings this matter to the above supervisor for approval to close the case and send a copy of the matter to the complaint coordinator to inform the complainant and report to the Managing Director and to the audit committee.

Investigation of facts

- In the case that the complaint administrator and the HR department deems that disciplinary action must be taken, the HR department bring this issue to the Managing Director for further investigation.
- When the decision is made by the Managing Director, the result will be notified to the complaint administrator to proceed with the next step.

Conclusion to the complainant and improvements

- Complaint administrator carries out the action as ordered by the Managing Director to provide recommendations for appropriate practice and inform the results to the complaint coordinator for acknowledgement.
- Complaint coordinator reports the operation results to the complainant and record the performance of complaints, as well as submitting it quarterly to the audit committee for acknowledgement.
- Complaint coordinator follows up on improvement (if any) and report to the Managing Director and to the audit committee.

Complaint in bad faith or wrong way

For Company's employee, if notification of suspicions or complaints proves to be made in bad faith or doing the wrong way, disciplinary action shall be imposed. For outside parties, whose acts or causes damage the Company, legal proceedings shall be taken against that person.

The responsibility of the above supervisor

In the case that the complaint administrator ignores or fails to comply with this policy, the above supervisor must also be considered for disciplinary action.

Measures to protect whistleblowers or complainants.

The company will collect information and identity of the whistleblower or complainant and respondent confidentially.

- The company will disclose information as necessary, taking into account the safety and damage of the reporter, the source of the information, or related persons.
- Damaged persons will be mitigated through appropriate and fair procedures.

- If the complainant or those who cooperate in the investigation consider that they might have been harm or may have suffered damage, complainant or person who cooperates in the investigation can request the company to set appropriate protection measures or the company may prescribe protection measures by the complainant or those who cooperate in the investigation without request if it is seen that it is a matter that is likely to damage or insecurity.
- The company will not act unfair to the whistleblower or complainant, either by changing the job position, job description, place of work, ordering a suspension, threatening, interfering with work performance, dismissal, or any other act that is unfair to the whistleblower or complainant or those who cooperate in the investigation.

In addition, the Board of Director assigned the Company's secretary to oversee investor relations whom the investors can contact at 02 264 0826 or email: chintatj@thaimetaldrum.com. The Company also notifies the channel to contact the Company's secretary in the Company's website.

BOARD OF DIRECTORS' RESPONSIBILITIES

BOARD COMPOSITION

The Board of Director of the Company is comprised of knowledgeable personnel with capability and expertise, who have a major role in determining policy, goal and version of the Company including their supervision on corporate governance, monitor and evaluation of the Company's business operation pursuant with the work plan and to ensure that the Company conducts its business under law, regulation and resolution of the shareholders with honest and under the code of ethics and code of business conduct. The Board of Director will supervise the management of executive to be aligned with the strategy and goal set and to maximize the best benefit to the Company and the shareholders.

The structure of the Board of Director of the Company must be at one-third of the total number of Board members reflecting effective considerations for the best interests of the Company. In addition, the Company has the audit committee comprising of 3 independent directors.

Currently the Board of the Company is comprised of 9 members, namely, 7 non-executives (3 of them are served as independent director and Audit Committee member), 2 executive directors are the Managing Director and Accounting & Finance Director. The number of Independent Director of the Company is in lined with the requirement of the Stock Exchange of Thailand and the Securities Exchange Commission. The independent directors must be at least one-third of the total number of directors.

According to the regulation of the Company, the ordinary general meeting will be held every year. One third of the total number of Directors must be retired by rotation. If the number of directors could not be divided into one-third, the company should use the closer number of directors to be retired by rotation for the 1st year and the 2nd year after becoming the public company limited, the company would do a lucky draw to select the directors who will be retired by rotation. However, the director who is retired by rotation could be re-elected to be the director for another term.

Moreover, the Board of Directors also nominates the sub-committee comprising of the audit committee, remuneration and nomination committee and risk management committee to perform specific matters and to submit it to the Board of Director for consideration and acknowledgement. The sub-committee has a right to perform their duties as defined and set for each committee.

The Board of Director has set a policy to allow the Chairman not being the same person of the Managing Director so that there would be a clear scope in the responsibility between corporate governance and the day-to-day administrative duty. Besides, the Company clearly defines the scope and responsibility of the Company Director and the Executive Management.

- Scope of Duties of the Chairman of the Board
 - To be responsible as the chairman of the Board in overseeing, following up the administration of the executive committee and other committees to achieve objectives and goals according to the plan set.

- To Support the operation of the management team but do not participate in the normal day-to-day management of the company.
- To supervise the performance of the Board of Director to be efficient and independent from the management.
- To set the agenda for the meeting in accordance with the duties and responsibilities of the board of directors together with the Managing Director and ensure that important matters are included in the agenda.
- To effectively act as chairman of the Board of Director's Meeting and Shareholder's Meeting by encouraging Directors to exercise prudent discretion and give opinions freely.
- To encourage all Directors to participate in the meeting.
- Encourage and ensure that the directors perform his duty with responsibility, due care and shall comply with all laws, good corporate governance practices and business ethics as well as being responsible for shareholders and stakeholders concerned.

In comply with the good corporate governance for the Public Company; Directors of the company must conduct self-evaluation once per year to enable the Board of Director to evaluate and improve their performance. The performance evaluation is done as a whole group as well as by individual. This would help to evaluate the performance of the Director both by individual and as a whole group as appropriated. The Company's Secretary will summarize and submit the evaluation result to the Board of Directors for consideration and for seeking the guidelines to improvement business operation more effectively. The meaning of rating is as below:

- 0 = Strongly disagree or no action on that matter
- 1 = Disagree or having a slight action on that matter
- 2 = Agree or having a moderate action on that matter
- 3 = Fairly Agree or having good action on that matter
- 4 = Strongly Agree or having great action on that matter

Self-evaluation of the Company' Directors is shown below:

Topic Evaluation	Total	Average
Average Score of the 1 st Topic: Structure and Qualification of Director	35.92	3.99
Average Score of the 2 nd Topic: Role, Duty, and Responsibility of Director	35.30	3.92
Average Score of the 3 rd Topic: Board of Director's Meeting	35.89	3.99
Average Score of the 4 th Topic: Performing Under the Role of Director	35.86	3.98
Average Score of the 5 th Topic: Relationship with Management	35.60	3.96
Average Score of the 6 th Topic: Self-Development of Director and Executive	35.00	3.89
Total Average Score of the 6 Topics	35.58	3.95

In order to prepare the Directors to be able to perform their duty effectively, the Board of Director will provide director orientation for new director by assigning the Company's Secretary to provide information, knowledge and detail of company's business, company's business structure, director's structure, scope and responsibility of director, related basic of law, strategy of company's business operation including arranging a meeting with Company Chairman and Managing Director to be informed of in-depth company's business operation.

Besides, the Board of Director had appointed the Company's secretary which the responsibility includes preparing agenda and document for the Shareholder's meeting and for the Board of Director's Meeting, maintaining the statutory registers of the company and other documents of the Company required by laws, administrate the company and director to perform duties in accordance with rule and regulation of related government institutes such as the Stock Exchange of Thailand and the Securities Exchange Commission etc. The duties also include the responsibility to shareholders of the company such as communicating with company shareholders, answer and consider any suggestions of the shareholders and report this to the Board of Directors and to the Executive Management and act as a link between shareholders and the Board of Directors and Executive Management.

The Company has put in place a Charter of the Board of Directors and disclose on the company's website at www.thaimetaldrum.com under the section of Sustainability.

SUB-COMMITTEE

Details are shown in the section "Corporate Governance Structure and Important Information on the Board of Directors, Sub-Committees, Executives, Employees and Others" No. 3 "Sub-committee".

BOARD OF DIRECTOR'S MEETING

The Board of Directors determined to hold at least 6 times per year of ordinary meetings for the Board of Directors so as to build more confidence that the Board of Directors could closely follow up the operation of the Company more effectively. One of the six meetings will be held without the presence of the Company Executives so that the Boarding of Director could freely express their opinion on the problem of the Management. Besides, an extraordinary meeting can be held as necessary or needed. In every meeting, the Company Secretary will send a meeting invitation with the detail of agenda to the Board of Director at least 7 days before the meeting date except the urgent case. The minutes of meeting must be filed properly which must be easily retrieved and verified. Besides, the Company prepared the report of operating result of its business and submitted to the Board of Directors every quarter for their acknowledgement so that the Board of Directors could monitor the operation of executive according to the good corporate governance in timely manner and continuously.

In the meeting, the Chairman of the Company and the Managing Director will set agenda of each meeting for consideration and provide opportunity to each director to propose and include any matter into the agenda of the meeting. The Chairman of the Company will preside over the meeting and allow the Directors to express their opinion freely. For voting rule in the Board of Director's Meeting, the Company will use the majority vote's principle by which one director has one vote. The director who will have a conflict of interest may not attend the meeting or not cast his/her vote on that matter. In case of equal vote, the Chairman of the meeting will cast his vote to make the decision. Besides, each director has a right to verify the meeting document and other important document. If the independent director or audit director has a doubt on any matter, other directors or executive of the company have to response to any doubt immediately and completely as much as possible. In case that the directors do not agree with the resolution of the meeting, directors can ask the Company's secretary to record the objection in the minutes and is able to submit the objection to the Chairman.

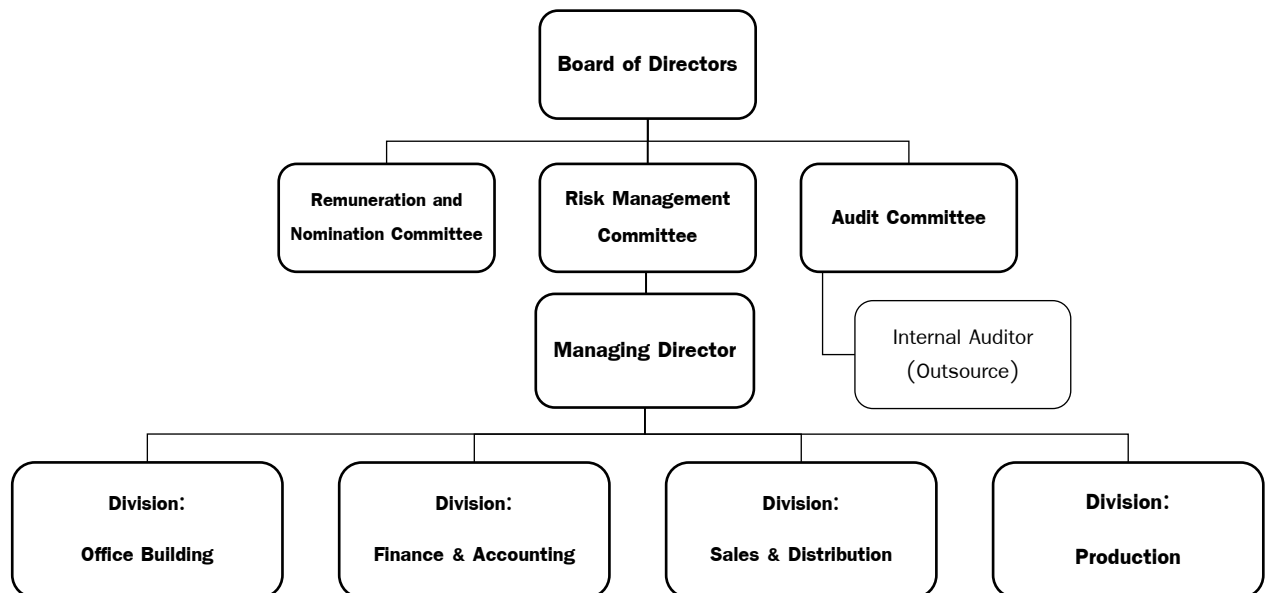
In each Board of Director's meeting, the Company's secretary would not only attend, take minutes, and submitted to the Chairman to sign for acknowledgement that will be brought forward into the next meeting for being certified but also file documents of the meeting for being easy retrieved. The member of the Board of Director normally attends in every meeting except the urgent matter which will be notified to the Board of Director in advance. Besides, the Board of Director has a policy to assign the non-executive Director to set up its own meeting in an absent of Executive management as appropriated to discuss significant issues and notify the result of the meeting to the Chairman and the Managing Director for their acknowledgement.

At the AGM assessment project for year 2021, the Company held the annual general meeting of shareholders on April 26, 2021 at the Company's meeting room, Lake Rajada Complex Building, 16th Floor, Zone D, Klongtoey, Bangkok and the company got 100 full marks from the Thai Investors Association which clearly showed that the Board of Director and the Company's executives would do their best effort to hold the shareholder's meeting.

Corporate Governance Structure and Important Information on the Board of Directors, Sub-Committees, Executives, Employees and Others

1. Corporate Governance Structure

ORGANIZATION CHART



2. Information about Board of Directors

BOARD OF DIRECTORS consist of 9 persons as follows:

1.	Mr. Suchin	Wanglee	Chairman
2.	Mr. Vivat	Charanvas	Director
3.	Mr. Anurat	Tiyaphorn	Director
4.	Mrs. Wanida	Chansikarin	Independent Director
5.	Mr. Pitiphong	Bisalputra	Independent Director
6.	Mr. Anin	Wanglee	Independent Director
7.	Mr. Somchai	Jongsirilerd	Director
8.	Mr. Nate	Charanvas	Managing Director
9.	M.L. Chintat	Jombunud	Director & Company's Secretary

DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS are as follows:

- To oversee that the Company's operations are operated in accordance with the objects, the articles of association of the Company, and the resolutions of the shareholders' meeting, as well as the regulations specified by related laws in good faith and with due care to preserve the greatest interests of the Company.
- To consider and approve vision, mission, strategy, direction, as well as overseeing and superintend the management to be in line with the vision, strategy or framework with effectiveness and efficiency. In addition, there will be a revision made annually to be in lined with the business operation according to good corporate governance policy.
- To regularly monitor and evaluate the implementation of the corporate governance policy and the code of conduct of the Company at least once a year.
- To approve connected transactions and any transactions in compliance with the laws and regulations specified by all regulatory agencies such as OIC, SEC Etc., to prevent transactions that may have a conflict of interest.

- To approve the acquisition and disposition of assets and any transactions in compliance with the laws and regulations specified by all regulatory agencies such as OIC, SEC Etc., to prevent transactions that may have a conflict of interest.
- To approve a significant matter submitted by the management such as business plan, budget, or any project that the transaction value is beyond the authority of the management.
- To set up a control system for financial reports, compliance with regulatory, risk management and internal control as well as providing units or personnel with an independent duty to act in the audit practice to ensure the efficient and transparent management.
- To oversee selection of directors and set up the efficient succession plan of the top executives.
- To appoint subcommittees to be adequate and appropriate of its duties, and to appoint or delegate any power to any other person(s) to conduct the Company's business subject to the control of and within the time frame as may be specified by the Board.
- Assessing the performance of the Board of Directors and its subcommittees annually.
- To approve the criteria for annual special bonus payment for the employees.
- To appoint the Company's Secretary.

DETERMINATION OF THE TERM AND AGE OF DIRECTORS

In order not to lose the opportunity to appoint talented and experienced directors, the company therefore does not limit the term of the director's position except for the position of the independent director where the company has set a policy for a term of holding position not over 9 years unless there is justification for an exception.

SUCCESSOR PLAN

The Board of Directors recognizes the importance of a succession plan for the key management positions including the Managing Director, Top Executive Management and Senior management as part of the corporate strategy for human resource management. The succession strategy aims to develop personnel with high potential and review the successor plan annually to continue managerial responsibility and duty in case that the executive manager could not perform their duty or retired. This will help the continuity of the corporate business operations.

DIRECTORSHIP IN OTHER COMPANIES OF DIRECTOR AND MANAGING DIRECTOR

To devote time to the Corporate Governance of the Company fully and efficiently, the directors therefore may hold director positions in not more than 5 listed companies, unless there is justification. In addition, the Managing Director is required to obtain permission and approval from the Board of Directors at the meeting if he wants to serve as a director at other companies.

3. Information about Sub-committee

Sub-committee of the company is comprised of **3** sets as follow:

- Audit Committee
- Remuneration & Nomination Committee
- Risk Management Committee

AUDIT COMMITTEE

The Audit Committee has to take a position of 3 years term comprising of 3 committee members. All of them are independent Directors and two of them have the knowledge and background in reviewing financial report. Names of Audit Committee are shown below:

1.	Mrs. Wanida	Chansikarin	Audit Committee Chairman
2.	Mr. Pitiphong	Bisalputra	Audit Committee Director
3.	Mr. Anin	Wanglee	Audit Committee Director
	M.L. Chintat	Jombunud	Audit Committee's Secretary

The Audit Committee meetings are held regularly once every quarter and report to the Board of Directors. The Audit Committee is responsible to:

- Review the Company's financial reporting process to ensure that it is accurate and adequate.
- Review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to review the independence of the outsource auditor as well as to approve the appointment of outsource internal auditor in charge of the Company's internal audit.
- Review the Company's operations in compliance with the laws on Securities and Exchanges, the regulations of the Stock Exchange of Thailand, the other laws relating to the Company's business.
- Propose, select, nominate, and terminate the contract of an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
- Propose, select, nominate, and terminate the contract of an independent person to be a company's internal auditor and propose the remuneration for the above-mentioned person.
- Review the connected transactions, or the transactions that may lead to conflicts of interests and to ensure that they are in compliance with the laws and the Stock Exchange's regulations and are reasonable and for the utmost benefit of the Company.
- Report the performance of the Audit Committee to the Board of Director of the Company at least 4 times per year.
- Prepare the audit committee's report, and to disclose it in the Company's annual report which must be signed by the audit committee's chairman and consist of at least the following information:
 - an opinion on the accuracy, completeness and creditability of the Company's financial report;
 - an opinion on the adequacy of the Company's internal control system;
 - an opinion on the compliance with the laws on Securities and Exchange, the regulations of the Stock Exchanges of Thailand, or the other laws relating to the Company's business;
 - an opinion on the suitability of an auditor;
 - an opinion on the transactions that may lead to conflicts of interests;
 - the number of the audit committee meetings, and the attendance of such meetings by each committee member;
 - an opinion or overview comment received by the audit committee from its performance of duties in accordance with charter, and other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subjected to the scope of duties and responsibilities assigned by the Company's Board of Directors.
- to perform any other act as assigned by the Company's Board of Directors, with the approval of the audit committee.
- Reporting the findings or suspicious transactions or any of the following acts which may materially affect the Company's financial condition and operating results, to the Board of Directors for rectification within the period that the Audit Committee thinks fit:

- a transaction which causes a conflict of interest;
 - any fraud, irregularity, or material defect in an internal control system; or
 - an infringement of the law on securities and exchange, the Stock Exchange of Thailand's regulations, or any law relating to the Company's business.
- If the external auditor discovers any suspicious circumstance that the director, manager, or any other person responsible for the operation of the Company commits an offense as defined by laws and the auditor informed the fact relating to such circumstance to the Committee to continue the inspection without delay. The Committee shall inspect the circumstance and report the result of preliminary inspection to SEC and the external auditor within 30 days from the date received the external auditor noticed. The suspicious circumstance to be reported and the process to uncover facts of such circumstance shall be as specified by the Capital Market Supervisory Board.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee was established comprising of 3 members as per the following names.

