

Annual Registration Statement and Annual Report 2020 (Form 56-1 One Report) (Form 56-1) (Form 56-1) / CHRISTIANI & NIELSEN (THAI) PUBLIC COMPANY LIMITED



CHRISTIANI & NIELSEN



CHRISTIANI & NIELSEN



บริษัท คริสเตียนีและนิลสัน (ไทย) จำกัด (มหาชน)

Christiani & Nielsen (Thai) Public Company Limited

Annual Registration Statement and Annual Report 2020
(Form 56-1 One Report)

FOUNDATION FOR THE FUTURE



พันธกิจ วิสัยทัศน์ ของบริษัทฯ

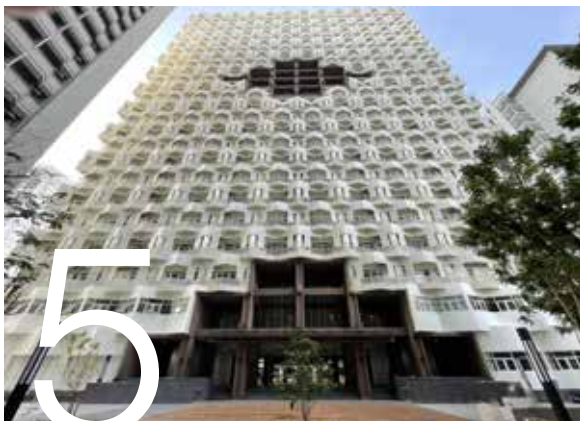
เกือบศตวรรษในการดำเนินธุรกิจรับเหมาก่อสร้างของบริษัทฯ เราได้เข้าไปมีส่วนร่วมในการพัฒนาสถานที่สำคัญหลายแห่งในประเทศมาโดยตลอด และเรายังคงยืนยันที่จะสร้างรากฐานที่แข็งแกร่งสำหรับอนาคตข้างหน้าต่อไป เรามุ่งมั่นที่จะเป็นบริษัทรับเหมาก่อสร้างที่ได้รับการยอมรับมากที่สุดในประเทศไทยและในอาเซียน โดยมอบการบริการที่เป็นเลิศให้แก่ลูกค้า ยึดมั่นและปฏิบัติตามคำมั่นสัญญา รวมถึงความใส่ใจดูแลพนักงานของเราทุกคน

MISSION AND VISION STATEMENT

With a century of operations, we have a unique place in Thailand's development, and will firmly continue to build a strong foundation for its future.

We aim to be the most highly regarded construction company in Thailand and ASEAN, by delivering excellence to our clients, honoring our commitments and nurturing each one of our people.

PROJECT HIGHLIGHTS





4



7



8

1

THUNGSONG
INTERCHANGE

2

CPRAM
BO
NGOEN 2

3

PTTLNG
ADMIN
BUILDING

4

RATCHAPHRUEK
HOSPITAL

5

CHULA
NURSES
DORM

6

INDIAN
EMBASSY
RESIDENCE

7

PTTLNG
TANK

8

THAI OIL
NEW OFFICE



CHRISTIANI & NIELSEN
FOUNDED 1930



Excellent CG Score



~ 1,000 EMPLOYEES



OVER 50 PROJECTS EXECUTED
ANNUALLY MORE THAN
2,000 PROJECTS
COMPLETED IN THAILAND



~ 4,000 WORKERS



CIVIL & INFRASTRUCTURE
GENERAL BUILDINGS & HOSPITALITY
POWER & PETROCHEMICALS
INDUSTRIAL FACILITIES & HYPERMARKETS



Professional Practice (Juridic Person)
under Engineering Act B.E. 2542
Registration No. 55 /62



CONTENTS

9

MESSAGE FROM
THE CHAIRMAN

10

THE BOARD OF
DIRECTORS REPORT

14

FINANCIAL
HIGHLIGHTS

BUSINESS OPERATIONS

15

TYPE OF BUSINESS
OPERATIONS

18

CORPORATE AND
REVENUE STRUCTURE

20

NATURE
OF BUSINESS AND
OPERATIONS

26

CORPORATE
STRUCTURE

27

SHAREHOLDING

28

DIVIDEND PAYMENT
POLICY

29

RISK MANAGEMENT

33

SUSTAINABILITY
REPORT

66

MANAGEMENT
DISCUSSION AND
ANALYSIS (MD&A)