1.	Mr. Vivat	Charanvas	Remuneration and Nomination Chairman
2.	Mr. Anurat	Tiyaphorn	Remuneration and Nomination Director
3.	Mr. Pitiphong	Bisalputra	Remuneration and Nomination Director

Duties and Responsibilities

- Duties and responsibilities in term of Remuneration Process
 - Proposed to the Board or shareholder's meetings (as it may be) to consider approval of structure and procedures of remunerations for the Board, the committees, and senior executives.
 - Consider and fix bonus for directors propose to the Board and shareholders' meetings for approval.
 - Consider and fix bonus for senior executives propose to the Board for approval.
 - Consider and review authority and duties of the remunerating to appropriate and comply with legal, regulations and regulatory agencies such as SET and SEC etc.
- Duties and responsibilities in term of Nomination Process
 - Determine criteria and procedures for selection of nominees to serve as the Company's director, member of the committees and senior executive propose to the Board for approval.
 - Recruit and nominate a qualified person to serve as the Company's director, the committees and senior executive when retiring by rotation or the position is vacant, propose to the Board or shareholder's meetings for approval.
 - Review structure and composition of the Board appropriate to the organization and accountability to the shareholders.
 - Consider and review authority and duties of the nominating to appropriate and comply with legal, regulations or regulatory agencies such as SET and SEC etc.

The Company has put in place a Charter of the Board of Nomination and Remuneration Committee and disclose on the company's website at www.thaimetaldrum.com under the section of Sustainability.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee has an office term of three years and is comprised of 3 Directors as below:

- | | | | |
|----|-------------|--------------|--------------------------|
| 1. | Mr. Vivat | Charanvas | Risk Management Chairman |
| 2. | Mr. Nate | Charanvas | Risk Management Director |
| 3. | Mr. Somchai | Jongsirilerd | Risk Management Director |

The Risk Management Committee has to perform its duties and responsibilities as below:

- Assessing, determining, reviewing and presenting risk management policy and framework to the Board of Directors for approval.
- Regulating and supporting risk management process to be in line with strategy and business goal including changing situations.
- Coordinating with the Audit Committee about significant risk factors to ensure that the company has an appropriate internal audit system to manage possible risk and system must be adopted throughout the organization.
- Continually reporting to the Board of Directors on significant risks and risk management solution.
- Recommending and advising the Sub-Risk Management Committee and / or the parties concerned or the relevant working committees about significant risk and risk management as well as evaluate the appropriate means to improve various databases that are related to the development of risk management solutions.
- The Risk Management Committee has to hold a meeting when seen as appropriate or at least 1 time a year.
- Executing other activities that pertain to risks management as assigned by the Board of Directors.

The Company has put in place a Charter of the Board of Risk Management Committee and disclose on the company's website at www.thaimetaldrum.com under the section of Sustainability.

4. Information about Management Team

Management team and the Company's secretary is listed below:

- | | | | |
|----|---------------|--------------------|--|
| 1. | Mr. Nate | Charanvas | Managing Director |
| 2. | M.L. Chintat | Jombunud | Accounting & Finance Manager and Company's Secretary |
| 3. | Mrs. Suwaporn | Nansurakit | Office Manager |
| 4. | Mr. Wiboon | Wattanaputti-preut | Plant Manger |
| 5. | Mr. Panya | Pattarayutawat | Sales and Logistic Manager |

THE SCOPE OF DUTIES OF THE MANAGING DIRECTOR

- Manage the business of the company in accordance with the vision, mission, policy, law, objectives, regulations of the company, Shareholders meeting's resolution, the Board of Directors meeting's resolution as well as relevant regulations
- Provide recommendations regarding the strategic direction, management structure, operation policy, business plan, annual budget and the company's investment return target to be in accordance with the guidelines set by the Board of Directors
- Command, manage, supervise and monitor the company's operations and financial status. Reports company's operations as well as other important and relevant matters to the Board of Directors' meeting regularly
- Consider and approve the placement, appointment, transfer, dismissal, including meritorious consideration, disciplinary measures including determining remuneration and welfare for employees. In this regard, the operations must not conflict with the authority of the Board of Directors

- In addition, the Managing Director will perform other tasks as assigned by the resolution of the Board of Directors' meeting and/or the resolution of the shareholders' meeting. However, it must comply with the company's objectives, regulations and relevant laws.

REMUNERATION PACKAGE FOR EXECUTIVE MANAGEMENT

The remuneration of the Executive Management, the Board of Directors has nominated Remuneration and Nomination Committee, comprising 3 persons to consider, and set the appropriate remuneration package for the Executive Management every year by taking into consideration the company's business operation result and bring it to the Board of Director for final approval.

Allocation for Remuneration package of the Executive Management is based on the appropriateness and alignment with the Company's business result in term of financial result and other factors including the performance and strategies of the company both short term and long term. Remuneration package for both annual and long-term compensation should be competitive in the same business to allure knowledgeable persons to work with the company and to motivate them to perform well for company.

— Monetary Compensation

Salary for Executive is according to the duty, responsibility of his/her position, experience, knowledge, and skill which will be reviewed annually according to their performance and salary incremental rate in the current labor market and other monetary benefit such as annual bonus.

The total remuneration package for the Executive Management received from the Company is the form of monthly salary and annual bonus, for 5 persons in total of Baht 18,407,050.00 increasing from year 2020 with the amount of Baht 684,460.00 or 3.86%.

— Other Remuneration

In the year 2021, the social security fund together with the provident fund contribution for the Management, as the Company's employees, has amounted to Baht 783,800.00 and other welfare benefit such as medical expense and company's car.

5. Information about Personnel

As of December 31, 2021, The Company has employed 161 persons in total and has the employee's expenses with the total amount of Baht 70.83 million, comprising of salary, annual bonus, other fringe benefits such as financial support on medical expense, disability, personal loan, uniform, shuttle service, meal for lunch and beverage that aligns with guideline in labor market and as required by law including provident fund.

The Company has a policy to provide both in-house and outside training to the employees at every level to improve their effectiveness constantly.

6. Other Important Information

THE RESPONSIBLE PERSON IN FINANCE AND ACCOUNTING

M.L. Chintat Jombunud, the Accounting & Finance Manager is the person being responsible for a company's accounting activities and is assigned to control and supervise the bookkeeping and financial reporting of the organization.

Details and qualification of the Director and Management team is shown in Enclosure No. 1

COMPANY SECRETARY

The Company had appointed M.L. Chintat Jombunud to be the Company Secretary as per the resolution of the Board of Director's Meeting No: 2/2551, effective from July 1, 2008 which the responsibility includes preparing agenda and documents for the Shareholders and Board of Directors Meetings, keeping registrations of directors and other document of the Company as required by laws, providing the Company and the Board of Directors with legal, regulatory, and practice required by related institutions such as The Stock Exchange of Thailand, The Securities and Exchange Commission etc. In addition, the Company's secretary has duty and responsibilities toward company's shareholders such as building relationship with shareholders, responding to any query including considering any request or proposal from the shareholders and report all shareholders' requests to the Board of Director and the Company Executive Directors. In addition, the Company's secretary would act in liaising between shareholders and the Board of Director and the Company Executive Directors. Shareholders or anyone who wish to contact the Company's secretary, please contact him at 02 264 0826, fax at 02 264 0820, or email: chintatj@thaimetaldrum.com

Details and qualifications of the Company's secretary is shown in Enclosure No. 1

INTERNAL AUDITOR

The Company does not have an in-house internal audit function but hire an outsource auditor to conduct an internal audit control as well as auditing the business operation of the Company and its subsidiaries as per procedure set. Audit Committee, Executive Management together with auditor will consider which function of each company will be audited as per the level of risk assessment the auditor ranks which is stated in the report of business risk assessment of each Company.

Presently, the Company hires AMC International Consulting Company Limited by Khun Salin Nivatpumin, Chief Executive Officer of AMC International Consulting Company Limited as signatory to propose the audit report to the Company's Board of the Audit Committee.

Detailed information of internal auditor is shown in Enclosure No. 3

INVESTOR RELATIONS

the Board of Director assigned M.L. Chintat Jombunud, the Company's secretary to be in charge of investor relation whom the investors can contact at 02-264 0826 or email: chintatj@thaimetaldrum.com The Company also notifies the channel to contact the Company's secretary in the Company's website.

REMUNERATION OF EXTERNAL AUDITOR

Remuneration of company audit and internal audit are as below:

REMUNERATION OF COMPANY AUDIT

The Company and subsidiaries hired the same external auditor and paid remuneration for external auditor office for the past year, in amount of Baht 2,695,000.00 increasing Baht 65,000.00 comparing to the previous year or an increase by 2.47% And, there is no other service charges paid to the auditor.

OTHER REMUNERATION

The Company and subsidiaries paid remuneration for internal control system auditor office for the past year accounting period in amount of Baht 450,000.00 same as last year.

Important Corporate Governance Performance Report

1. Summary of the Board of Directors' Performance in the Past Year

The Board of Director recognizes the importance of roles, duties, and responsibilities in providing the direction for business operation, monitoring, and supervising the work of every department in the company to follow the corporate policy and strategies and independent from the Executive Management.

The disclosure of numbers of meetings and attendances of all sub-committees has been made including Audit Committee, Risk Management Committee, Remuneration and Nomination Committee as detailed in the point 1.2-1.4, 2 and 3 accordingly. The Chairman of the meeting provided opportunities for every Director to share ideas and discuss the issues freely and allocated times appropriately and effectively. In addition, the Directors were supported to regularly attend the training and seminars relating to their tasks organized by the Securities and Exchange Commission, The Securities Exchange of Thailand, or other independent organizations to enhance knowledge and improve performance enable them to outperform their work more efficiently. The board also conduct self-assessment and performance evaluation of both the committee team and the individual annually as a guideline for monitoring and reviewing issues related to the business operations as well as reviewing committee's performance from the past year to improve for efficiency and effectiveness of the business operation in accordance with the scope of responsibilities under the charter of each sub-committee.

In the past year, every sub-committee has performed its works with full knowledge and capabilities in accordance with the scope of authorization and responsibilities assigned under the charter and complied with the best practices of regulators. The company's secretary summarized and presented the assessment results of every sub-committee to the Executive Management at the Board of Directors Meeting No. 1/2021 on February 28, 2021.

1.1 Nomination, Development and Performance's Evaluation of the Board of Directors

(1) INDEPENDENT DIRECTORS

For the appointment of Independent Directors and Audit Committee members, the Board of Directors will consider appointing appropriate persons, through the selection process conducted by the Remuneration and Nomination Committee which the qualification of the candidate must comply with the definitions of the Independent Director of the Company as follow:

Independent Director of the Company shall not conduct any business, not participate in administration, or not have any benefit related to the Company which may interfere his/her independent decision and must have the following qualifications:

- Holding shares not exceeding 0.5% of the total number of shares with voting rights of the Company, its parent company, subsidiary, affiliate, major shareholders or controlling person, including shares held by related persons of such Independent Director.
- Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary company, major shareholder or controlling person, unless foregoing status has ended not less than two years prior to taking the independent dictatorship.
- Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child of other executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary company.
- Neither having nor used to have a business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, in the manner which may interfere with his/her independent decision, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary

company, affiliate, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to taking the independent dictatorship.

The Term “business relationship” under the first paragraph shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or the counterparty being subject to indebtedness payable to the other party in the amount of three% or more of the net tangible of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences.

- Neither being nor used to be an auditor of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, affiliate, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to taking the independent dictatorship.
- Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million Baht per year from the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to taking the independent dictatorship.
- Not being a director appointed as representative of Directors of the Company, major shareholder or shareholder who is related to major shareholder.
- Not conducting any business in the same nature and in competition to the business of the Company or subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one% of the total number of shares with voting rights of other company which conducts business in the same nature and in competition to the business of the Company or its subsidiary company.
- Not having any other characteristics which cause the inability to express independent opinions relating to the Company’s business operations.
- The Independent Director must be appointed by the Board of Directors of the Company or the Board of Remuneration and Nomination

Besides, the qualifications of Independent Director of the Company shall be applicable to any revision or relaxation of the qualifications of Independent Director as required by the Capital Market Supervisory Board or by SEC.

(2) NOMINATION AND APPOINTMENT OF DIRECTOR AND EXECUTIVE MANAGEMENT

The appointment of company director requires resolution from the shareholders meeting, which the Remuneration and Nomination Committee will nominate candidates from the director database or from the consulting company according to circumstances. The Remuneration and Nomination Committee will consider from the candidate’s qualification, skill, capability, and experiences that is necessary and lacking in the Boarding of Director and the strategy for the Company. After that, the Remuneration and Nomination Committee will propose the selected candidates to the Shareholder at the shareholders meeting. In the voting, the persons with the largest numbers of votes and subsequent orders will be selected, on the basis that each shareholder has one vote for one share being held. Director election should utilize a process in which shareholders are able to vote on individual nominee. The details and background of the Director nominated will be sent and enclosed with

the invitation letter of the Annual General Meeting of Shareholders 2021. The company also allowed shareholders to nominate a candidate who is qualified and ready to devote himself/herself to fully perform duty and has capability as required by related law regardless of gender, religion, and race for the director election. The Company announced the criteria and procedures for minor shareholders to propose nominee or candidates as a Director through the Company's website under the investor's relation section from November until 31 December of each year.

For the appointment of the Top Management, the Board of Directors will be the person who considers the appointment. However, the Remuneration and Nomination Committee will play a significant role in nominating and appointing the Top Management. The Top Management must have the qualification as per the rule and regulation set by both the Securities and Exchange Commission and the Stock Exchange of Thailand.

In the past year, the company did not recruit new directors and executives, but the directors who have completed their terms and were proposed to the shareholders to elect to re-enter.

1.2 Meeting Attendance and Remuneration for Individual Directors

On the day of the 2021 Annual General Meeting of Shareholders held on April 26, 2020 at 14:00 p.m. at the Company's meeting room, Lake Rajada Complex Building, 16th Floor, Zone D, Klongtoey, Bangkok. 9 members of the Board of Directors attended the meeting, representing 100% of the entire Board of Directors. Directors attending the meeting consisted of Chairman of the Board Chairman of the Audit Committee Audit Committee Director And other directors.

In 2021, the Board of Directors had set up 6 times of ordinary meetings. In order to comply with good corporate governance policy, the Company has set at least 6 times per year of the ordinary meetings for the Board of Directors and another 1 ad hoc meeting due to COVID-19 pandemic, totally 7 meeting in 2021. The Audit Committee meeting must be held at least 4 times per year. The Nomination and Remuneration Committee meeting is set at least 2 times a year and the Risk Management Committee meeting at least once a year. The Board of Directors has set a schedule in advance for meetings throughout the year, which the Company's secretary will inform the Board of Directors for consideration and acknowledgment in December of every year.

To ensure that the Board of Directors is able to efficiently monitor the company's operations and able to comment freely on various problems which relate to overall management, the Board of Directors has scheduled 1 of the 7 meetings without the presence of the Executive Officer. In the year 2021, there was a meeting of non-executive directors on December 20, 2021.

Besides, an extraordinary meeting can be held as necessary or needed. In every meeting, the Company's secretary will send a meeting invitation with the detail of agenda to the Board of Director at least 7 days before the meeting date. Normally, each meeting will last 2 to 3 hours. The meeting attendance of company directors in 2021 can be summarized as below:

Name of Director		Meeting Attendance / Total Number of Meeting (Times)	
		with the Presence of All Members	with the Absence of Executive Director
1.	Mr. Suchin Wanglee	6/6	1/1
2.	Mr. Vivat Charanvas	6/6	1/1
3.	Mr. Anurat Tiyaphorn	5/6	1/1
4.	Mrs. Wanida Chansikarin	6/6	1/1
5.	Mr. Pitiphong Bisalputra	6/6	1/1
6.	Mr. Anin Wanglee	5/6	1/1
7.	Mr. Somchai Jongsirilerd	6/6	1/1
8.	Mr. Nate Charanvas	6/6	-
9.	M.L. Chintat Jombunud	6/6	-

The Company determined the policy about the minimum number of quorums is two-third whenever they need to vote in the Board of Director's Meeting. Minutes to the meeting have been prepared in writing and minutes approved by Board are documented and readily accessible for audit by the Board of Director and related parties.

Remuneration Package for Directors : the Company has set the policy of remuneration package for Directors clearly and transparently which will take the following into account: responsibility, appropriateness, performance, and operation result of the company comparing to other companies in the same business including taking the survey of the Director Compensation Best Practice from Thai Institute Directors and the Stock Exchange of Thailand into consideration. The policy had already been approved and passed the resolution from the shareholder's meeting.

The total remuneration package for the Board of Directors, the Audit Committee, the Remuneration and Nomination Committee and the Risk Management Committee received from the Company in the form of meeting allowance and gratuity for 9 directors in 2021 was a total of Baht 11,920,000.00 which decreased of Baht 40,000.00. Details are as follows:

Comparison of Remuneration Package for the Board of Directors and Sub-Committee

Committee/Board	Remuneration in 2021 (Baht)	Remuneration in 2020 (Baht)
Board of Director	11,460,000.00	11,500,000.00
Sub-Committee		
- Audit Committee	320,000.00	320,000.00
- Remuneration & Nomination Committee	70,000.00	70,000.00
- Risk management Committee	70,000.00	70,000.00
TOTAL	11,920,000.00	11,960,000.00

Total Remuneration Package Detail in 2021

Directors' Names	Position	Meeting Allowance (THB)	Gratuity Fee (THB)	Other Benefit
1. Mr. Suchin Wanglee	Chairman	200,000	2,100,000	none
2. Mr. Vivat Charanvas	Director Risk Management Chairman Remuneration & Nomination Chairman	160,000	1,050,000	none
3. Mr. Anurat Tiyaphorn	Director Remuneration & Nomination Director	100,000	1,050,000	none
4. Mrs. Wanida Chansikarin	Independent Director Audit Committee Chairman	220,000	1,050,000	none
5. Mr. Pitiphong Bisalputra	Independent Director Audit Committee Director Remuneration & Nomination Director	220,000	1,050,000	none
6. Mr. Anin Wanglee	Independent Director Audit Committee Director	180,000	1,050,000	none
7. Mr. Somchai Jongsirilerd	Director Risk Management Director	120,000	1,050,000	none

	Directors' Names	Position	Meeting Allowance (THB)	Gratuity Fee (THB)	Other Benefit
8.	Mr. Nate Charanvas	Managing Director Risk Management Director	120,000	1,050,000	none
9.	M.L. Chintat Jombunud	Director and Accounting & Finance Manager	100,000	1,050,000	none
			<u>1,420,000</u>	<u>10,500,000</u>	

The total remuneration of the Board of Directors holding a position in the subsidiary company and received the remuneration from the subsidiary company in the form of meeting allowances was 850,000.00 Baht in total (for 5 directors) which was equal to the previous year.

1.3 Supervision of Company' Subsidiaries and Holding Companies

The Company has 5 subsidiaries which the company holds shares from 79.999% to 99.997% which the ration of the investment in company's subsidiaries accounted for 4.50% of the total assets of the Company and there is no plan for further investment. The Company and its subsidiaries have the same Board of Management who determine the policy of business operation for each subsidiary (please see more detail on Enclosure No. 1 and Enclosure No. 2). The nature of business of each subsidiary is related to packaging products which help supporting each other. The holding company will receive the investment returns in form of dividend. The shareholding structure of the company is as follows:

Company's Subsidiaries	Nature of Business	Registered Capital (Million Baht)	Shareholding (%)
Songkhla Metal Drum	Manufacturer and distributor of metal drums	20	80.00
The Pet Co., Ltd	Manufacturer and distributor of Plastic Products	70	79.99
Surat Metal Drum Co., Ltd.	Trading	20	99.99
Lake Rajada Co., Ltd.	Trading	40	99.99
Eastplast Co., Ltd.	Manufacturer and Distributor of Plastic Products	50	79.99

1.4 Following up on Compliance with Corporate Governance Policies and practices

PREVENTION OF CONFLICTS OF INTEREST

The Company's code of ethics has been set for the committee, the management, and employees in written form to follow. In addition, guideline, and rules on working practice have been documented into a manual, which covers all working guidelines and disciplinary and punishment actions. The guidelines and rules are communicated to employees for understanding and acknowledgement in the new employee orientation and the Company has prepared a confirmation document on conflict of interest for management at all levels to officially sign for acknowledgement as mentioned in the subject on conflict of interest.