85

DETAIL OF THE
COMPANY

87

LEGAL DISPUTES

CORPORATE GOVERNANCE

88

CORPORATE
GOVERNANCE

115

ORGANIZATION
STRUCTURE

126

AUDIT AND CORPORATE
GOVERNANCE
COMMITTEE'S REPORT

128

NOMINATION
COMMITTEE'S REPORT

129

REMUNERATION
COMMITTEE'S REPORT

130

RISK MANAGEMENT
COMMITTEE'S REPORT

131

INTERNAL CONTROL
AND INTERNAL AUDIT

134

CONNECTED
TRANSACTIONS

CONTENTS

FINANCIAL STATEMENTS

136

REPORT OF THE BOARD
OF DIRECTORS'
RESPONSIBILITY FOR
THE FINANCIAL REPORT

138

INDEPENDENT
AUDITOR'S REPORT

145

FINANCIAL
STATEMENTS

157

NOTES TO
CONSOLIDATED
FINANCIAL
STATEMENTS

221

ATTACHMENT

Detail Board of Directors, Executives, Controlling Person, Corporate Secretary, Person Supervising Accounting, and Head of Internal Audit Department, Secretary to Audit and Corporate Governance Committee.



Corporate Governance Policy and Guidelines (Full Version)



Code of Conduct (Full Version)



MESSAGE FROM THE CHAIRMAN

The Company achieved a reasonably satisfactory financial result in 2020. Construction revenue was close to our internal target, adjusted early in the year for effects of Covid-19, but was still higher than in the previous year. Similarly, gross margin achieved was higher than in the previous year in terms of amount and percentage (of construction revenue). This resulted in a reasonable net profit, slightly higher than in the previous year.

In the short term, the construction market is expected to continue to be negatively impacted by struggling economies inside and outside of Thailand, and the ongoing effects of Covid-19. In the medium term however, prospects should be brighter as vaccination programmes are rolled out worldwide.

The Company places great emphasis on good corporate governance and continually seeks improvement

through systems and culture training, and so pleased to receive a rating of “excellent” in the assessment of Thai listed companies made by the Thai Institute of Directors Association. The Company is also acutely aware of the need to create and maintain a clean sustainable environment and, as part of its efforts, solar panels have been installed on the roof of the Head Office building and Plant Office building, alongside the ongoing ‘Go-Green’ policy of reducing waste and increasing recycling, both, in the office as well as worksites.

In anticipation of better prospects ahead, I thank the shareholders, our clients and all stakeholders for their confidence and support and, on behalf of the Board of Directors, I express our sincere thanks also to the management, staff and all employees of the Company for their hard work, loyalty and determination throughout the past year.

(Mr. Santi Grachangnetara)
CHAIRMAN



THE BOARD OF DIRECTORS REPORT

To Shareholders

Annual Review

In year 2020, the Coronavirus disease (COVID 19) pandemic resulted in an economic slowdown and an adverse impact on most businesses and industries. This situation has brought uncertainties and impacted the environment in which the Company and its subsidiaries (the Company or the Group) operate. The Group has managed the impact quite well so far and continues to monitor ongoing developments. The Group's management has also assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, whereas estimates and discretion were used in respect of various issues as the situation evolved.

The Company achieved a reasonably satisfactory financial result in 2020. Construction revenue was close to our internal targets adjusted early in the year for effects of COVID-19 but was still higher than in the previous year. Similarly, gross margin achieved was higher than in the previous year in terms of amount and percentage (of construction revenue). This resulted in a reasonably good consolidated net profit, in fact even slightly higher than in the previous year.

For several years now, with the slowdown in new investment in the economy (both, domestic and foreign), the competition in the construction market has been severe, and resulted in a prolonged gradual decline in tender margins. This decline was exacerbated throughout 2020 by the effects of COVID-19, namely, depressed economy, depressed construction market, fewer tenders and even fiercer competition as contractors cut bidding prices in an effort to secure work to support the retention of their staff and workforce. In the circumstances, the Company continues to make efforts to secure a reasonable share of major public sector infrastructure projects in the medium to long term. The political situation also continued to have a negative impact on the private sector and foreign investment in the construction market, particularly in the industrial sector which continues to remain depressed. In fact, the depressed conditions in the economy in terms of investment is now exacerbated even in terms of domestic investment which may continue to remain sluggish.