USE OF INSIDE INFORMATION

For use of inside information, the Board of Directors as well as the company's management shall report to the Board of Director 1 day ahead in case of company's stock trading and report the changes of securities holding to the Securities Exchange Commission every time there is a transaction. The Company's secretary will bring up to at the next Company's Board of Meeting a change in securities holding by the Director and the Management and will summarize securities holding of the Directors and the Management to the Board of Directors every year. In addition, as per the policy, the change on the holding of Securities less than 45 days before the submission date of the financial statement to the Securities Exchange Commission (SEC) is also prohibited for the Board of Directors and the Management. The Management or business line possession of

inside information are also prohibited to disclose the inside information to any outside persons or unrelated persons by duties, except for the designated persons.

A Table Showing Shareholding of Director and Executives

No.	Name-Surname	Position	Shareholding as at 31 DEC 2020	Shareholding as at 31 DEC 2021	Increase/Decrease During Financial Year	% Of Shareholders
1	Mr. Suchin Wanglee	Chairman	1,331,600	1,331,600	-	0.888
	Spouse and Minor Children		-	-	-	-
2	Mr. Vivat Charanvas	Director	235,333	535,333	350,000	0.390
	Spouse and Minor Children		350,000	-	(350,000)	-
3	Mr. Anurat Tiyaphorn	Director	6,600	6,600	-	0.004
	Spouse and Minor Children		-	-	-	-
4	Mrs. Wanida Charnsikarin	Director	10,000	10,000	-	0.007
	Spouse and Minor Children		-	-	-	-
5	Mr. Pitiphong Bisalputra	Director	49,720	49,720	-	0.033
	Spouse and Minor Children		-	-	-	-
6	Mr. Anin Wanglee	Director	7,000	7,000	-	0.005
	Spouse and Minor Children		-	-	-	-
7	Mr. Somchai Jongsirilerd	Director	-	-	-	-
	Spouse and Minor Children		46,000	46,000	-	0.031
8	Mr. Nate Charanvas	Managing Director	48,952,910	48,952,910	-	32.635
	Spouse and Minor Children		-	-	-	-
9	M.L. Chintat Jombunud	Director	-	-	-	-
	Spouse and Minor Children		-	-	-	-
10	Mrs. Suwaporn Nansurakit	Office Manager	-	-	-	-
	Spouse and Minor Children		-	-	-	-
11	Mr. Wiboon Wattanaputtiapruet	Plant Manager	-	-	-	-
	Spouse and Minor Children		-	-	-	-
12	Mr. Panya Pattarayutawat	Sales & Logistic Manager	-	-	-	-
	Spouse and Minor Children		-	-	-	-

ANTI-CORRUPTION

Since 2013, the Company has joined the project “Private Sector Collective Action against Corruption” to demonstrate its intent and determination to combat all forms of corruption and to ensure that the Company has in place a policy that defines responsibilities, guidelines, and appropriate operational requirements to prevent corruption in all of the Company’s business activities and that all decisions on business operations potentially incurring risk of corruption are considered and executed with due circumspection. Therefore, the Board of Director of the Company approved the implementation of “Anti-corruption Policy” in order to provide clear guidelines for business operations and develop the Company into an organization of sustainability as per the company’s announcement no. 1/2014 dated 6 January 2014. In 2014, the Company had submitted self-assessment on the Project’s anti-corruption measures to enter the certification process. On October 3, 2014 the meeting of The Thai Private Sector Collective Action Coalition Against Corruption has endorsed Thai Metal Drum Manufacturing Public Co., Ltd as a member and the recertification as a member was done continuously which shows that the Company has a clear policy, commitment, and internal guidelines on anti-corruption.

The company has established guidelines on the supervision, control, prevent, monitor, and assess the risk of possible corruption by mean of having an internal control and risk management in place covering important processes such as Human Resources, Procurement (factory), Production, Quality Control (QC), Delivery and Inventories etc. The company will assign supervisors in each department to be responsible for communications, information dissemination, annual assessment and providing training for employees regarding anti-corruption policies and practices including other related policies. Those mentioned supervisors will keep monitoring and make a report to Risk Management Committee, who will evaluate and oversees the annual audit plan and report any possible risk to the Board of Directors.

WHISTLEBLOWING

The Company also provides channels for informing information, whistle blowing or complaints with mechanisms to protect whistleblower and given a priority on collecting complaints confidentially including complaints inspection measurement as well as impose punishment fairly to offenders.

In the past year, the company has not received any complaints. No fraud, infringement or actions were found and contrary to the corporate governance policies and practices.

2. Audit Committee Performance Report

In 2021, Audit Committee had held 4 meetings.

The meeting attendance of the Audit Committee can be summarized as below:

Name	Meeting Attendance/Total Number of Meeting (Times)
1. Mrs. Wanida Chansikarin	4/4
2. Mr. Pitiphong Bisalputra	4/4
3. Mr. Anin Wanglee	4/4

The Audit Committee held 4 meetings which all Audit Committee Member attended these 4 meetings and reported the results of the 4 meetings to the Board of Directors. In term of financial statements, the Audit Committee held 4 meetings with the company’s auditor to review the financial statements quarterly and annually to review the findings of the report. One of the said meetings was held without the presence of Company’s Executive. In 2021, the independent auditor had conducted an audit on the inventory of raw material and maintenance and the process related to customer which the audits of 2 processes covered the areas of policy, rules, operating procedures, and company’s regulations to ensure that the company maintains the production standards and continually improve the quality of products and services to meet with the expectations and needs of customers. Concerning the regulations and laws outlined by the Securities and Exchange Commission, the Company’s Executives have acted in compliance with the SET’s regulations. Relating to connected transaction, the company and its subsidiaries do not have any transaction that may lead to conflicts of interest of the person concerned of the Company and its

subsidiary. As part of the selection process for company's auditors in 2022, the Audit Committee has proposed the appointment of independent auditors to perform their duties freely to the Board of Directors for approval at the shareholders' meeting according to the details in Enclosure No. 6 of the Audit Committee Report.

3. Summary of Other Sub-Committees' Performance

REMUNERATION AND NOMINATION COMMITTEE

The meeting attendance of the Remuneration and Nomination Committee can be summarized as below:

Name	Meeting Attendance/Total Number of Meeting (Times)
1. Mr. Vivat Charanvas	2/2
2. Mr. Anurat Tiyaphorn	2/2
3. Mr. Pitiphong Bisalputra	2/2

The remuneration and nomination committee held 2 meetings as per the minutes of the meeting. Which the committee attended the meeting on February 19, 2021 and December 20, 2021, respectively. The remuneration and nomination committee have performed all assigned duties with prudence, transparency, fairness, and independence in accordance with good corporate governance principles, under the policy and charter of the directors which was reviewed and approved by the Board of Directors. In 2021, the Company has done the remuneration and nomination process and brought into the Board of Director for approval which can be described as follow:

- Consider the nomination of the qualified persons as a Company's Director, to replace the directors who retire by rotation and present to the Board of Directors before proposing at the 2021 Annual General Meeting of Shareholders for consideration and approval.
- Consider and propose the names of qualified directors as members of the sub-committee to the Board of Directors for consideration and appointment as appropriate.
- Consider and propose the remuneration package for the directors of year 2021 according to the criteria set by the company and as appropriate according to their duties, responsibilities, and the past performance to present to the Board of Directors for consideration before proposing at the Annual General Meeting of Shareholders.
- Review the monetary compensation structure as cash equivalent and other benefits for the Board of Directors, sub-committees, and Managing Director to suit the duties and responsibilities and in consistent with the economic conditions and the business operation of the Company.

The Remuneration and Nomination Committee is assigned to evaluate the performance of the executive management of the organizational structure (Managing Director) annually as a guideline in determining the executive management's remuneration and presenting the evaluation results to the Board of Directors for acknowledgment and approval. In 2021, the Remuneration and Nomination Committee has assessed the 2020 performance of the Managing Director (Mr. Nate Charanvas) and reported the result to the Board of Directors at the Board of Director's meeting no. 7/2021 dated December 20, 2021, showing that the overall performance of the Managing Director was "very good".

RISK MANAGEMENT COMMITTEE

The meeting attendance of the Risk Management Committee can be summarized as below:

Name	Meeting Attendance/Total Number of Meeting (Times)
1. Mr. Vivat Charanvas	1/1
2. Mr. Nate Charanvas	1/1
3. Mr. Somchai Jongsirilerd	1/1

The Risk Management Committee held a total of 1 meeting as detailed in the minutes of meeting. The entire Risk Management Committee attended the meeting on February 25, 2021 to consider the current risk factors and potential risk which were categorized into 3 levels: factors with high impact are the second wave of outbreak of the COVID-19 virus and the mutant of virus which was expected to remain violent until Mid of 2021, the fluctuation of steel prices, steel shortage leading to high price, the determination of selling price by customer using the formula based on the company's steel cost, the change on bidding process of the key customers and price competition. The moderate risk factors are the recession due to COVID-19, drought, exports, tourism, and domestic politics, change in customer's behavior in office market sector, oversupply of office space than demand, the management of customer classification, labor market with quality skills at the head of a department, fluctuation of foreign currency resulting in high price of imported raw materials. Low risk factors include maintaining the satisfaction of customers, debt collection period, technologies for steel drum manufacturing, natural disasters affecting agricultural customers of the company, reserve funds, property taxes. The Risk Management Committee discussed to find the practical guideline to cope with the afore-mentioned risks that are appropriate with the company business strategies and goals, including the close follow up of situations, news, and related information continuously so the company was able to cope with circumstances or changes timely and effectively.

Internal Control and Related Transactions

1. Internal Control

The Company had put in place the internal control and internal audit systems covering the following areas: financial policy, business operation from the management level and operational level according to laws and related regulations. The Company had rolled out clearly and in written the responsibilities and authorities of operators and management to control and make the best use of the Company assets.

Concerning the revision of the effectiveness of the Company's internal audit. This year, the independent internal auditor conducted an audit twice to audit 2 processes which were the process of the inventory of raw material and maintenance covering the policy, rule, regulation, operating procedures, and regulation relating to the process of good receipt-payment, measures to deal with raw materials shortage and delivery delay due to the COVID-19 pandemic situation in term of both quality and quantity. The audit also included the management of space for raw material storage including spare parts for the maintenance of machines and facilities in order to enhance the production process with maximum efficiency. The audit of this 2nd process is related to customer, the inventory of finished goods and delivery. The area of audit covers the annual revision of credit limit, an increase, and a decrease in credit limit, the planning of delivery goods to customers, complaint handling, customer satisfaction survey and work relating to accounting and finance to ensure that the Company can continuously maintain and improve satisfaction standards in the quality of customer services.

The independent auditor also suggested to improve the weak point of certain working process to increase operational efficiency which the Company had improved and developed some working processes as suggested by the independent auditors.

The Company does not have an in-house internal audit function but hire an outsource auditor to conduct an internal audit control as well as auditing the business operation of the Company and its subsidiaries as per procedure set. Audit Committee, Executive Management together with auditor will consider which function of each company will be audited as per the level of risk assessment the auditor ranks which is stated in the report of business risk assessment of each Company.

Currently, the Company hires AMC International Consulting Co., Ltd. By Khun Salin Nivatpumin, Chief Executive Office of AMC International Consulting Co., Ltd. is the person who signs in the internal audit report and submits to the Audit Committee of the Company.

Concerning to the Risk Management in 2021, the Board of Risk Management Committee had considered and reviewed the risk factors with high impact high possibility, high impact medium possibility and less impact less possibility with a guideline on risk management and submit to the Board of the Director and to the Executive of the Company for their information to operate the business more effectively

The Board of Risk Management had done a report of each potential factors and effects with the recommendation of policy and plan to manage those potential risks and already submitted to the Board of Director for consideration.

2. Related Transactions

The Company and its subsidiaries had a connected transaction with the person and the related business through intercompany shareholding or the same group of shareholders, directors, or management team. Besides, the related transaction would be considered when one of parties has an ability to control the other party or can exercise major influence over the other party in making financial and operating decision. Some part of the Company's assets, liabilities, revenue, and expenses arose from transaction with the related parties. The effects of these transactions are reflected in the accompanying financial statements on the basis determined by the normal business as mentioned on the notes to the financial statements no. 4. However, the necessity and rational of the connected transaction is fallen as a normal transaction of business, the Executive Management could propose it to the Board of Directors for approval which was done at the Board of Meeting in 2008 and the Company still followed to the said resolution.

In 2021, the Company and its subsidiaries did not have any new connected transaction which need an approval from the Board of Director as well as to disclose to the Stock Exchange of Thailand.

Section 3

Financial Statements

Financial Highlight

Unit : Thousand Baht

Financial Status at Year End	2021	2020	2019	2018	2017
Total Assets	3,569,801	3,357,768	3,161,291	3,126,026	2,921,760
Total Liabilities	294,228	250,000	280,403	275,252	271,913
Shareholders' Equity	3,275,573	3,107,768	2,880,888	2,850,774	2,649,847
Sales	2,173,276	1,642,606	1,962,512	1,955,124	1,935,971
Total Revenues	2,294,606	1,758,920	2,095,853	2,065,828	2,040,298
Gross Profit	554,801	489,333	492,789	465,236	413,644
Net Profit	370,036	316,478	329,560	335,992	283,811

Financial Ratio	2021	2020	2018	2017	2016
Return on Earning (%)	16.12	17.99	15.72	16.26	13.91
Return on Equity (%)	12.51	10.57	11.50	12.22	10.94
Return on Assets (%)	10.68	9.71	10.48	11.11	9.92
Earning per Share (Baht)	2.47	2.11	2.20	2.24	1.89
Dividend Per Share (Baht)	1.60 ⁽¹⁾	1.40	1.40	1.40	1.20
Book Value Per Share (Baht)	21.84	20.72	19.21	19.01	17.67

⁽¹⁾ The proposed dividend per share will be brought into the annual shareholder meeting for approval which is held on April 25, 2022.

The Responsibility on the Company's Financial Statements

The Board of Director of Thai Metal Drum Mfg. Public Co., Ltd. is responsible for the correctness and the completeness of the consolidated and financial statements of the Company and its subsidiaries as published in the annual report. The financial statements were done in conformity with generally accepted accounting principles, by using the appropriated accounting policy which is practiced constantly. The adequate crucial information is also disclosed in the Note to the financial statement to make the best benefit out of it for the shareholders and all investors.

The Board of Directors has put in place the efficient internal control systems to assure that the financial statements are recorded correctly and accurately as well as to prevent fraud and conflict of interests.

The Board of Directors has appointed the Audit Committee to review the quality of financial reports and the internal control systems which were expressed in the report of the Audit Committee.

In the opinion of the Board of Directors, the current internal control systems of the Company are presented at the satisfactory level which could generate confidences and reliabilities on the consolidated and financial statement of Thai Metal Drum Manufacturing Public Co., Ltd. and its subsidiaries ending on December 31, 2021 which is practiced in accordance with generally accepted auditing standard and with other applicable laws.



Mr. Suchin Wanglee
Chairman

Independent Auditor's Report

To the Shareholders and the Board of Directors of Thai Metal Drum Manufacturing Public Company Limited

Opinion

I have audited the consolidated financial statements of Thai Metal Drum Manufacturing Public Company Limited and its subsidiaries (the Group) and the separate financial statements of Thai Metal Drum Manufacturing Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of Thai Metal Drum Manufacturing Public Company Limited and its subsidiaries and the separate financial position of Thai Metal Drum Manufacturing Public Company Limited as at December 31, 2021, and the related consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Key audit matter	How the matter was addressed
Recognition of revenues from sales of goods Revenues from sales of goods for the year ended December 31, 2021 were Baht 2,173.28 million in the consolidated financial statements of the Group, and were Baht 1,418.90 million in the separate financial statements of the Company. Major products of the Group are metal drum, and other plastic products. The Group has offered its self-designed products to customers or to produce products in accordance with the customer's specification.	My audit of revenues from sales of goods including, but not limited to, the following procedures: <ul style="list-style-type: none">- Gain understandings and test internal control on sale procedures- Gain understandings of the businesses run by the Group's customers and analyze the type of goods and the quantity of goods required by those customers.- Analyze the consistency of goods ordered by each customer monthly and annually by comparing to the related information in previous years to ensure the rationality of the level of sale volume.- Take the results from accounts receivable balance confirmation and jointly analyzed with aging analysis and the monthly sales to each relevant customer to ensure the rationality of sales volume by each customer.

Key audit matter	How the matter was addressed
<p>Revenues from sales of goods were material to the 2021 financial statements and directly affected the results of operations of the Group and The Company. The rationality of the recognition of revenues from sales of goods is the key matter that I focus.</p>	<ul style="list-style-type: none"> - Verify the correctness and completeness of sales transactions with sales documents, goods withdrawal documents, goods delivery documents, customer's goods receipt documents, and sales conditions to ensure that those transactions are valid and in accordance with the sales agreements. - Verify the sales records with evidence of goods withdrawal, goods delivery, and customer's goods receipt to ensure that sales are accounted for in the correct accounting period. - Perform an audit after year end to the audit report date to ensure there is no unusual goods return and at the material volume. - Perform an analysis on the relationship between sales and cost of sales together with the movements of inventories from the beginning of year to the end of year to ensure that all information is in the same direction and rational.

Other Information

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

My opinion on the consolidated and separate financial statements does not cover the other information as referred to above and I will not express any form of assurance conclusion thereon.

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

When I read the Group's annual report, if I conclude that there is any material misstatement in those other information. I am required to communicate the matter to the management and those charged with governance to correct such information.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

The engagement partner responsible for the audit resulting in this independent auditor's report:



(Pornchai Kittipanya-ngam)

Certified Public Accountant No. 2778

Bunchikij Co., Ltd.

Bangkok

February 28, 2022

Statements of Financial Position

As at December 31, 2021

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	3.1 and 5	144,993,538.52	296,458,099.29	59,773,509.18	46,888,484.52
Trade and other receivables	3.2 and 6	418,414,661.18	278,247,716.79	270,903,883.85	171,105,580.43
Inventories	3.3 and 7	334,299,365.14	159,690,778.61	202,866,489.63	69,712,763.25
Other current financial assets	3.5 and 8	608,521,118.92	733,603,204.75	427,285,878.81	576,274,683.31
Other current assets		26,325,917.77	13,129,854.39	1,272,747.78	4,271,873.86
Total current assets		1,532,554,601.53	1,481,129,653.83	962,102,509.25	868,253,385.37
Non-current assets					
Other non-current financial assets	3.5 and 9	1,169,103,414.70	959,419,137.90	678,244,854.20	570,305,776.20
Investments in subsidiary companies	3.4 and 10	-	-	94,070,966.70	94,070,966.70
Long-term loans to related party	4.3	-	-	-	24,000,000.00
Investment properties	3.6 and 11	66,320,299.10	72,733,367.14	63,734,414.41	69,595,429.10
Property, plant and equipment	3.7 and 12	787,500,769.81	833,213,338.32	291,371,738.25	303,759,578.04
Intangible assets	3.9 and 13	159,980.52	52,368.72	159,980.52	52,368.72
Non-current financial assets used as collateral	3.5 and 14	10,188,648.45	7,212,797.83	-	-
Other non-current assets		3,973,423.90	4,006,949.15	2,553,537.78	2,526,949.78
Total non-current assets		2,037,246,536.48	1,876,637,959.06	1,130,135,491.86	1,064,311,068.54
Total assets		3,569,801,138.01	3,357,767,612.89	2,092,238,001.11	1,932,564,453.91

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

Statements of Financial Position (Cont.)

As at December 31, 2021

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	15	125,761,609.91	82,589,259.42	30,812,614.60	21,792,898.75
Accrued income tax		44,537,823.03	35,832,003.25	38,319,118.54	31,767,850.51
Other current liabilities		10,941,515.79	9,079,470.80	5,282,108.38	5,735,429.94
Total current liabilities		181,240,948.73	127,500,733.47	74,413,841.52	59,296,179.20
Non-current liabilities					
Long-term loans from related parties	4.3	-	6,000,000.00	-	-
Deferred tax liabilities	21	64,587,592.89	65,830,274.96	15,005,977.98	13,277,122.39
Employee benefit obligations	3.13 and 16	28,727,026.37	31,250,142.34	11,503,159.29	16,602,442.41
Guarantee deposits received		19,672,007.82	19,418,677.82	17,363,199.88	17,280,379.88
Total non-current liabilities		112,986,627.08	122,499,095.12	43,872,337.15	47,159,944.68
Total liabilities		294,227,575.81	249,999,828.59	118,286,178.67	106,456,123.88
Shareholders' equity					
Share capital					
Authorized share capital					
150,000,000 Ordinary shares at Baht 1 each,		150,000,000.00	150,000,000.00	150,000,000.00	150,000,000.00
Issued and fully paid					
150,000,000 Ordinary shares at Baht 1 each,		150,000,000.00	150,000,000.00	150,000,000.00	150,000,000.00
Premium on ordinary shares		340,000,000.00	340,000,000.00	340,000,000.00	340,000,000.00
Retained earnings					
Appropriated for legal reserve		15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00
Unappropriated		2,312,075,482.03	2,145,982,743.27	1,428,551,544.16	1,287,156,754.15
Other components of equity		222,603,596.58	226,008,759.36	40,400,278.28	33,951,575.88
Total equity of the Company's shareholders		3,039,679,078.61	2,876,991,502.63	1,973,951,822.44	1,826,108,330.03
Non-controlling interests		235,894,483.59	230,776,281.67	-	-
Total shareholders' equity		3,275,573,562.20	3,107,767,784.30	1,973,951,822.44	1,826,108,330.03
Total liabilities and shareholders' equity		3,569,801,138.01	3,357,767,612.89	2,092,238,001.11	1,932,564,453.91

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

Statements of Comprehensive Income

For the year ended December 31, 2021

Unit : Baht

Note	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Revenues from sales and services				
Revenues from sales of goods and rendering of services	2,173,276,200.33	1,642,606,031.22	1,418,904,711.13	954,275,642.73
Rental and service income	65,052,349.11	66,243,419.59	61,506,652.74	62,167,320.66
Total revenues from sales and services	2,238,328,549.44	1,708,849,450.81	1,480,411,363.87	1,016,442,963.39
Costs of sales and services				
Costs of goods sold and rendering of services	(1,670,152,043.52)	(1,205,961,762.22)	(1,040,997,648.68)	(649,050,080.31)
Costs of rental and services	(13,375,153.63)	(13,554,792.11)	(11,393,506.69)	(11,575,773.19)
Total costs of sales and services	(1,683,527,197.15)	(1,219,516,554.33)	(1,052,391,155.37)	(660,625,853.50)
Gross profit	554,801,352.29	489,332,896.48	428,020,208.50	355,817,109.89
Other income	18 56,275,893.35	50,070,172.96	72,242,214.04	64,922,353.69
Profit before expenses	611,077,245.64	539,403,069.44	500,262,422.54	420,739,463.58
Selling expenses	(59,601,019.75)	(51,270,767.35)	(34,049,361.33)	(31,236,897.28)
Administrative expenses	(80,609,810.56)	(86,445,225.34)	(44,201,643.83)	(46,860,024.11)
Profit before finance costs and income tax	470,866,415.33	401,687,076.75	422,011,417.38	342,642,542.19
Finance costs	(40,964.39)	(189,087.11)	-	-
Profit before income tax	470,825,450.94	401,497,989.64	422,011,417.38	342,642,542.19
Income tax expenses	21 (86,471,078.56)	(69,075,099.48)	(75,281,346.82)	(60,341,902.38)
Profit for the years	384,354,372.38	332,422,890.16	346,730,070.56	282,300,639.81
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Actuarial Gain, net of income tax	3,915,237.14	-	4,664,719.45	-
Gain (Loss) from remeasurement of equity investments, net of income tax	(2,781,299.68)	(70,987,345.22)	6,448,702.40	(27,594,688.02)
Other comprehensive income for the years, net of income tax	1,133,937.46	(70,987,345.22)	11,113,421.85	(27,594,688.02)
Total comprehensive income for the years	385,488,309.84	261,435,544.94	357,843,492.41	254,705,951.79
Profit attributable to				
Equity of the Company's shareholders	370,036,005.99	316,477,670.06	346,730,070.56	282,300,639.81
Non-controlling interests	14,318,366.39	15,945,220.10	-	-
	384,354,372.38	332,422,890.16	346,730,070.56	282,300,639.81
Total comprehensive income attributable to				
Equity of the Company's shareholders	371,169,943.45	245,490,324.84	357,843,492.41	254,705,951.79
Non-controlling interests	14,318,366.39	15,945,220.10	-	-
	385,488,309.84	261,435,544.94	357,843,492.41	254,705,951.79
Basic earnings per share				
Profit attributable to equity of the Company's shareholders	3.16 and 22 2.47	2.11	2.31	1.88

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

Consolidated Statement of Changes in Shareholders' Equity

For the year ended December 31, 2021

Equity of the Company's shareholders												
	Note	Issued and paid – up share capital	Premium on ordinary shares	Retained earnings			Other components of equity					
				Appropriated Legal reserve	Unappropriated	Revaluation surplus of land	Other comprehensive income			Total equity of the Company's shareholders	Non-controlling interests	Total shareholders' equity
							Gain (loss) on remeasurement of investments	other components of equity				
Balance as at January 1, 2020												
Subsidiaries paid dividend to non-controlling interests		150,000,000.00	-	-	1,912,005,073.21	166,385,435.27	130,610,669.31	296,996,104.58	2,714,001,177.79	222,931,166.57	2,936,932,344.36	
Dividend paid	17.1.2	-	-	-	-	-	-	-	-	(8,100,105.00)	(8,100,105.00)	
Total comprehensive income for the year 2020		-	-	-	316,477,670.06	-	-	-	316,477,670.06	15,945,220.10	332,422,890.16	
Profit for the year		-	-	-	-	-	-	-	(70,987,345.22)	-	(70,987,345.22)	
Other comprehensive income		-	-	-	-	-	-	-	2,876,991,502.63	230,776,281.67	3,107,767,784.30	
Balance as at December 31, 2020												
Subsidiaries paid dividend to non-controlling interests		150,000,000.00	-	-	2,145,982,743.27	166,385,435.27	59,623,324.09	226,008,759.36	2,876,991,502.63	(9,200,210.00)	(9,200,210.00)	
Dividend paid	17.1.1	-	-	-	(210,000,000.00)	-	-	-	(210,000,000.00)	-	(210,000,000.00)	
Total comprehensive income for the year 2021		-	-	-	370,036,005.99	-	-	-	370,036,005.99	14,318,366.39	384,354,372.38	
Profit for the year		-	-	-	370,036,005.99	-	-	-	370,036,005.99	-	384,354,372.38	
Other comprehensive income		-	-	-	3,915,237.14	-	(2,781,299.68)	(2,781,299.68)	1,133,937.46	-	1,133,937.46	
Profit on disposals of investment in equity instruments measured at FVOCI	9	-	-	-	2,141,495.63	-	(623,863.10)	(623,863.10)	1,517,632.53	45.53	1,517,678.06	
Balance as at December 31, 2021												
		150,000,000.00	340,000,000.00	15,000,000.00	2,312,075,482.03	166,385,435.27	56,218,161.31	222,603,596.58	3,039,679,078.61	235,894,483.59	3,275,573,562.20	

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

Separate Statement of Changes in Shareholders' Equity

For the year ended December 31, 2021

Other components of equity										Unit : Baht
Retained earnings					Other comprehensive income					
Issued and paid – up share capital		Premium on ordinary shares	Appropriated Legal reserve	Unappropriated	Revaluation surplus of land	Gain (loss) on remeasurement of investments	Total other components of equity	Total shareholders’ equity		

Statements of Cash Flows

For the year ended December 31, 2021

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Cash flows from operating activities					
Profit before income tax		470,825,450.94	401,497,989.64	422,011,417.38	342,642,542.19
Adjustments to reconcile profit before income tax to net cash provided by operating activities					
Depreciation and amortization	23	93,480,193.16	97,665,554.15	33,334,382.04	33,793,346.05
Bad debt expense	6	215,712.00	-	215,712.00	-
Unrealized (gain) loss on currency exchange rates		(47,058.41)	10,197.93	-	-
Reduction of inventory to net realizable value (reversal)	7	167,028.88	(515,064.42)	-	-
Loss from deteriorated and obsolete inventories reversal	7	(125,887.02)	(1,736,968.00)	-	-
Inventories – written off	7	-	52,473.12	-	-
Gain on sales of securities		(19,648.42)	3,884,492.65	(13,825.33)	3,012,360.03
Unrealized (gain) loss on changes in value of investments	8	(806,736.26)	3,616,532.82	(669,496.16)	2,710,406.62
(Gain) Loss on sale of fixed assets		(556,199.38)	(2,572.47)	2,307,022.48	66,335.69
Loss on obsolete fixed assets		935.78	27,999.05	905.78	22,895.83
Transferred assets to expenses		658,619.60	89,901.50	-	-
Other income		(151,600.00)	-	(100,000.00)	-
Withholding tax – written off		64,967.09	105,405.49	-	-
Purchase tax – written off		84,741.37	-	-	-
Employee benefit expenses	16	2,796,393.79	2,679,284.52	1,157,079.52	1,116,388.76
Dividend income		(15,030,535.46)	(16,530,127.60)	(46,695,586.64)	(41,963,401.64)
Interest income		(32,729,839.15)	(24,714,117.87)	(22,278,182.59)	(18,374,494.87)
Interest expenses		40,964.39	189,087.11	-	-
		518,867,502.90	466,320,067.62	389,269,428.48	323,026,378.66
Changes in operating assets and liabilities					
(Increase) decrease in assets					
Trade and other receivables		(138,292,148.67)	69,478,721.44	(99,447,081.17)	6,201,247.65
Inventories		(174,649,728.39)	31,599,814.45	(133,153,726.38)	32,097,082.74
Other current assets		5,140,649.33	(4,921,426.57)	229,526.76	293,055.90
Other non-current assets		1,548.92	17,985.00	(26,588.00)	17,985.00
Increase (decrease) in liabilities					
Trade and other payables		42,881,714.08	(26,758,156.42)	8,690,006.83	(18,519,136.80)
Other current liabilities		1,862,044.99	477,131.89	(548,829.56)	1,140,486.85
Guarantee deposits received		253,330.00	(229,248.50)	82,820.00	(79,448.50)
Employee benefit obligations	16	(425,463.33)	(1,141,735.32)	(425,463.33)	(5,000.00)
Cash generated from operations		255,639,449.83	534,843,153.59	164,670,093.63	344,172,651.50
Interest paid		(40,964.39)	(189,087.11)	-	-
Income tax paid		(79,168,445.52)	(73,493,967.62)	(69,779,578.66)	(59,622,719.93)
Net cash provided by operating activities		176,430,039.92	461,160,098.86	94,890,514.97	284,549,931.57

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

Statements of Cash Flows (Cont.)

For the year ended December 31, 2021

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Cash flows from investing activities					
Decrease in other current financial assets		176,060,070.51	177,590,415.62	169,772,125.99	5,105,730.79
Increase in other non-current financial assets		(272,864,552.30)	(376,999,837.02)	(120,000,000.00)	(307,961,337.02)
Decrease in other non-current financial assets		9,661,637.50	72,000,000.00	-	70,000,000.00
Decrease in long-term loans to related party		-	-	24,000,000.00	-
Cash received from redemption of invesments	9	1,403,721.00	720,500.00	121,800.00	208,600.00
Purchases of investment properties		-	(580,000.00)	-	-
Purchases of fixed assets		(44,064,718.39)	(49,736,350.62)	(14,358,635.24)	(2,919,372.49)
Increase in deposits for purchase of fixed assets		(21,372,578.48)	(3,544,669.60)	-	(2,791,260.00)
Sales of fixed assets		8,180,724.06	5,659,042.76	102,715.89	726,966.45
Purchase of intangible assets		(144,450.00)	-	(144,450.00)	-
Increase in non-current financial assets use as collateral		(3,100,096.23)	(7,276,857.00)	-	-
Dividend received		15,030,535.46	16,530,127.60	46,695,586.64	41,963,401.64
Interest received		30,810,635.45	22,736,681.38	21,711,248.34	16,891,451.28
Net cash provided by (used in) investing activities		(100,399,071.42)	(142,900,946.88)	127,900,391.62	(178,775,819.35)
Cash flows from financing activities					
Repayment for long-term loans from related parties		(6,000,000.00)	-	-	-
Payments for asset payables		(2,295,319.27)	(1,162,177.87)	(1,389.93)	(177,897.07)
Dividend paid		(219,200,210.00)	(90,600,105.00)	(209,904,492.00)	(82,493,855.00)
Net cash used in financing activities		(227,495,529.27)	(91,762,282.87)	(209,905,881.93)	(82,671,752.07)
Net increase (decrease) in cash and cash equivalents		(151,464,560.77)	226,496,869.11	12,885,024.66	23,102,360.15
Cash and cash equivalents as at January 1,		296,458,099.29	69,961,230.18	46,888,484.52	23,786,124.37
Cash and cash equivalents as at December 31,	3.1 and 5	144,993,538.52	296,458,099.29	59,773,509.18	46,888,484.52
Supplemental disclosures of cash flow information					
Non-cash items					
Asset payables		2,585,955.68	2,293,929.34	311,098.95	1,389.93

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

Notes to the Financial Statements

For the year ended December 31, 2021

1. General Information

- 1.1 Thai Metal Drum Manufacturing Public Company Limited (“the Company”) was incorporated in Thailand in the year 1958, and has been listed in the Stock Exchange of Thailand since 1989. The address of head office is 193/142 Rachadapisek Road, Klongtoey, 35th Floor Lake Rajada Office Complex, Bangkok 10110 and its factory is located at 179 Moo 9 Bangwua, Bangpakong, Chachoengsao, in Wellgrow Industrial Estate Zone.
- 1.2 The Company’s operations are manufacturer and distributor of 200 liters metal drum, and to provide office buildings for rent.
- 1.3 The Company’s major shareholders are Charanvas family.
- 1.4 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, impacting most businesses and industries, resulting in an economic slowdown. This situation may bring uncertainties and has an impact on the environment of the Group’s operation. The Group’s management continuously monitored the ongoing development and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation and presentation of the financial statements

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards which are issued under the Accounting Professions Act B.E.2547 and have been presented under the Accounting Act. B.E.2543, and applicable rules and regulations of the Securities and Exchange Commission under the Securities and Exchange Act.
- 2.2 Historical cost is used as measurement basis in preparing these financial statements except for some items as indicated in the accounting policy.
- 2.3 The financial statements of the Group are prepared and presented from the statutory financial statements that are in Thai language and Thai currency. The English version has been prepared from Thai financial statements.
- 2.4 Basis of preparation of the consolidated financial statements

The consolidated financial statements include the financial statements of the Company and its subsidiaries, collectively called the Group. The Company holds shares at the percentages as follows:

	Shareholdings (%)	
	2021	2020
Surat Metal Drum Co., Ltd. *	99.9970	99.9970
Songkhla Metal Drum Co., Ltd.	80.0000	80.0000
The Pet Co., Ltd.	79.9990	79.9990
Lake Rajada Co., Ltd.* (Indirect subsidiary)	99.9970	99.9970
Eastplast Co., Ltd. (Indirect subsidiary)	79.9990	79.9990

* There was no earnings from the subsidiaries’ principal operations in this accounting period.

Subsidiaries are entities controlled by the Company. The Company has power to control the financial and operating policies of these entities which including the returns from its involvement with the Company.

The financial statements of the subsidiaries are consolidated from the date on which the Company obtains control and continue to be consolidated until the date when such control cease.

Outstanding intragroup balances, significant intragroup transactions, and the investment of parent company in subsidiaries and shareholders' equity of the subsidiaries have been eliminated in this consolidation.

The financial information of the subsidiaries for the consolidated financial statement have been prepared by applying the same significant accounting policies as the Company.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and in the shareholders' equity in the consolidated statement of financial position.

2.5 New and Revised Thai Financial Reporting Standards

2.5.1 The Financial Reporting Standards that have been effective in the current accounting period.

The Group has adopted the new and revised Thai Financial Reporting Standards, Thai Financial Reporting Standard Interpretations and Guidelines promulgated by the Federation of Accounting Professions that have been effective for accounting periods beginning on or after January 1, 2021.

The adoption of these TFRSs does not have any material effect on the Group's financial statements.

2.5.2 The Financial Reporting Standards that have not yet been effective in the current accounting period.

The Federation of Accounting Professions has issued Thai Financial Reporting Standards which will be effective for accounting periods beginning on or after January 1, 2022, which the Group have not adopted the above standards before the effective date. Some standards have provided the temporary reliefs or temporary exemptions.

The management of the Group is in the process of assessing the impact on the financial statements in the year that the above standards are applied.

2.6 Use of judgements and estimates

In the preparation of financial statements in conformity with Thai Financial Reporting Standards, management applied make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Significant judgements and estimates are as follows:

Consolidation

- Whether the Group has de facto control over an investee.

Allowance for expected credit losses of trade receivables

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

Provision for diminution in the value of inventory

- The allowance for diminution in net realizable value of inventories is estimated from the expected ordinary selling price deducted the selling expenses.
- The allowance for obsolete slow-moving and deteriorating inventories is estimated from the age of inventories, current competitiveness in the market and economic and industry situation.

Property, plant and equipment

- In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of assets and to review estimate useful lives and residual values when there are any changes.
- To review property, plant and equipment for impairment on a periodical basis and records impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Leases

- Whether an arrangement contains a lease
- Whether the Group is reasonably certain to exercise extension options
- Whether the Group exercise termination options
- Determining the Group has transferred substantially all the risks and rewards accompanying to the ownership of the assets to lessees.
- Determining the incremental borrowing rate to measure lease liabilities.

Employee benefits

- Measurement of defined employee benefit obligations which related to actuarial assumptions.

Income tax

- Recognition of deferred tax assets, availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.

Financial instruments

- Determining the fair value of financial instruments on the basis of significant unobservable inputs.

3. Summary of significant accounting policies

3.1 Cash and cash equivalents

Cash represents cash on hand and demand deposits with bank or financial institutions.

Cash equivalents comprises fixed deposit and short-term highly liquid investments which are not restricted in their uses, and that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value, such as deposit expiring not over 3 months from the date of deposit or investments.

3.2 Trade receivables

Trade receivables are presented at amount to be received from customers for sales and services.

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

The Group measure expected credit losses by using a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

3.3 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Net realizable value is the selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The costs of purchased inventories comprise the purchase price and other costs directly attributed to the acquisition of goods. Costs of finished goods and work in process comprise costs of raw materials, labor and manufacturing overhead. The costs of inventories are calculated as follows:

Finished goods and work in process	- Average production cost.
Raw material and supplies	- First-in, first-out (FIFO) method.

3.4 Investments

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

3.5 Financial assets and financial liabilities

Classification and measurement

The Group classifies the financial asset depended on the characteristics of the contractual cash flows and the entity's business model, as follows:

Financial assets – Debt instruments

- Amortized cost: A financial assets will be measured at amortized cost when the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subsequently measured by using the effective interest rate (“EIR”) method and are subjected to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.
- Fair value through other comprehensive income (FVOCI): A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Movement in the carrying amount are taken through other comprehensive income.
- Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. The changes in fair value are recognized in profit or loss.