From 2020 to the beginning of 2021, while the coronavirus (COVID-19) pandemic has had a significant impact on the

Company's current and future operations, guidelines to mitigate the economic and social impact have been adopted. The Company has cared for all stakeholders through these challenging times, especially in terms of the health and well-being of employees during the outbreaks in Thailand. To keep employees safe, the progress of the situation and its impact are closely monitored. Measures were taken to respond appropriately and immediately to the situation. The Company communicated about the measures through appropriate channels in the organization to ensure that the employees and stakeholders were well-informed and that they understood the procedures in accordance with the Company's crisis management process. As a result, the Company was and is able to continuously operate its business without any disruptions and also achieve its revenue and profitability goals. In addition, management has prepared a plan to rehabilitate the business after the COVID-19 pandemic in order to cope with the impact of the global economic downturn. Executive meetings are held regularly to monitor performance progress, financial status, and tendering goals. If issues are found, policies and guidelines will be established to solve them right away. As for working conditions, the Company has established various measures to be carried out, i.e., operating business in the "New Normal," in order to prevent infection within the office and at construction sites. As for the long-term plan, even though it is still difficult to predict when the pandemic will end and assess when the world and domestic economies will fully recover, the Company has reviewed its fixed costs structure to bring it in line with current level of turnover and continues to monitor the same for further adjustments, if necessary. Moreover, the Company also focuses on training and developing personnel to gain more expertise in a number of areas to ensure that the Company and its personnel are not left behind in the continually changing business environment. That includes finding ways to manage projects efficiently and effectively in order to maintain the Company's long-term competitiveness. The Company intends to achieve the best possible returns for all stakeholders and grow the business with a sustainable approach, all of which create balance between economic, social, and environment objectives.

During the peak of the COVID-19 outbreak, as part of the crisis management plan, the management decided to have 75% of the Head office employees work from home (WFH). During their WFH, special e-learning courses

were instituted for all staff to keep sharpening their skills and acquire knowledge in their respective areas of work. These new training courses that were instituted included functional training courses, enhancement in management skills and English language training for office and sites.

The Company has also developed a system for occupational health and safety management following the changes in current standards; certified initially as OHSAS 18001:2007, to ISO 45001:2018 certified by Bureau Veritas, which is the recognized world leader in testing, inspection and certification services (TIC) (www.bureauveritas.co.th). The Company joined EcoVadis to obtain holistic assessment of social and environmental responsibility ratings (CSR). Each company under this certification program is rated on the material issues as they pertain to the company's size, location and industry. The evaluation method is based on industrial standards such as the International Reporting Index (GRI), ISO 26000, and the World Agreement Code of Conduct (www.ecovadis.com). The Company's efforts in obtaining this certification were very successful and the Company thereby obtained the Bronze level.

In terms of the Company's cashflows, the initial impact immediately after the outbreak was very severe, but, the Company's management took immediate measures to maintain liquidity in order to operate the business without any disruption. One of the measures was to accelerate release of the funds stuck for long periods as work-in-progress (WIP) which is value of work done pending for approval by the clients or their consultants. WIP, once certified, gets converted to invoicing which then results in receipt of funds as and when due. At the beginning of the year, the WIP (or funds locked up) was around THB 2,000 million and with hard efforts to accelerate the certification of WIP, the funds held as WIP as at the end of 2020 reduced to around THB 1,000 million which is a significant reduction from what it was in early 2020. With this and other such measures, the Company can now maintain comfortable cash balances to support its business operations. Moreover, during this time, the management also closely monitored and assessed the risks on receivables from clients to prevent any future bad debts. As such, at the beginning of the year while the management was taking measures to unlock the funds from WIP, the Company had to resort to drawing short-term loans from financial institutions to temporarily support the

operations, but with efficient financial management, the Company's liquidity improved dramatically. Consequently, the Company was able to repay all its short-term loans and even prepay its long-term loan which was taken to finance the construction of the Company's Office Building in 2014, and thereby reduced finance costs in the latter part of the year. Therefore, as a result of all these efforts, as at the end of the year the Company's liquidity ratios have shown a marked improvement not only over what they were at the beginning of this year, but even over what the Company had over the previous 2/3 years.