Financial assets – Equity instrument

- Investment in equity instruments that not held for trading as the financial asset measured at fair value through other comprehensive income. Gains and losses arising from changes in fair value is recognized in other comprehensive income and not subsequently transferred to profit or loss when disposal, but to retained earnings. Dividends on these investments are recognized in profit or loss.
- Investment in equity instruments that held for trading as the financial asset measured at fair value through profit or loss which are carried in the statement of financial position at fair value. The changes in fair value are recognized in profit or loss. Dividends on these investments are recognized in profit or loss.

The Group classifies and measures the financial liabilities at amortized cost.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have been expired or have been transferred substantially all the risks and rewards of ownership of the financial assets. The Group derecognized financial liabilities when the obligation under the liabilities is discharged or expires.

Impairment

The Group accounts for the expected credit losses on its financial assets carried at amortizes cost and FVOCI without the circumstance that might cause a credit loss. The Group applies the general approach to measurement expected credit losses, except trade receivables applies the simplified approach to measure expected credit losses.

3.6 Investment Properties

Land is stated at the cost.

Investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

Building and improvements	20 Years
Condominium	30 Years
Condominium decoration and equipment	5,10 Years

3.7 Property, plant and equipment

Land is stated at the revalued amount.

Revaluation shall be made by an independent professional valuer with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

The book value of the assets which has been increased as a result of a revaluation, the income shall be recognized in other comprehensive income and accumulated in equity under the entry of revaluation surplus on assets. And the increase shall be recognized in profit or loss but will not exceed the amount of revaluation decrease of the same asset previously recognized in profit or loss.

The book value of the assets which has been decreased as a result of a revaluation, the decrease shall be recognized in profit or loss. And, the decrease shall be recognized in other comprehensive income to the extent that it does not exceed the balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the entry of revaluation surplus.

Plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

Land improvements	5 Years
Buildings and improvements	30 Years
Machinery and equipment	5-12 Years
Furniture and equipment	5 Years
Vehicles	5 Years

An initial estimation of costs for dismantling and removing the items and restoring the site on which the self-constructed assets are located, if the Group has their obligations to do so, have been included in cost of Property, plant and equipment.

Costs of addition, improvement, repair or extensions of lease agreement that enable the Group to increase the future economic benefit are recognized as assets.

Depreciation is separately calculated on each component of asset, when the cost of each component is significant in relation to the total cost of the asset item.

Depreciation method, useful life and residual value of assets, are reviewed at least at each financial year-end.

Depreciation is recognized as expense for each accounting period.

3.8 Leases

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

The Group as a lessee

The Group recognizes 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 recognized through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

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

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

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

The Group as a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfer substantially all of the risks and rewards accompanying to ownership of the underlying asset.

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

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

3.9 Intangible assets

Computer softwares are stated at cost less accumulated amortization and allowance for loss on impairment of assets (if any). Amortization is charged by the straight-line method over the period of economic benefit will flow to the Group for 5 years.

Amortization is recognized as expense for each accounting period.

3.10 Impairment of assets

The Group assesses the impairment of assets i.e., Investment properties, plant and equipment and intangible assets whenever there is indication that an asset may be impaired, the impairment will be assessed by estimating the recoverable amount of asset, if it is below the carrying amount of asset, it signs an asset is impairment. The Group will recognize the impairment loss in profit or loss.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

3.11 Provisions

The Group recognized provisions in the financial statements when it has legal obligation or possible obligation arising from past events, the settlement of which is expected to be made in the amount that can be estimated with sufficient reliability.

3.12 Revenue recognition

Revenue from sale of goods is recognized at point in time when the goods are delivered, and control of goods is transferred to the customer based on the value after deducting estimates of goods return and discount.

Revenue from rendering of services is recognized at point in time based on at the services are provided. The related costs are recognized in profit or loss when they are incurred.

Rental income is recognized using the straight-line method over the period of lease.

Dividend income is recognized when the right to receives dividends established.

Interest income is recognized using the effective the interest method.

3.13 Employee Benefits

Short-term employee benefits

Short-term employee benefits, which fall due wholly within 12 months after the end of period in which the employees render the related service, are recognized as expenses when incurred.

Provident fund

The Group and their employees have jointly established a provident fund for the employees. The fund companies contributions from employees which are deducted from their monthly salaries and contributions made by the Group. The fund's assets are held in a separate trust fund and the Group contributions are recognized as expenses when incurred.

Post-employment benefits

The Group recognized provision for post-employment benefits in accordance with the labor law, which was calculated on the basis of the Actuarial Valuation Methods by using the projected unit credit method.

The Group recognize the actuarial gains and losses on remeasurements of defined benefit plan arising from the above provision in other comprehensive income while all expenses related to post-employment benefits plans are recognized in profit or loss.

3.14 Translation of foreign currency

Foreign currency transactions are translated into Thai Baht at the exchange rate on the transaction date. The remaining balances of assets and liabilities denominated in foreign currency at the end of reporting period are translated into Thai Baht at the exchange rates ruling at that date. Exchange differences are recorded as profit or loss for each accounting period.

3.15 Income tax

Income tax represents the aggregate of current income tax expense and deferred tax.

Current income tax and deferred tax are recognized in profit or loss except for the related items which recognized directly in equity or in other comprehensive income.

Current income tax represents the amount of expected income tax payable or recoverable on the taxable profit or loss for the period, using tax rate in accordance with the Revenue Code.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the consequences that the Company expects, at the end of the reporting period, to recover or settle the carrying amount.

Deferred tax liabilities are recognized for all income tax payable in the future periods in respect of taxable temporary differences.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the amount that the related tax benefit will be realized.

3.16 Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity of the Company's shareholders by the weighted average number of ordinary shares outstanding during the year.

4. Related party transactions

The financial statements included related party transactions with intercompany shareholding or the same group of shareholders, directors or management team. Besides, the related parties are taken into account when one party has the ability to control another party or can exercise significant influence over another party in making financial and operating decisions. Parts of the Group's assets, liabilities, revenues and expenses arose from transactions with the related parties. The effects of these transactions are reflected in the accompanying financial statements on the basis determined in the business practice normally dealt with other parties.

4.1 Relationships with related parties are detailed as follows:

Name of entities	Nature of relationships
Surat Metal Drum Co., Ltd.	Subsidiary and common directors
Songkhla Metal Drum Co., Ltd.	Subsidiary and common directors
The Pet Co., Ltd.	Subsidiary and common directors
Lake Rajada Co., Ltd.	Subsidiary of Surat Metal Drum Co., Ltd. and common directors
Eastplast Co., Ltd.	Subsidiary of The Pet Co., Ltd. and common directors
Sermasuk Public Company Limited	Shareholder of The Pet Co., Ltd.

4.2 The pricing policies by type of transactions are detailed as follows:

Transactions	Pricing policies
Purchase of material	Cost plus contribution margin
Purchase of goods	Agreed upon basis
Sale of raw material	Market price, Cost plus contribution margin
Sale of fixed assets	Agreed upon basis
Interest income	As per contract rate
Rental and service income	As per contract rate
Dividend income from subsidiaries	Upon declaration
Other income	Agreed upon basis
Other expense	Agreed upon basis
Interest paid	As per contract rate
Dividend paid	Upon declaration
Compensation for damage	Agreed upon basis

4.3 Outstanding balances with related parties as at December 31, 2021 and 2020 are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade and other receivables				
Trade receivables				
Songkhla Metal Drum Co., Ltd.	-	-	-	76,321.60
Semsuk Public Company Limited	24,007,402.65	29,485,298.17	-	-
Other receivables				
Songkhla Metal Drum Co., Ltd.	-	-	1,605.00	1,123.50
The Pet Co., Ltd.	-	-	802.50	481.50
Lake Rajada Co., Ltd.	-	-	642.00	321.00
Total	24,007,402.65	29,485,298.17	3,049.50	78,247.60

Investments in subsidiary companies

Unit: Baht

		Consolidated financial statements			
Nature of relationship		Paid-up Share capital	Share Holding	Equity Method	
				2021	2020
Surat Metal Drum Co., Ltd.	Distributor of raw materials for the production of containers.	20,000,000.00	99.9970	216,679,550.20	214,581,053.00
Songkhla Metal Drum Co., Ltd.	Manufacturer and distributor of metal drums.	20,000,000.00	80.0000	374,900,621.15	366,651,900.80
The Pet Co., Ltd.	Manufacturer and distributor of plastic products.	70,000,000.00	79.9990	568,301,567.78	569,238,188.66
				1,159,881,739.13	1,150,471,142.46
Eliminated intra-group transactions				(1,159,881,739.13)	(1,150,471,142.46)
Net				-	-

Unit: Baht

		Separate financial statements	
		2021	2020
Long-term loans to related party			
Balance at beginning of years		24,000,000.00	24,000,000.00
Increase during the years		-	-
Decrease during the years		24,000,000.00	-
Balance at end of years		-	24,000,000.00

On January 1, 2013, The Pet Co., Ltd. (subsidiary company) entered into an agreement to obtain loans from the Company in the amount of Baht 24 million which was due in 2014. The loans were extended for another 5 years and due in 2019. On May 21, 2019, The Pet Co., Ltd. renewed loan agreement with the Company in the same amount of Baht 24 million with interest rate at MMR p.a. and due on May 20, 2024. Interest on loans shall be paid quarterly. In case that the agreement was due and there was no request to change conditions in the agreement by either party, these loans shall be extended for another period of 5 years.

In this accounting period, the Company had fully received repayment of such loans.

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade and other payables				
Trade payables				
Eastplast Co., Ltd.	-	-	738,876.99	149,084.45
The Pet Co., Ltd.	-	-	61,456.52	48,150.00
Other payables				
Sermasuk Public Company Limited	288,367.14	548,414.99	-	-
Total	288,367.14	548,414.99	800,333.51	197,234.45

Long-term loans from related parties

On January 1, 2013, The Pet Co., Ltd. (subsidiary company) entered into the loan agreements to obtain loans in the total amount of Baht 6 million from a related entity and relate persons (Baht 3 million from a related entity, Baht 3 million from 2 related persons). Both loans were due in 2014. These loans have been extended for another period of 5 years, which was due in 2019. On May 21, 2019, The Pet Co., Ltd. renewed these loan agreements with the aforesaid related entity and the aforesaid related persons in the total amount of Baht 6 million with interest rate at MMR p.a. and due on May 20, 2024. Interest on loans shall be paid quarterly. In case that these agreements were due and there was no request to change conditions in the agreement by either party, these loans shall be extended for another period of 5 years.

In this accounting period, the Company had fully repaid such loans.

4.4 Related party transactions for the years ended December 31, 2021 and 2020 are as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Purchases of raw materials	-	-	1,200,253.20	487,980.00
Purchases of goods	-	-	4,067,311.50	4,111,326.75
Purchases of assets	-	-	200,000.00	-
Sales of goods	137,885,143.20	236,316,406.02	-	-
Sales of raw materials	-	-	96,558.75	11,630,280.80
Sales of assets	-	-	11,000.00	-
Interest income	-	-	163,857.53	756,348.48
Rental and service income	240,000.00	240,000.00	1,000,200.00	999,300.00
Dividend income from subsidiaries	-	-	36,799,790.00	32,399,895.00
Other expenses	-	-	251,094.60	-
Interest paid	20,482.19	94,543.55	-	-
Dividend paid	2,100,000.00	1,050,000.00	-	-
Compensation for damage	120,415.10	14,861.55	-	-

4.5 Management remuneration for the years ended December 31, 2021 and 2020 are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Management remuneration	34,094,655.00	33,527,015.50	31,110,850.00	30,466,478.00

5. Cash and cash equivalents

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash on hand	431,243.25	574,620.62	140,000.00	140,000.00
Cheques on hand	1,054,966.45	8,254,160.56	757,559.95	656,068.15
Demand deposits				
Savings accounts	134,592,681.51	272,068,508.21	52,450,233.57	37,281,023.24
Current accounts	8,914,647.31	15,560,809.90	6,425,715.66	8,811,393.13
Total	144,993,538.52	296,458,099.29	59,773,509.18	46,888,484.52

6. Trade and other receivables

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables				
Related parties (Note 4.3)	24,007,402.65	29,485,298.17	-	76,321.60
Other companies				
Domestic	386,009,238.22	242,462,924.71	268,023,624.02	168,744,820.75
Foreign	2,773,117.27	2,727,682.13	-	-
	412,789,758.14	274,675,905.01	268,023,624.02	168,821,142.35
Less Allowance for expected credit losses	2,862,456.29	2,862,456.29	1,600,000.00	1,600,000.00
	409,927,301.85	271,813,448.72	266,423,624.02	167,221,142.35
Other receivables				
Related parties (Note 4.3)	-	-	3,049.50	1,926.00
Other companies	8,487,359.33	6,434,268.07	4,477,210.33	3,882,512.08
	8,487,359.33	6,434,268.07	4,480,259.83	3,884,438.08
Total	418,414,661.18	278,247,716.79	270,903,883.85	171,105,580.43

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Aging analyses of trade accounts receivable are detailed as follows:				
Not yet due	322,214,195.75	211,833,595.72	218,021,485.27	130,455,173.35
Overdue:				
Not over 3 months	90,240,240.99	62,626,597.29	49,780,745.58	38,150,257.00
Over 3 months to 6 months	287,100.76	-	221,393.17	-
Over 6 months to 9 months	48,220.64	134,820.00	-	134,820.00
Over 9 months to 12 months	-	80,892.00	-	80,892.00
	412,789,758.14	274,675,905.01	268,023,624.02	168,821,142.35
Less Allowance for expected credit losses	2,862,456.29	2,862,456.29	1,600,000.00	1,600,000.00
Net	409,927,301.85	271,813,448.72	266,423,624.02	167,221,142.35
Bad debt expense	215,712.00	-	215,712.00	-

7. Inventories

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Finished goods	29,966,457.26	18,271,881.33	16,930,562.70	8,501,209.79
Work in process	24,504,198.93	12,583,058.88	24,088,714.75	12,247,324.80
Raw materials	269,205,047.44	120,280,613.23	160,980,219.88	48,119,294.03
Factory supplies	4,152,125.06	3,557,845.18	866,992.30	844,934.63
Spare parts	12,024,475.26	10,509,176.94	-	-
Total	339,852,303.95	165,202,575.56	202,866,489.63	69,712,763.25
Less Allowance for diminution in value of inventories	5,552,938.81	5,511,796.95	-	-
Net	334,299,365.14	159,690,778.61	202,866,489.63	69,712,763.25
Reduction of inventory to net realizable value (reversal)	167,028.88	(515,064.42)	-	-
Loss from deteriorated and obsolete Inventories reversal	(125,887.02)	(1,736,968.00)	-	-
Inventories – written off	-	52,473.12	-	-

8. Other current financial assets

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Investments in debt instruments at amortized cost				
Fixed deposits at bank	57,000,000.00	-	-	-
Fixed deposits due within one year (Note 9)	-	64,000,000.00	-	34,000,000.00
Debt instruments due within one year (Note 9)	50,000,000.00	110,000,000.00	20,000,000.00	80,000,000.00
Investments in debt instruments measured at FVPL	501,521,118.92	559,603,204.75	407,285,878.81	462,274,683.31
Total	608,521,118.92	733,603,204.75	427,285,878.81	576,274,683.31

Movements of investments in debt instruments are as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Book value at beginning of years	559,603,204.75	646,694,645.84	462,274,683.31	418,103,180.75
Acquisitions	481,051,600.00	1,421,988,000.00	284,100,000.00	972,000,000.00
Disposal	(539,940,422.09)	(1,505,462,908.27)	(339,758,300.66)	(925,118,090.82)
Changes in fair value	806,736.26	(3,616,532.82)	669,496.16	(2,710,406.62)
Book value at end of years	501,521,118.92	559,603,204.75	407,285,878.81	462,274,683.31

9. Other non-current financial assets

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Investment in debt instruments at amortized cost				
Fixed deposits at bank	-	64,000,000.00	-	34,000,000.00
Fixed deposits due within one year	-	(64,000,000.00)	-	(34,000,000.00)
	-	-	-	-
Held-to-maturity debt instruments	844,000,000.00	683,000,000.00	554,000,000.00	514,000,000.00
Held-to-maturity debt instruments due within one year	(50,000,000.00)	(110,000,000.00)	(20,000,000.00)	(80,000,000.00)
	794,000,000.00	573,000,000.00	534,000,000.00	434,000,000.00
Investment in equity instruments measured at FVOCI				
Marketable equity instruments	261,046,344.40	262,251,278.30	144,244,854.20	136,305,776.20
Non-marketable equity instruments	114,057,070.30	124,167,859.60	-	-
	375,103,414.70	386,419,137.90	144,244,854.20	136,305,776.20
Total	1,169,103,414.70	959,419,137.90	678,244,854.20	570,305,776.20

Movements of investments marketable equity instruments are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Book value at beginning of years	262,251,278.30	346,706,122.80	136,305,776.20	166,046,399.20
Acquisitions	1,864,552.30	4,999,837.02	-	4,961,337.02
Disposal	(8,299,929.90)	-	-	-
Cash received from redemption	(1,403,721.00)	(720,500.00)	(121,800.00)	(208,600.00)
Changes in fair value	6,634,164.70	(88,734,181.52)	8,060,878.00	(34,493,360.02)
Book value at end of years	261,046,344.40	262,251,278.30	144,244,854.20	136,305,776.20

In this accounting period, Lake Rajada Co., Ltd. (indirect subsidiary) has sold investment in marketable equity instruments measured at FVOCI amounting to Baht 8.30 million, gain on sales of investment are amounted Baht 2.14 million.

Non-marketable equity instruments are investments in Rangsit Plaza Co., Ltd. (Shareholding 5%) Movements of investments are as follows:

	Unit: Baht
	Consolidated financial statements
Balance as at January 1, 2020	51,250,160.00
Cumulative effect of initially adopting new accounting standard	72,917,699.60
Balance as at January 1, 2020 – after adjustment	124,167,859.60
Change in fair value	-
Balance as at December 31, 2020	124,167,859.60
Change in fair value	(10,110,789.30)
Balance as at December 31, 2021	114,057,070.30

10. Investments in subsidiary companies

	Unit: Baht					
	Paid-up	Share Holding (%)	Separate financial statements			
			2021		2020	
			Cost Method	Dividend	Cost Method	Dividend
Surat Metal Drum Co., Ltd.	20,000,000.00	99.9970	18,221,666.70	-	18,221,666.70	-
Songkhla Metal Drum Co., Ltd.	20,000,000.00	80.0000	16,000,000.00	20,000,000.00	16,000,000.00	24,000,000.00
The Pet Co., Ltd.	70,000,000.00	79.9990	59,849,300.00	16,799,790.00	59,849,300.00	8,399,895.00
Total			94,070,966.70	36,799,790.00	94,070,966.70	32,399,895.00

11. Investment Properties

Unit: Baht

	Consolidated financial statements			
	Increase (Decrease) in the year			2021
	2020	Additions	Disposal	
Cost of assets				
Land	14,099,903.19	-	-	14,099,903.19
Buildings and improvement	18,989,699.31	-	-	18,989,699.31
Office condominium	385,992,417.01	-	-	385,992,417.01
Condominium decoration and equipment	13,940,800.19	-	-	13,940,800.19
	433,022,819.70	-	-	433,022,819.70
Accumulated depreciation				
Buildings and improvement	18,222,685.48	746,339.20	-	18,969,024.68
Office condominium	328,128,640.59	5,666,728.84	-	333,795,369.43
Condominium decoration and equipment	13,938,126.49	-	-	13,938,126.49
	360,289,452.56	6,413,068.04	-	366,702,520.60
Net	72,733,367.14			66,320,299.10

Unit: Baht

	Separate financial statements			
	Increase (Decrease) in the year			2021
	2020	Additions	Disposal	
Cost of assets				
Land	14,099,903.19	-	-	14,099,903.19
Buildings and improvement	18,989,699.31	-	-	18,989,699.31
Office condominium	380,004,322.13	-	-	380,004,322.13
Condominium decoration and equipment	13,895,506.35	-	-	13,895,506.35
	426,989,430.98	-	-	426,989,430.98
Accumulated depreciation				
Buildings and improvement	18,222,685.48	195,541.45	-	18,418,226.93
Office condominium	325,275,841.05	5,665,473.24	-	330,941,314.29
Condominium decoration and equipment	13,895,475.35	-	-	13,895,475.35
	357,394,001.88	5,861,014.69	-	363,255,016.57
Net	69,595,429.10			63,734,414.41

The fair value of investment properties of the Company and a subsidiary company are amounted to Baht 1,727.04 million, which comprises the fair value of the land amounting to Baht 734.86 million and office condominiums amounting to Baht 992.18 million. Land and condominiums have been assessed by an independent appraiser. The fair value is at level 2.

12. Property, plant and equipment

Unit: Baht

	Consolidated financial statements				
	2020	Increase (Decrease) in the year			2021
		Additions	Disposal	Transfer	
Cost/revaluation					
Land – original price	99,212,000.00	-	-	-	99,212,000.00
Land – revaluation increase	244,378,350.00	-	-	-	244,378,350.00
	343,590,350.00	-	-	-	343,590,350.00
Land improvement	6,490,949.00	-	-	-	6,490,949.00
Buildings and improvement	281,404,239.51	180,000.00	-	33,328.00	281,617,567.51
Machinery and equipment	1,409,130,432.29	30,219,487.66	12,599,465.54	16,769,231.78	1,443,519,686.19
Furniture and equipment	25,309,456.28	1,805,297.08	136,852.04	-	26,977,901.32
Vehicles	92,815,235.74	2,172,457.94	10,510,559.00	(2,614,205.61)	81,862,929.07
	2,158,740,662.82	34,377,242.68	23,246,876.58	14,188,354.17	2,184,059,383.09
Accumulated depreciation					
Land improvement	2,085,947.00	-	-	-	2,085,947.00
Buildings and improvement	161,214,743.23	9,234,089.05	-	-	170,448,832.28
Machinery and equipment	1,103,229,188.39	69,627,168.57	5,252,007.91	-	1,167,604,349.05
Furniture and equipment	22,283,300.09	1,274,002.02	125,857.21	-	23,431,444.90
Vehicles	56,810,215.11	6,895,027.28	10,510,551.00	(2,091,364.52)	51,103,326.87
	1,345,623,393.82	87,030,286.92	15,888,416.12	(2,091,364.52)	1,414,673,900.10
Net	813,117,269.00				769,385,482.99
Assets under installation	20,096,069.32	14,862,937.28	33,400.00	(16,810,319.78)	18,115,286.82
Total	833,213,338.32				787,500,769.81

	Separate financial statements				
	Increase (Decrease) in the year				
	2020	Additions	Disposal	Transfer	2021
Cost/revaluation					
Land – original price	48,000,000.00	-	-	-	48,000,000.00
Land – revaluation increase	62,400,000.00	-	-	-	62,400,000.00
	110,400,000.00				110,400,000.00
Land improvement	4,405,000.00	-	-	-	4,405,000.00
Buildings and improvement	151,757,694.64	-	-	-	151,757,694.64
Machinery and equipment	325,825,912.79	13,581,473.14	4,131,211.11	-	335,276,174.82
Furniture and equipment	14,737,954.38	1,639,581.74	91,538.02	-	16,285,998.10
Vehicles	53,823,908.84	1,579,000.00	-	-	55,402,908.84
	660,950,470.65	16,800,054.88	4,222,749.13	-	673,527,776.40
Accumulated depreciation					
Buildings and improvement	65,677,847.13	5,541,243.85	-	-	71,219,090.98
Machinery and equipment	254,299,436.88	15,861,298.93	1,764,200.04	-	268,396,535.77
Furniture and equipment	12,444,711.81	1,013,405.98	81,504.94	-	13,376,612.85
Vehicles	24,768,896.79	5,020,580.39	-	-	29,789,477.18
	357,190,892.61	27,436,529.15	1,845,704.98	-	382,781,716.78
Net	303,759,578.04				290,746,059.62
Assets under installation	-	625,678.63	-	-	625,678.63
Total	303,759,578.04				291,371,738.25

- 12.1 Land, buildings and constructions and certain portion of the machinery of the subsidiaries and indirect subsidiaries are mortgaged and pledged as collateral for credit facilities obtained from financial institutions. (Note 27.2)
- 12.2 In October 2018, the Group had reviewed the valuation of all pieces of land through an independent appraiser. The fair value of these land has been evaluated by using the market approach. Additional revaluation surplus of land has been recorded in equity through other comprehensive income.
- 12.3 As at December 31, 2021, the costs of plant and equipment which were fully depreciated included in the consolidated financial statements in the total amount of Baht 761.10 million (2020: Baht 723.54 million) and in the separate financial statements in the total amount of Baht 190.19 million. (2020: Baht 184.76 million)

13. Intangible assets

Unit : Baht

	Consolidated financial statements			2021
	2020	Increase	Decrease	
Cost				
Computer softwares	1,253,540.00	144,450.00	-	1,397,990.00
Accumulated amortization				
Computer softwares	1,201,171.28	36,838.20	-	1,238,009.48
Net	<u>52,368.72</u>			<u>159,980.52</u>

Unit : Baht

	Separate financial statements			2021
	2020	Increase	Decrease	
Cost				
Computer softwares	941,600.00	144,450.00	-	1,086,050.00
Accumulated amortization				
Computer softwares	889,231.28	36,838.20	-	926,069.48
Net	<u>52,368.72</u>			<u>159,980.52</u>

14. Non-current financial assets use as collateral

Investment in held-to-maturity debt securities represent Thai government bonds with interest earnings at 2% and 1.45% p.a. and received interest income twice a year and due in the year 2022 and 2024, The debt securities have been used as collateral for electricity use.

15. Trade and other payables

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade payables				
Related parties (Note 4.3)	-	-	800,333.51	197,234.45
Other companies				
Domestic	107,967,737.22	66,923,184.93	26,398,739.14	19,081,621.84
Foreign	-	368,077.16	-	-
	<u>107,967,737.22</u>	<u>67,291,262.09</u>	<u>27,199,072.65</u>	<u>19,278,856.29</u>
Other payables				
Related parties (Note 4.3)	288,367.14	548,414.99	-	-
Accrued expenses	15,229,705.02	12,348,478.00	3,548,059.15	2,416,711.46
Others	2,275,800.53	2,401,104.34	65,482.80	97,331.00
	<u>17,793,872.69</u>	<u>15,297,997.33</u>	<u>3,613,541.95</u>	<u>2,514,042.46</u>
Total	<u>125,761,609.91</u>	<u>82,589,259.42</u>	<u>30,812,614.60</u>	<u>21,792,898.75</u>

16. Employee benefit obligations

Movements in the present value of the employee benefit obligations are as follows:

			Unit: Baht	
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Balances at beginning of years	31,250,142.34	29,712,593.14	16,602,442.41	15,491,053.65
Current service costs	1,940,340.75	1,894,088.94	805,786.87	791,185.32
Interest costs	856,053.04	785,195.58	351,292.65	325,203.44
Benefits paid	(425,463.33)	(1,141,735.32)	(425,463.33)	(5,000.00)
Actuarial gain	(4,894,046.43)	-	(5,830,899.31)	-
Balances at end of years	<u>28,727,026.37</u>	<u>31,250,142.34</u>	<u>11,503,159.29</u>	<u>16,602,442.41</u>

Expenses recognized in the statements of comprehensive income are as follows:

			Unit: Baht	
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Recognized in profit or loss				
Current service costs	1,940,340.75	1,894,088.94	805,786.87	791,185.32
Interest costs	856,053.04	785,195.58	351,292.65	325,203.44
	<u>2,796,393.79</u>	<u>2,679,284.52</u>	<u>1,157,079.52</u>	<u>1,116,388.76</u>
Recognized in comprehensive income				
Actuarial gain	(4,894,046.43)	-	(5,830,899.31)	-
Total	<u>(2,097,652.64)</u>	<u>2,679,284.52</u>	<u>(4,673,819.79)</u>	<u>1,116,388.76</u>

Actuarial gain recognized in the other comprehensive income derived from:

			Unit: Baht	
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Population assumption	842,480.12	-	-	-
Financial assumption	(1,072,885.41)	-	(433,514.99)	-
Experience adjustment	(4,663,641.14)	-	(5,397,384.32)	-
Total	<u>(4,894,046.43)</u>	<u>-</u>	<u>(5,830,899.31)</u>	<u>-</u>

Principal actuarial assumptions as at December 31, 2021 and 2020 are as follows:

		% per annum
	Consolidated financial statements	Separate financial statements
Discount rate	2.05–2.85	2.05
Salary increase rate	4.00–5.00	4.00
Staff turnover rate (Scale related to Age ranging)	1.91–45.84	3.82–45.84
According to Thailand Mortality Ordinary Life table 2017		

Effects of changes on the assumptions to the present value of long-term employee benefit obligations as at December 31, 2021 and 2020 are as follows:

	Unit: Million Baht			
	2021			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (Change 0.50%)	(1.16)	1.25	(0.41)	0.44
Salary increase rate (Change 1%)	2.49	(2.22)	0.87	(0.79)
Staff turnover rate (Change 20%)	(1.72)	1.95	(0.71)	0.83

	Unit: Million Baht			
	2020			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (Change 0.50%)	(1.14)	1.23	(0.39)	0.41
Salary increase rate (Change 1%)	3.08	(2.73)	1.10	(1.00)
Staff turnover rate (Change 20%)	(2.55)	2.95	(1.03)	1.20

17. Equity

17.1 Dividend payment

17.1.1 The ordinary shareholders' meeting for the year 2021 held on April 26, 2021 approved the dividend payment from operating income of 2020 at Baht 1.40 per share, amounting to Baht 210 million.

17.1.2 The Board of directors' meeting of the Company No. 1/2563 held on February 25, 2020 passed a resolution to pay the dividend from operating income of 2019, at Baht 1.40 per share, amounting to Baht 210 million. The interim dividend was paid on July 18, 2019 at Baht 0.85 per share, amounting to Baht 127.50 million, and the remaining dividend at Baht 0.55 per share, amounting to Baht 82.50 million. The payment date was April 24, 2020. The dividend payments had been approved to the ordinary shareholders' meeting of the Company on July 9, 2020.

17.2 Legal reserve

Pursuant to the Public Limited Companies Act B.E. 2535 (1992), the Company must appropriate the annual net profit to be a reserve fund which not less than five% of the annual net profit [after deducted by the total deficit brought forward (if any)] until reserve reaches an amount of not less than ten% of the registered capital. This legal reserve is not available for dividend distribution.

17.3 Managing capital

The Company has no requirement to maintain the debt-to-equity ratio with outside party. The Company has its policy to manage the capital by maintaining the Company's ability to continue its business on an ongoing basis and providing the appropriate returns to the shareholders. The Company has its policy to pay dividend no less than 40% of annual net profit from the Company's separate financial statements.

At the end of the year, the consolidated financial statements' debt to equity ratio is 0.10:1.00 (2020: 0.09:1.00) and the separate financial statements' debt to equity ratio is 0.06:1.00 (2020: 0.06:1.00)

18. Other income

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Dividend income	15,030,535.46	16,530,127.60	46,695,586.64	41,963,401.64
Interest income	32,729,839.15	24,714,117.87	22,278,182.59	18,374,494.87
Others	8,515,518.74	8,825,927.49	3,268,444.81	4,584,457.18
Total	56,275,893.35	50,070,172.96	72,242,214.04	64,922,353.69

19. Provident fund

The Group and employees have mutually established a registered provident fund, in accordance with The Provident Fund Act B.E. 2530. The contributions from employees are deducted at 3%–6% from their monthly salaries, and contributions made by the Group at 3%–6%.

During the year 2021, the Group contributed to the fund in the consolidated financial statements in the amount to Baht 3.07 million (2020: Baht 2.98 million), and in the separate financial statements in the amount to Baht 1.51 million (2020: Baht 1.51 million).

20. Classification of expenses by nature

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Changes in finished goods and work in process	(23,615,715.98)	6,084,227.84	(20,270,742.86)	1,438,253.78
Raw materials and supplies used	1,330,328,640.18	833,291,195.92	972,684,402.92	545,609,789.19
Management benefit expenses*	34,094,655.00	33,527,015.50	31,110,850.00	30,466,478.00
Employee expenses	145,136,842.52	144,002,819.48	51,615,693.66	48,590,776.03
Depreciation and amortization	93,480,193.16	97,665,554.15	33,334,382.04	33,793,346.05
Finance costs	40,964.39	189,087.11	-	-
Others	244,313,412.58	242,661,734.13	62,167,574.77	78,824,131.84
Total	1,823,778,991.85	1,357,421,634.13	1,130,642,160.53	738,722,774.89

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Management benefit expenses*				
Cost of sales	4,479,432.00	4,148,045.00	4,071,002.00	3,712,240.00
Administrative expenses	29,615,223.00	29,378,970.50	27,039,848.00	26,754,238.00
Total	34,094,655.00	33,527,015.50	31,110,850.00	30,466,478.00

21. Income tax

Income tax is computed from the taxable net profit and in accordance with the regulation of the Revenue Code.

Income tax expenses for the years ended December 31, 2021 and 2020 are as follows :

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Current income tax				
Income tax	87,841,274.54	69,901,130.43	76,330,846.69	61,014,525.85
Deferred tax				
Temporary differences and reversal of				
temporary differences	(1,370,195.98)	(826,030.95)	(1,049,499.87)	(672,623.47)
Income tax expenses	<u>86,471,078.56</u>	<u>69,075,099.48</u>	<u>75,281,346.82</u>	<u>60,341,902.38</u>

Unit: Baht

Reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2021 and 2020 are as follows:

	Consolidated Financial Statements			
	Rate (%)	2021	Rate (%)	2020
Accounting profit before income tax		470,825,450.94		401,497,989.64
Income tax at applicable tax rate	20	94,165,090.19	20	80,299,597.93
Tax losses (profit) of subsidiaries, not recognized as deferred income tax		(504,136.47)		(1,408,634.74)
Tax effect:				
Disallowed expenses for tax calculation		4,122,293.73		4,149,928.95
Exemption of income/Additional expenses allowed		(12,545,221.30)		(13,009,144.32)
Promotional privileges		(4,731,849.75)		(6,585,736.53)
Effect of elimination entry on the consolidated financial statement		7,335,098.14		6,455,119.14
Current income tax		87,841,274.54		69,901,130.43
Deferred tax:				
Temporary differences and reversal of temporary differences		(1,370,195.98)		(826,030.95)
Income tax expenses	18	<u>86,471,078.56</u>	17	<u>69,075,099.48</u>

Unit: Baht

Unit: Baht

	Separate Financial Statements			
	Rate (%)	2021	Rate (%)	2020
Accounting profit before income tax		422,011,417.38		342,642,542.19
Income tax at applicable tax rate	20	84,402,283.48	20	68,528,508.44
Tax effect:				
Disallowed expenses for tax calculation		2,169,069.35		2,377,111.23
Exemption of income/Additional expenses allowed		(10,179,506.14)		(9,891,093.82)
Current income tax		76,330,846.69		61,014,525.85
Deferred tax:				
Temporary differences and reversal of temporary differences		(1,049,499.87)		(672,623.47)
Income tax expenses	18	75,281,346.82	15	60,341,902.38

The amounts of income tax relating to each component of other comprehensive income for the years ended December 31, 2021 and 2020 are as follows:

Unit: Baht

	Consolidated Financial Statements					
	2021			2020		
	Tax			Tax		
	Amount Before tax	(expenses) benefit	Net of tax	Amount before tax	(expenses) benefit	Net of tax
Actuarial gain	4,894,046.43	(978,809.29)	3,915,237.14	-	-	-
Gain (Loss) on changes in value of equity instrument (Note 9)	(3,476,624.60)	695,324.92	(2,781,299.68)	(88,734,181.52)	17,746,836.30	(70,987,345.22)
Total	1,417,421.83	283,484.37	1,133,937.46	(88,734,181.52)	17,746,836.30	(70,987,345.22)

Unit: Baht

	Separate Financial Statements					
	2021			2020		
	Tax			Tax		
	Amount Before tax	(expenses) benefit	Net of tax	Amount before tax	(expenses) benefit	Net of tax
Actuarial gain	5,830,899.31	(1,166,179.86)	4,664,719.45	-	-	-
Gain (loss) on changes in value of equity instrument (Note 9)	8,060,878.00	(1,612,175.60)	6,448,702.40	(34,493,360.02)	6,898,672.00	(27,594,688.02)
Total	13,891,777.31	(2,778,355.46)	11,113,421.85	(34,493,360.02)	6,898,672.00	(27,594,688.02)

The components of deferred tax assets and deferred tax liabilities as at December 31, 2021 and 2020 are detailed as follows:

	Unit: Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for diminution in value of inventories	1,077,181.99	1,102,359.39	-	-
Deposits	2,193,121.53	2,137,159.53	2,085,379.53	2,023,585.53
Allowance for expected credit	572,491.26	572,491.26	320,000.00	320,000.00
Investments in equity instruments	2,486,830.34	-	2,379,930.42	3,992,106.02
Provision for employee benefits	5,745,405.27	6,250,028.47	2,300,631.85	3,320,488.48
	<u>12,075,030.39</u>	<u>10,062,038.65</u>	<u>7,085,941.80</u>	<u>9,656,180.03</u>
Deferred tax liabilities				
Depreciation of assets	11,245,587.28	12,110,812.57	9,611,919.78	10,453,302.42
Revaluation surplus of land	48,875,670.00	48,875,670.00	12,480,000.00	12,480,000.00
Investments in equity instruments	16,541,366.00	14,905,831.04	-	-
	<u>76,662,623.28</u>	<u>75,892,313.61</u>	<u>22,091,919.78</u>	<u>22,933,302.42</u>
Deferred tax liabilities, net	<u>64,587,592.89</u>	<u>65,830,274.96</u>	<u>15,005,977.98</u>	<u>13,277,122.39</u>

22. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to equity of the Company's shareholders by the weighted average number of ordinary shares outstanding during the year as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Profit attributable to equity of the Company's shareholders (Baht)	370,036,005.99	316,477,670.06	346,730,070.56	282,300,639.81
Weighted average number of ordinary shares (shares)	150,000,000	150,000,000	150,000,000	150,000,000
Basic earnings per share (Baht)	2.47	2.11	2.31	1.88

23. Depreciation and amortization

Depreciation and amortization for the years ended December 31, 2021 and 2020 are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Depreciation				
Investment Properties				
Cost of services rendered	6,217,526.59	6,215,388.84	5,665,473.24	5,681,000.43
Selling and administrative expenses	195,541.45	195,542.82	195,541.45	195,542.82
Property, plant and equipment				
Cost of productions	78,248,542.49	81,520,808.28	22,663,762.18	21,885,052.91
Selling and administrative expenses	8,781,744.43	9,709,487.30	4,772,766.97	6,008,011.13
Amortization	36,838.20	24,326.91	36,838.20	23,738.76
Total	<u>93,480,193.16</u>	<u>97,665,554.15</u>	<u>33,334,382.04</u>	<u>33,793,346.05</u>

24. Information on operating segments

Information on operation segments requires the Group to disclose the segment information based on the internal reports regularly reviewed by the Company and its subsidiaries's Chief Operation Decision Maker in order to allocate resources to those segments and to assess the segment's performance.

Information on operating segment for the years ended December 31, 2021 and 2020 are as follows:

Unit: Thousand Baht

Consolidated Financial Statements						
2021						
	Productions and Sales of Metal drums	Productions and Sales of Plastic Products	Rental and service income	Others	Amount of Elimination	Total
Revenues from sale and services	1,590,210	677,045	65,204	-	(94,130)	2,238,329
Costs of sales and services	1,159,128	605,173	13,375	-	(94,149)	1,683,527
Gross profit	431,082	71,872	51,829	-	19	554,802
Other income	-	-	-	57,663	(1,386)	56,277
Profit before expenses	431,082	71,872	51,829	57,663	(1,367)	611,079
Selling expenses	41,100	18,640	-	-	(139)	59,601
Administrative expenses	44,242	32,503	4,654	337	(1,124)	80,612
Profit before finance costs and income tax	345,740	20,729	47,175	57,326	(104)	470,866
Finance costs	-	-	-	269	(228)	41
Profit before income tax	345,740	20,729	47,175	57,057	124	470,825
Income tax expenses						86,471
Profit for the year						384,354
Total assets for the operations						853,821

Consolidated Financial Statements

2020						
	Productions and Sales of Metal drums	Productions and Sales of Plastic Products	Rental and service income	Others	Amount of Elimination	Total
Revenues from sale and services	1,075,819	638,809	66,395	-	(72,173)	1,708,850
Costs of sales and services	731,960	546,245	13,555	-	(72,243)	1,219,517
Gross profit	343,859	92,564	52,840	-	70	489,333
Other income	-	-	-	53,601	(3,531)	50,070
Profit before expenses	343,859	92,564	52,840	53,601	(3,461)	539,403
Selling expenses	38,109	13,162	-	-	-	51,271
Administrative expenses	49,556	33,392	4,201	331	(1,035)	86,445
Profit before finance costs and income tax	256,194	46,010	48,639	53,270	(2,426)	401,687
Finance costs	-	-	-	2,739	(2,550)	189
Profit before income tax	256,194	46,010	48,639	50,531	124	401,498
Income tax expenses						69,075
Profit for the year						332,423
Total assets for the operations						905,947

Unit: Thousand Baht

Separate Financial Statements

	2021			
	Productions and			
	Sales of Metal	Rental and		
	drums	service income	Others	Total
Revenues from sale and services	1,418,905	61,507	-	1,480,412
Costs of sales and service	1,040,998	11,394	-	1,052,392
Gross profit	377,907	50,113	-	428,020
Dividend income	-	-	46,696	46,696
Other income	-	-	25,546	25,546
Profit before expenses	377,907	50,113	72,242	500,262
Selling expenses	34,049	-	-	34,049
Administrative expenses	39,606	4,596	-	44,202
Profit before income tax	304,252	45,517	72,242	422,011
Income tax expenses				75,281
Profit for the year				346,730
Total assets for the operations				355,107

Unit: Thousand Baht

Separate Financial Statements

	2020			
	Productions and			
	Sales of Metal	Rental and		
	drums	service income	Others	Total
Revenues from sale and services	954,276	62,167	-	1,016,443
Costs of sales and service	649,050	11,575	-	660,625
Gross profit	305,226	50,592	-	355,818
Dividend income	-	-	41,963	41,963
Other income	-	-	22,959	22,959
Profit before expenses	305,226	50,592	64,922	420,740
Selling expenses	31,237	-	-	31,237
Administrative expenses	42,672	4,188	-	46,860
Profit before income tax	231,317	46,404	64,922	342,643
Income tax expenses				60,342
Profit for the year				282,301
Total assets for the operations				373,355

25. Investment Promotion

Investment Promotion Privileges

Eastplast Co., Ltd. (Indirect subsidiary) (Eastplast)

On August 18, 2014, Eastplast obtained the privileges under the Investment Promotion Act for the production of plastic bottle PET, and was eligible to get exemption from corporate income tax for a period of 8 years from the date income was first derived and started the operation on September 22, 2014.

On January 9, 2015 Eastplast obtained the privileges under the Investment Promotion Act for the production of plastic bottle PET, and was eligible to get exemption from corporate income tax for a period of 3 years from the date income was first derived and started the operation on January 16, 2018. The promotional privileges were cancelled on February 6, 2020.

The Group has to comply with certain conditions stipulated in the promotion certificates.

Revenues from promoted and non-promoted businesses are as follows:

Unit: Thousand Baht

	Consolidated financial statements					
	Promoted Business		Non-Promoted Business		Total	
	2021	2020	2021	2020	2021	2020
Sales – domestic	110,025	112,853	2,036,120	1,500,483	2,146,145	1,613,336
Sales – export	-	-	27,131	29,270	27,131	29,270
Total	110,025	112,853	2,063,251	1,529,753	2,173,276	1,642,606

Unit: Thousand Baht

	Separate financial statements					
	Promoted Business		Non-Promoted Business		Total	
	2021	2020	2021	2020	2021	2020
Sales – domestic	-	-	1,418,905	954,276	1,418,905	954,276
Total	-	-	1,418,905	954,276	1,418,905	954,276

Allocation of transactions between promoted and non-promoted businesses

The Group has allocated their profit and loss for promoted and non-promoted businesses by separating the transactions that can be identified. The transactions which cannot be clearly identified are allocated based on the proportion of revenues earned by promoted and non-promoted businesses.

26. Financial Instruments

26.1 Financial risk management policies

The Group's board of directors manages the financial risks for the establishment and oversight of the risk management. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The risk reports identify risk factors based on their level and potential impact. These risks include market risk (Foreign exchange risk, interest rate risk and price risk), liquidity risk and credit risk. The Risk Management Committee will report regularly to the board of directors on its activities.

Credit risk

Credit risk refers to the risk that counterparty will default on its agreement and conditions resulting in collection losses to the Group. Credit limit is granted for a specific credit amount and is being monitored regularly. Furthermore, the Group manage the risk by adopting the policy of only dealing with creditworthy counterparty and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial losses from defaults.

Interest rate risk

Interest rate risk arises from the potential change in market interest rates to having affected the value of the financial assets and liabilities of the Group. Financial assets and liabilities interest rates are mainly adjusted in accordance with market rate or are fixed which is close to current market rate.

The Group has significant financial assets and liabilities are classified by type of interest rate, while the fixed interest rates are classified based on the maturity date or the date of new interest rate is applied, whichever is earlier.

Unit: Million Baht

	Consolidated financial statements						
	2021						
	Fixed interest rate			Floating interest rate	Non-interest Bearing	Total	Interest rate (% p.a.)
	within 1 year	over 1 – 5 years	over 5 years				
Financial assets							
Cash and cash equivalents	49.26	-	-	85.32	10.41	144.99	0.05-0.55
Trade and other receivables	-	-	-	0.10	418.31	418.41	-
Other current financial assets	107.00	-	-	-	501.52	608.52	1.20-4.10
Other non-current financial assets	-	598.00	196.00	-	375.10	1,169.10	3.00-5.50
Non-current financial assets used as collateral	-	10.18	-	-	-	10.18	1.45-2.00
Financial liabilities							
Trade and other payables	-	-	-	-	125.76	125.76	-

Consolidated financial statements

	2020						
	Fixed interest rate			Floating	Non-		Interest
	within	over	over	interest	interest		rate
	1 year	1-5	over 5	rate	Bearing	Total	(% p.a.)
		years	years				
Financial assets							
Cash and cash equivalents	-	-	-	272.07	24.39	296.46	0.05-0.55
Trade and other receivables	-	-	-	-	278.25	278.25	-
Other current financial assets	174.00	-	-	-	559.60	733.60	2.00-4.85
Other non-current financial assets	-	413.00	160.00	-	386.42	959.42	3.00-5.50
Non-current financial assets used as collateral	-	7.21	-	-	-	7.21	2.00
Financial liabilities							
Trade and other payables	-	-	-	-	82.59	82.59	-
Long-term loans from related parties	-	-	-	6.00	-	6.00	2.75-3.70

Unit: Million Baht

Separate financial statements

2021

	Fixed interest rate			Floating interest rate	Non- interest Bearing	Total	Interest rate (% p.a.)
	within	over	over				
	1 year	1-5 years	5 years				
Financial assets							
Cash and cash equivalents	-	-	-	52.45	7.32	59.77	0.10
Trade and other receivables	-	-	-	-	270.90	270.90	-
Other current financial assets	20.00	-	-	-	407.29	427.29	4.10
Other non-current financial assets	-	384.00	150.00	-	144.24	678.24	3.00-5.50
Financial liabilities							
Trade and other payables	-	-	-	-	30.81	30.81	-

Unit: Million Baht

Separate financial statements

2020

	Fixed interest rate			Floating interest rate	Non- interest Bearing	Total	Interest rate (% p.a.)
	within	over	over				
	1 year	1-5 years	5 years				
Financial assets							
Cash and cash equivalents	-	-	-	37.28	9.61	46.89	0.25-0.55
Trade and other receivables	-	-	-	-	171.11	171.11	-
Other current financial assets	114.00	-	-	-	462.27	576.27	2.00-4.85
Other non-current financial assets	-	284.00	150.00	-	136.31	570.31	3.00-5.50
Long-term loans to related party	-	-	-	24.00	-	24.00	MMR
Financial liabilities							
Trade and other payables	-	-	-	-	21.79	21.79	-

Foreign currency risk

The Group's exposure to foreign currency risks relating to purchase and sell which are denominated in foreign currency. The Group's management believes that foreign exchange rate risk will have no material effect to their operational results.

The Pet Co., Ltd. (subsidiary company) had obtained financial assets and liabilities denominated in foreign currency, which hadn't been hedged against currency risks as follows:

	Foreign currency	Consolidated financial statements		Exchange rate (Baht per Unit of foreign currency)	
		2021	2020	2021	2020
Financial assets	USD	83,409.80	91,326.40	33.2469	29.8674
Financial liabilities	USD	-	1,368.00	-	30.2068
	EURO	-	8,770.09	-	37.2578

Liquidity risk

The Group manages liquidity risk by maintaining a level of cash and cash equivalents through monitoring and planning of their cash flows which deemed adequate to the Group's operations.

26.2 Fair value measurement

Fair value

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial assets and financial liabilities with short-term maturities, are stated in the statement of financial position approximating their fair value.

The carrying amounts and fair value of financial assets and financial liabilities by category as at December 31, 2021 and 2020 are as follows:

Unit: Million Baht

Consolidated Financial Statements					
2021					
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total carrying value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	144.99	144.99	144.99
Trade and other receivables	-	-	418.41	418.41	418.41
Other current financial assets					
Fixed deposits	-	-	57.00	57.00	57.00
Debt instruments	501.52	-	-	501.52	501.52
Held-to-maturity debt instruments due within one year	-	-	50.00	50.00	50.34
Other non-current financial assets					
Marketable equity instruments	-	261.05	-	261.05	261.05
Non-marketable equity instruments	-	114.06	-	114.06	114.06
Held-to-maturity debt instruments	-	-	794.00	794.00	815.18
Non-current financial assets used as collateral	-	-	10.19	10.19	10.19
Financial liabilities					
Trade and other payables	-	-	125.76	125.76	125.76
Guarantee deposits received	-	-	19.67	19.67	19.67

Consolidated Financial Statements

	2020				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total carrying value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	296.46	296.46	296.46
Trade and other receivables	-	-	278.25	278.25	278.25
Other current financial assets					
Fixed deposits	-	-	64.00	64.00	64.00
Debt instruments	559.60	-	-	559.60	559.60
Held-to-maturity debt instruments due within one year	-	-	110.00	110.00	111.44
Other non-current financial assets					
Marketable equity instruments	-	262.25	-	262.25	262.25
Non-marketable equity instruments	-	124.17	-	124.17	124.17
Held-to-maturity debt instruments	-	-	573.00	573.00	589.11
Non-current financial assets used as collateral	-	-	7.21	7.21	7.21
Financial liabilities					
Trade and other payables	-	-	82.59	82.59	82.59
Long-term loans from related parties	-	-	6.00	6.00	6.00
Guarantee deposits received	-	-	19.42	19.42	19.42

Unit: Million Baht

Separate Financial Statements					
2021					
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total carrying value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	59.77	59.77	59.77
Trade and other receivables	-	-	270.90	270.90	270.90
Other current financial assets					
Fixed deposits	-	-	20.00	20.00	20.00
Debt instruments	407.29	-	-	407.29	407.29
Held-to-maturity debt instruments					
due within one year	-	-	20.00	20.00	20.12
Other non-current financial assets					
Marketable equity instruments	-	144.24	-	144.24	144.24
Held-to-maturity debt instruments	-	-	534.00	534.00	549.16
Financial liabilities					
Trade and other payables	-	-	30.81	30.81	30.81
Guarantee deposits received	-	-	17.36	17.36	17.36

Unit: Million Baht

Separate Financial Statements					
2020					
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total carrying value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	46.89	46.89	46.89
Trade and other receivables	-	-	171.11	171.11	171.11
Other current financial assets					
Fixed deposits	-	-	34.00	34.00	34.00
Debt instruments	462.27	-	-	462.27	462.27
Held-to-maturity debt					
instruments due within one year	-	-	80.00	80.00	80.97
Long-term loans to related party	-	-	24.00	24.00	24.00
Other non-current financial assets					
Marketable equity instruments	-	136.31	-	136.31	136.31
Held-to-maturity debt instruments	-	-	434.00	434.00	434.00
Financial liabilities					
Trade and other payables	-	-	21.79	21.79	21.79
Guarantee deposits received	-	-	17.28	17.28	17.28

Fair value hierarchy

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

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

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

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

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

The financial assets measured at fair value at each level as at December 31, 2021 and 2020 are as follows:

Unit: Million Baht				
Consolidated Financial Statements				
2021				
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments measured at FVPL	-	501.52	-	501.52
Investments in equity instruments measured at FVOCI				
Marketable equity instruments	261.05	-	-	261.05
Non-marketable equity instruments	-	-	114.06	114.06
Total financial assets	261.05	501.52	114.06	876.63

Unit: Million Baht				
Consolidated Financial Statements				
2020				
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments measured at FVPL	-	559.60	-	559.60
Investments in equity instruments measured at FVOCI				
Marketable equity instruments	262.25	-	-	262.25
Non-marketable equity instruments	-	-	124.17	124.17
Total financial assets	262.25	559.60	124.17	946.02

Unit: Million Baht

	Separate Financial Statements			
	2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments measured at FVPL	-	407.26	-	407.26
Investments in equity instruments measured at FVOCI				
Marketable equity instruments	144.24	-	-	144.24
Total financial assets	144.24	407.26	-	551.50

Unit: Million Baht

	Separate Financial Statements			
	2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in debt instruments measured at FVPL	-	462.27	-	462.27
Investments in equity instruments measured at FVOCI				
Marketable equity instruments	136.31	-	-	136.31
Total financial assets	136.31	462.27	-	598.58

In this accounting period, there was no transfer between the fair value levels

Valuation Method for Measurement of Fair Value

Level 1 Fair value of marketable equity instruments are based on the closing price by reference to the Stock Exchange of Thailand.

Level 2 Fair value of investments in debt instrument is determined by using the net asset value as announced by Assets Management Companies.

Level 3 Fair value of non-marketable equity instruments are based on adjusted the asset method whereby the information is reasonably available.

27. Commitments

27.1 Commitments under letters of credit and letters of guarantee

		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Outstanding unused letters of credit	(USD)	45,500.00	109,693.00	45,500.00	67,773.00
Letters of guarantee	(Million Baht)	19.90	19.36	9.71	9.71

27.2 Commitments under the credit agreements

Land, buildings and constructions of The Pet Co., Ltd. (subsidiary company) are mortgaged and pledged as collateral for credit facilities obtained from financial institutions in the amount of Baht 90 million.

Land, buildings and constructions of Eastplast Co., Ltd. (indirect subsidiary) are mortgaged and pledged as collateral for credit facilities obtained from financial institutions in the amount of Baht 3 million.

The Pet Co., Ltd. (subsidiary company) and Eastplast Co., Ltd. (indirect subsidiary) jointly entered into agreement with a financial institution in 2016, to obtain credit facility (P/N) in the amount of Baht 60 million with interest rate at MMR p.a. The period of drawdown is within 10 years, and certain machineries of Eastplast Co., Ltd. have been registered and pledged as collateral for the credit facility agreement. In September 2021, the aforesaid credit facilities agreements and machineries registrations had been cancelled.

27.3 Commitment under contract for purchase of assets

As at December 31, 2021 The Pet Co., Ltd. (subsidiary company) had commitment under contract for purchase of assets in the amount of USD 361,250. (2019: USD 42,230)

28. Approval of financial statements

These financial statements have been approved for issue by the Board of Directors on February 28, 2022.

Section 4

Confirmation of Information Accuracy for Form 56-1 of Listed Company

The Board of Directors and the Company Executives whose name appear below were assigned to certify the accuracy of the annual information disclosure report/ annual report.

	Name		Position	Signature
1.	Mr. Suchin	Wanglee	Chairman	_____
2.	Mr. Vivat	Charanvas	Director	_____
3.	Mr. Anurat	Tiyaphorn	Director	_____
4.	Mrs. Wanida	Chansikarin	Independent Director	_____
5.	Mr. Pitiphong	Bisalputra	Independent Director	_____
6.	Mr. Anin	Wanglee	Independent Director	_____
7.	Mr. Somchai	Jongsirilerd	Director	_____
8.	Mr. Nate	Charanvas	Managing Director	_____
9.	M.L. Chintat	Jombunud	Director & Company's Secretary	_____

	Name		Position	Signature
Attorney	Mr. Nate	Charanvas	Managing Director	_____

The persons listed above have supervised on behalf of the company to review the information in the annual information disclosure report/annual report with cautious. The company certifies that such information is correct, true, and complete. Besides, the company certifies that

- The financial statement and financial information summarized in the Annual Information Disclosure Report accurately and completely present material information concerning the financial position, performance and cash flow of the Company and its subsidiaries accordingly
- The Company had put in place a sound information disclosure system, so as to ensure that the Company have accurately and completely disclosed material information of the Company and its subsidiaries including the supervising the implement of the said system accordingly.
- It is our responsibility to arrange a sound internal control system and supervise system compliance accordingly. The Company have reported the internal control assessment as of 31 December 2020 to the company's auditor and the Board of the Audit Committee. The report covers deficiencies and significant changes in the internal control system, as well as any misconduct that may affect the financial reporting of the Company and its subsidiaries.

Information on the Board of Directors, Executives and Company Secretary**1. Mr. Suchin Wanglee**

Position	—	Chairman (Appointed in 1990)
Age	—	85 years old
Education Background	—	Bachelor's Degree in Electrical Engineering from Northrop Institute of Technology, USA
Training Experience	—	Director Accreditation Program 2013
	—	Role of the Chairman Program 2011
	—	Thailand Insurance Leadership Program, class 2/2012
	—	Top Executive Program in Urban Green Bangkok Development 2011
	—	Top Executive Program in Commerce and Trade 2010
	—	Capital Market Academy Leadership Program, class 9/2009
Other Positions and Work Experience	—	Chairman of the Compensation Committee/Vice Chairman/ Audit Committee Member/Director, Serm Suk PLC
	—	Director/Audit Committee Member/ Nomination and Remuneration Committee Member, BTS Group Holding PLC
	—	Chairman/Director Advisor to the Investment Committee/Director Advisor to the Executive Board, The Navakij PLC
	—	Chairman, Thaire Life Assurance PCL
	—	Chairman, The Navakij PLC (1993-Present)
	—	Chairman/Director, T.I.I. Co., Ltd. (2008-2019)
	—	Director, Varopakorn PLC (1994-2019)
	—	Director, Nuchapon Co., Ltd. (1990-2018)
	—	Chairman/Director, Thai Reinsurance PLC (1978-2016)
	—	Chairman/Director, The Falcon Insurance PLC (1970-2014)
Number of Companies Holding Director Position	—	Other listed companies 4 companies
	—	Other companies 11 companies
Number of Share Holding as at 31 DEC 2021	—	0.888%
Family Relationship among Directors and Executives	—	None

2. Mr. Vivat Charanvas

Position	<ul style="list-style-type: none">— Director (Appointed on 4 OCT 1989)— Risk Management Committee Chairman— Remuneration & Nomination Committee Chairman
Age	<ul style="list-style-type: none">— 73 years old
Education Background	<ul style="list-style-type: none">— Bachelor's Degree in Business Administration from California State University, U.S.A.
Training Experience	<ul style="list-style-type: none">— Chairman 2000 Program 2002— Director Certification Program (DCP) 2002— Effective Audit Committee 2002— Board and CEO Assessment 2002
Other Positions and Work Experience	<ul style="list-style-type: none">— Chairman, Songkhla Metal Drum Co., Ltd.— Director, The Pet Co., Ltd.— Director, Montien Riverside Hotel— President, Siam Food Products PLC (1998-2006)— Director, Eastern Seaboard Industrial Estate (ESIER) Co., Ltd. (1998-2006)— Director, Charan Insurance PLC (1981-2008)— Chairman, Progress Watch Co., Ltd. (2005-2019)— Director & Secretary General, Thai Food Processors' Association (1975-1980)— Head of Trade Delegations of Ministry of Commerce to New Zealand (1978)— Head of Trade Delegations of Ministry of Commerce to Middle East Countries (1982)— Minimum Wage Committee, Ministry of Interior (1986-1991)— Associated Judge, Central Labor Court, Ministry of Justice (1989-1991)— Director, Thai Listed Companies Association (1989-2006)
Number of Companies Holding	<ul style="list-style-type: none">— Other listed companies None
Director Position	<ul style="list-style-type: none">— Other companies 4 companies
Number of Share Holding as at 31 DEC 2021	<ul style="list-style-type: none">— 0.390%
Family Relationship among Directors and Executives	<ul style="list-style-type: none">— Cousin of Mr. Nate Charanvas

3. Mr. Anurat Tiyaphorn

Position	— Director (Appointed in 1990) — Remuneration and Nomination Committee Director
Age	— 69 years old
Education Background	— Master's Degree in Corporate and Commercial Law from New York University, U.S.A.
Other Positions and Work Experience	— Director, Baker & McKenzie Co., Ltd. — Director, United Standard Terminal PLC — Executive Director, Pimalai Resort & Spa Co., Ltd. — Director, Malaiwadee Co., Ltd. — Director, NCAT Co., Ltd.
Number of Companies Holding Director Position	— Other listed companies None — Other companies 4 companies
Number of Share Holding as at 31 DEC 2021	— 0.004%
Family Relationship among Directors and Executives	— None

4. Mrs. Wanida Chansikarin

Position	— Independent Director (Appointed in 1990) — Audit Committee Chairman
Age	— 60 years old
Education Background	— Bachelor's Degree of Science in Accounting from Rajamangala University of Technology — Bachelor's Degree in Finance from Sukhothai Thammathirat Open University
Training Experience	— Audit Committee Program 2006 — Director Accreditation Program 2004
Other Positions and Work Experience	— President Accounting Department of Sathorn Thani Co., Ltd. — Independent Director/Audit Committee Member, The Navakij PLC (2019-Present)
Number of Companies Holding Director Position	— Other listed companies 1 company — Other companies 6 companies
Number of Share Holding as at 31 DEC 2021	— 0.007%
Family Relationship among Directors and Executives	— None

5. Mr. Pitiphong Bisalputra

Position	<ul style="list-style-type: none">— Independent Director (Appointed on 1 JUL 2018)— Audit committee Director— Remuneration and Nomination Committee Director
Age	<ul style="list-style-type: none">— 57 years old
Education Background	<ul style="list-style-type: none">— Master's Degree in Business Administration from University of Hartford, U.S.A.
Training Experience	<ul style="list-style-type: none">— Successful Formulation and Execution of Strategy 2009— Director Accreditation Program 2003
Other Positions and Work Experience	<ul style="list-style-type: none">— Chief Executive Officer and President, The Navakij PLC (2002–Present)— Director, Varopakorn PLC (2019–Present)— Director, Aqua Master Solution Co., Ltd. (1987–2017)
Number of Companies Holding Director Position	<ul style="list-style-type: none">— Other listed companies 2 companies— Other companies 12 companies
Number of Share Holding as at 31 DEC 2021	<ul style="list-style-type: none">— 0.033%
Family Relationship among Directors and Executives	<ul style="list-style-type: none">— Nephew of Mr. Suchin Wanglee

6. Mr. Anin Wanglee

Position	<ul style="list-style-type: none">— Independent Director (Appointed on 22 JUN 2015)— Audit committee Director
Age	<ul style="list-style-type: none">— 42 years old
Education Background	<ul style="list-style-type: none">— Master's Degree in Business Administration from University of Hartford, U.S.A.
Training Experience	<ul style="list-style-type: none">— Director Accreditation Program 2015
Other Positions and Work Experience	<ul style="list-style-type: none">— Executive Vice President – Claims Management, The Navakij PLC (2010–Present)
Number of Companies Holding Director Position	<ul style="list-style-type: none">— Other listed companies None— Other companies 6 companies
Number of Share Holding as at 31 DEC 2021	<ul style="list-style-type: none">— 0.005%
Family Relationship among Directors and Executives	<ul style="list-style-type: none">— Nephew of Mr. Suchin Wanglee

7. Mr. Somchai Jongsirilerd

Position	— Independent Director (Appointed on 29 APR 1996)
	— Audit committee Director
Age	— 63 years old
Education Background	— Master's Degree in Business Administration from University of Detroit, U.S.A.
Training Experience	— Risk Management Program for Corporate Leaders 2022 — Director Accreditation Program 2004 — Anti-corruption, the Practical Guide 2017 — Ethical Leadership Program 2017 — Advance Audit Committee Program 2019
Other Positions and Work Experience	— Director, The PET Co., Ltd. — Director, Songkhla Metal Drum Co., Ltd. — Independent Director, Chairman of Audit Committee Director, Remuneration Director, Qualitech PLC — Assistant Managing Director, Thai Metal Drum Mfg. PLC (1994-2018)
Number of Companies Holding Director Position	— Other listed companies 1 company — Other companies 5 companies
Number of Share Holding as at 31 DEC 2021	— 0.031%
Family Relationship among Directors and Executives	— None

8. Mr. Nate Charanvas

Position	— Managing Director (Appointed in 1990)
	— Risk Management Director
Age	— 58 years old
Education Background	— Master's Degree in Business Administration from University of New Haven, U.S.A.
Training Experience	— Director Accreditation Program 2003
Other Positions and Work Experience	— Director, The PET Co., Ltd. — Director, Songkhla Metal Drum Co., Ltd. — Deputy Managing Director, Thai Metal Drum Mfg. PLC (1988-1996)
Number of Companies Holding Director Position	— Other listed companies None — Other companies 5 companies
Number of Share Holding as at 31 DEC 2021	— 32.635%
Family Relationship among Directors and Executives	— None

9. M.L. Chintat Jombunud

Position	— Director (Appointed on 26 MAY 2004)
	— Accounting & Finance Manager
	— Company's Secretary
Age	— 62 years old
Education Background	— Bachelor's Degree in Accounting & Finance from the University of the Thai Chamber of Commerce
Training Experience	— Director Accreditation Program 2004
Other Positions and Work Experience	— Director, The PET Co., Ltd. — Director, Songkhla Metal Drum Co., Ltd. — Assistant Accounting Division Manager, TMB Bank PLC (1993-1995)
Number of Companies Holding Director Position	— Other listed companies None — Other companies 5 companies
Number of Share Holding as at 31 DEC 2021	— None
Family Relationship among Directors and Executives	— None

10. Mrs. Suwaporn Nansurakit

Position	— Office Manager (Appointed on 29 JAN 2006)
Age	— 49 years old
Education Background	— Master's Degree in Inter Business and Management from Westminster University, England
Other Positions and Work Experience	— Director, The PET Co., Ltd. — Asst. Marketing Director, British American Tobacco Thailand Co., Ltd. (2005)
Number of Share Holding as at 31 DEC 2021	— None
Family Relationship among Directors and Executives	— None

11. Mr. Wiboon Wattanaputtiwong

Position	— Plant Manager (Appointed on 17 JAN 2007)
Age	— 50 years old
Education Background	— Master's Degree in Engineering Management from Griffith University, Australia
Other Positions and Work Experience	— Production Manager, Smartrac Technology Co., Ltd. (2006) — Production Manager, Cobra International Co., Ltd. (2005-2006) — Factory Manager, PPC Asian Insulator Co., Ltd. (2004-2005)
Number of Share Holding as at 31 DEC 2021	— None
Family Relationship among Directors and Executives	— None

12. Mr. Panya Pattarayutawat

Position	— Sales and Logistic Manager (Appointed on 1 JAN 2003)
Age	— 49 years old
Education Background	— Master's Degree in Business Administration from Ramkhamheang University
Other Positions and Work Experience	— Assistant Sales Manager (2001-2002)
Number of Share Holding as at 31 DEC 2021	— None
Family Relationship among Directors and Executives	— None

- Note**
1. Director ranking number 1-9 are the directors who are the authorized person to sign their names in performance of the acts that bind the company as stipulated in Company Affidavit
 2. Director and Executive Management ranking number 1-12 (all members) have no record of punishment from being guilty in violating the Securities and Exchange Act B.E.2535 and/or Derivatives Act B.E.2546 in the past 5 years (year 2016-2021)

Table Showing the Position of Board of Directors in the Company, Subsidiaries, Associated Companies and Other Companies

NAME	THAI METAL DRUM	SUSIDIARIES						OTHERS	
		Songkhla Metal Drum	Surat Metal Drum	Lake Rajada	The PET	Eastplast	Rangsit Plaza		
1. Mr. Suchin Wanglee	X	-	-	/	/	-	X		
2. Mr. Vivat Charanvas	/	X	/	-	/	-	-		
3. Mr. Anurat Tiyaophorn	/	-	-	-	-	-	-		
4. Mrs. Wanida Chansikarin	C,I	-	-	-	-	-	-		
5. Mr. Pitiphong Bisalputra	A,I	-	-	-	-	-	-		
6. Mr. Anin Wanglee	A,I	-	-	-	-	-	-		
7. Mr. Nate Charanvas	/	/	X	X	/	X	-		
8. Mr. Somchai Jongsirilerd	/	/	/	/	/	/	-		
9. M.L. Chintat Jombunud	/	/	/	/	/	/	-		

Note X = Chairman I = Independent Director / = Director
 C = Audit Committee Chairman A = Audit Committee

Information on Directors of Subsidiaries

	NAME	SUBSIDIARIES				
		Songkhla Metal Drum	Surat Metal Drum	Lake Rajada	The PET	Eastplast
1.	Mr. Nibhond Charanvas	-	-	-	/	-
2.	Mr. Sukit Wanglee	-	-	/	X	-
3.	Mr. Suchin Wanglee	-	-	/	/	-
4.	Mr. Vivat Charanvas	X	/	-	/	-
5.	Mr. Somchai Jongsirilerd	/	/	/	/	/
6.	Mr. Nate Charanvas	/	X	X	/	X
7.	Mr. Sakda Silakong	/	-	-	-	-
8.	Mrs. Pongsri Chaipapra	/	-	-	-	-
9.	Mrs. Penpit Phattharawit	/	-	-	-	-
10.	M.L. Chintat Jombunud	/	/	/	/	/

Note X = Chairman
 / = Director

Enclosure No.3

Information on the Internal Audit Head and the Compliance Head

Title	Head of the Team who Govern the Operation
Name – Last Name	Mrs. Salin Nivatpumin
Position	CEO
Company	AMC International Consulting Co., Ltd.
Education	M.B.A. Majoring in Finance and Marketing, Sasin, Chulalongkorn University with a semester at JL Kellogg, Northwest University, USA B.A. in Communications, University of Ottawa, Canada
Work Experience	2004 – present CEO of the company involve with the consulting, internal auditing, risk assessment and external audit 2017 – present Member of the Audit and Assessment Committee of the Taksin University 2010 – present Part-time Professor, teaching of organizational risk assessment and internal audit for Commerce & Accountancy Faculty, Thammasat University 2013 – 2016 Member of the Risk Management Oversight Committee of the Valailuck University 2009 – 2011 Expert appointed to the Audit and Assessment Committee of the Valailuck University 2004 – 2008 CEO of Sam Ngan Ngan AMC Co., Ltd. providing external audit to listed companies 2011 – 2004 Vice President – Large corporate BNP PARIBAS, Bangkok 1997 – 2011 Relationship Manager – Large customer and telecom desk, HSBC Bangkok 1993 – 1996 Assistant Manager, Investment Banking – Equity Market (Debt and Derivatives) Nithipat Capital Financial & Securities Plc.
Related Training	Training in management, risk analysis, internal audit, accounting, finance, and banking
Duty and Responsibility	Control and governing the internal audit operation including planning, meeting, analyzing, points gathering as well as review of the report and the recommendations

Title		Head of Internal Audit Team
Name – Last Name		Mr. Teerachai Thamviriyaporn
Position		Senior Consultant
Company		AMC International Consulting Co., Ltd.
Education		BA in Laws, Bangkok University
Work Experience	2008 – Present	Senior Consultant with experience in organizational risk assessment, internal control and internal audit of financial institutions, insurances, property development, construction, funds, foundations, and manufacturing etc.
Related Training		Trainings in the area of risk assessment, internal control, and internal audit
Duty and Responsibility		Involve with the planning of the internal audit as well as supervising the operation of the audit team. Including the analyze, assessment as well as the preparation of the report

Title		Internal Auditor
Name – Last Name		Mrs. Satjana Na Ranong
Position		Consultant Manager Finance, Accounting and HR
Company		AMC International Consulting Co., Ltd.
Education		BA in Managerial Accounting Majoring in Finance and Banking, Siam University
Work Experience	2004 – Present	Finance, accounting, tax & HR taking care of foreign customers and Internal audit of various businesses i.e. manufacturing, textile, leasing, fund, and foundations
	1997 – 2004	Human Resource and Payroll Manager, Sam Nag Ngan AMC Co., Ltd.
	1995 – 1997	Accounting and Finance Officer – budgeting and AP/AR Siam City Syndicate Finance and Securities Co., Ltd.
Related Training		Trainings on accounting, finance, and business management
Duty and Responsibility		Involve with the planning of the internal audit, performing the audit, involve with the summarizing and suggesting recommendation and preparation of the report

Enclosure No.4

Assets Used in Business Operation and Property Appraisal

1. Tangible Assets

Asset Type / Property	Ownership	Book value (million Baht)
1. Land 22 parcels, total area of land 126-2-11.60 Rai	Owner	343.59
2. Investment properties	Owner	66.32
3. 5 Factories	Owner	111.17
4. Machines & Equipment	Owner	275.92

Land with building and machinery is used as collateral loan with financial institutions.

2. Investments in Subsidiaries

The Company has a policy to invest in businesses that are related to the company's core business which is packaging. Presently, the Company has 5 subsidiaries which the Company had held 79.999 to 99.997% of the registered shares in these subsidiaries. The proportion of investments in all subsidiaries represented 4.50% of the total assets of the company. The Company has no further project to invest in.

3. Property Appraisal

The Company and its subsidiaries have re-appraised the value of land and condominium of the Company and its subsidiaries according to accounting standard required to know the current market value for accounting record. The appraisal was conducted on October 18, 2018 by Bangkok Property Appraisal Co., Ltd that is on the Valuer approved by the Office of the SEC which Mr. Damrus Chaolert (Wor No. 297), was the main assessor and Mr. Paisal Sangkate was the (Wor Sor No. 1791) surveyor and assessor as detail below:

Unit : Million Baht

Description	New Appraisal	Current Appraisal
1. Investment Properties		
The Company		
— Land	734.86	529.81
— Condominium	951.27	872.72
Total	1,686.13	1,402.53
Subsidiaries		
— Condominium	40.92	37.54
Total	40.92	37.54
2. Land for business		
The Company	110.40	98.40
Subsidiaries	233.19	203.04
Total	343.59	301.44

Enclosure No.5

Corporate Governance Policy and Guidelines and Code of Conduct

For detailed information, please go to www.thaimetaldrum.com under the heading of Sustainability → Governance
→ Significant Policies of TMD.

Enclosure No.6

Report of the Audit Committee

Dear Shareholders of the Company,

The Audit Committee of Thai Metal Drum Mfg. Public Co., Ltd, consists of 3 Independent Directors whose names are Mrs. Wanida Chanikarin as the Audit Committee Chairman, Mr. Pitiphong Bisalputra and Mr. Anin Wanglee as the Audit Committee Directors. As assigned by the Board of Directors, the Audit Committee has performed its duties and responsibilities according to the Charter of Audit Committee to review the Company's financial report, to oversee the effectiveness and appropriateness of the internal control system and to ensure that the Company conducts business in compliance with rules and laws of the Securities and Stock Exchange including other applicable laws related to the Company's businesses. The duties of Audit Committee include the selection and nomination of the Company's auditor, the revision of annual audit fee and the reflection on the independence of internal auditor as well as the revision of connected transaction that may lead to conflict of interest. The Board of Audit Committee therefore, summarized the key performance of their duties in 2021 as follow:

The Audit Committee held 4 meetings which all Audit Committee Member attended these 4 meetings and reported the results of the 4 meetings to the Board of Directors. In term of financial statements, the Audit Committee held 4 meetings with the company's auditor to examine and review the financial statements quarterly and annually. One of the said meetings was held without the presence of Company's Executive. The Company's auditor has expressed their opinion on the consolidated financial statements and the company's financial statements that were presented fairly in all material respects and being unconditionally in conformity with Thai Financial Reporting Standards. From report of the meeting with the company's auditor, the Board of Directors also has the same opinion as company's auditor that the report of the financial statements of the Company and its subsidiaries were prepared completely and accurately according to the current reporting standards.

In terms of reviewing the efficiency of the internal control system, this year the Independent Auditor had conducted an audit on the 2 processes which are the process in terms of the inventory of raw material and maintenance. The area of audit covers the policy, rule, regulation, operating procedures, and regulation relating to the process of good receipt-payment, measures to deal with raw materials shortage and delivery delay due to the COVID-19 pandemic situation. The audit covers in term of both quality and quantity, managing space for raw material storage including spare parts for the maintenance of machines and facilities in order to enhance the production process with maximum efficiency. The audit of this 2nd process is related to customer, the inventory of finished goods and delivery. The area of audit covers the annual revision of credit limit, an increase, and a decrease in credit limit, the planning of delivery goods to customers, complaint handling, customer satisfaction survey and work relating to accounting and finance.

The independent auditor reported that the internal audit findings on the above mentioned 2 processes were done at the appropriate level. Besides, the independent auditor also suggested further to improve certain working process to strengthen the internal control process more efficiently. The Company has improved certain working processes as suggested. The Board of Audit Committee had an opinion that the internal control system of the Company and its subsidiary is appropriated, and the auditor performed their task independently.

In term of regulations and laws of the Stock Exchange of Thailand, Directors and Executives of the Company had acted in compliance with the regulations and laws required by the Stock Exchange of Thailand. Relating to the connected transactions of the Company and its subsidiary, there is no new connected transaction which may lead to conflict of interest with the related parties of the Company and its subsidiary. Concerning the selection of the Company's auditor, the Audit Committee had an opinion that the auditor of the Company and its subsidiary performed their duties independently and comply with the regulation of the Securities and Exchange Commission. The Audit Committee thus proposed to the Board of Directors to appoint Mr. Pornchai Kitipanya-ngam, Certified Public Accountant Registration no. 2778 or Mrs. Suwannee Kitipanya-ngam, Certified Public Accountant Registration no. 2899 or Mr. Thanakorn Fakfaipol, Certified Public Accountant Registration no. 4879 from Bunchikij Company Limited to be the Company's auditor for the fiscal year 2022.

On behalf of Audit Committee,



(Mrs. Wanida Chansikarin)
Audit Committee Chairman

February 23, 2022



THAI METAL DRUM MANUFACTURING PUBLIC COMPANY LIMITED

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