In 2020, the Company bid for Tenders valued at over THB 46,000 million, but, in view of the fierce competition in the market, managed to secure projects of about THB 5,500 million only which works out to a success ratio of 8:1. A few large projects for which the Company bid or signed contracts during the year are:

- Joined with reputed companies and jointly bid for the U-Tapao International Airport and Eastern Aviation City Public-Private Partnership (PPP) project of THB 270,000 million. While the Company was unsuccessful on this Bid, we did manage to gain valuable experience of bidding for such large PPP projects since this was the first time in the Company's history of having bid for a PPP project of this size and scale. This experience will be very useful for the Company in future.
- Joined with a large Chinese Company and jointly bid for the construction of the Depot and Maintenance Center for the High-Speed Railway System (value of over THB 6,000 million), which is being executed as a collaboration between the Thai and Chinese Governments. However, unfortunately the Company was not awarded the contract.
- The Company successfully bid for and was selected as the contractor with the contract value of THB 3,900 million of the Srinagarind Hospital Medical Service Center, Faculty of Medicine, Khon Kaen University and signed the contract on September 15, 2020. This contract is one of the largest and highest in value terms that the Company has ever signed for this type of construction.

Thai Construction Industry

The year 2020 could be considered a nightmare for Thailand's economy. The numbers revealed that for the full-year 2020, GDP shrunk by 6.1% and although the contraction was lower than initially expected, it was still the worst in the last 22 years. Private Investment dropped significantly by 8.4% in 2020. Given that the Thai

construction industry in Thailand is directly dependent on the growth of the economy along-with the amount of Public and Private Investment into the economy, it was not surprising that the year was not good for our Industry. Moreover, the COVID-19 shock hit the country's economy just when it appeared that things might get better and consequently, the new projects for tendering slowed down to an absolute trickle and consequently, the competition has become fiercer than perhaps ever before. .

The industry now remains totally dependent on the Government to stimulate the economy through new investments in infrastructure until the country can be fully reopened to tourism and some normalcy is restored.

Future Outlook

In the immediate short term, the construction market is expected to continue to be negatively impacted by struggling economies in the region including Thailand, the sluggish Investment Outlook (both, Domestic and Foreign), and the ongoing effects of COVID-19. In the medium term however, prospects should be brighter as vaccination programmes are rolled out worldwide. Thailand's economy is projected to grow by 2.5% in 2021, thereby, indicating that the construction industry may gradually rebound starting around the end of year 2021 or from early 2022. From a Company perspective, in 2021, due to the significantly fewer new projects that are expected to come up, the Company may end up bidding for new projects with tender value expected to reach approximately THB 25,000 million. The Company aims to win contracts of THB 5,000 million, and it is expected that the bulk of the new contracts should come out of the public sector only. The backlog of the Company as of December 31, 2020 was approximately THB 11,444 million, which is rather good in the present depressed market conditions although slightly lower than that at the end of year 2019. Due to these depressed market conditions and severe competition as mentioned above, the Company's construction revenue is expected to decrease slightly in year 2021. However, even though the Company believes that market conditions in the construction business will continue to be challenging throughout 2021, the backlog will help the Company to cushion a very sharp fall in construction revenue.

Notwithstanding the challenging market conditions expected in 2021 in the construction business, it is rather fortuitous

that in recognition of the huge potential in the alternate energy space in Thailand and in the wider Indo-China region, the Company entered into the Alternate Energy Sector in the Year 2019 by setting up a subsidiary "Christiani & Nielsen Energy Solutions Co., Ltd., (CNES)", which, by the end of Year 2020 has made a significant impact in the domestic Solar projects' market by acquiring in excess of 25MWp volume of contracts. CNES now through its wholly owned Subsidiary (CNESD1) has now entered the sector of developing renewable energy assets to assure uninterrupted revenues in the long term, and has successfully acquired a large and reputed Group as its main customer, in the sector. This customer has also agreed to let CNES be their Global vendor for their other facilities in Asia. With an exponential growth projected in the renewable energy sector and CNES' possible foray into related sectors, the Company views that this new path to growth initiated in 2019 will go a long way in not only ensuring the Company's long term growth, but to also provide stability to the Company's construction business which is volatile, fiercely competitive and highly dependent on the growth of the Thai economy and will go a long way in cushioning the impact of the challenging conditions expected to be faced in the Company's traditional construction business.

Financial Review

Consolidated construction income and revenue from sales and services of the Company in 2020 was THB 7,526 million. Total construction and direct expenses were THB 7,152 million, which resulted in a Gross Margin of THB 374 million. After other income of THB 21 million, administration expenses of THB 286 million, allowance for expected credit losses of THB 3 million, financial cost of THB 24 million and income tax of THB 6 million, the Company ended the year with a consolidated net profit (after tax) of THB 76 million.

The consolidated net profit after tax of THB 76 million is higher as compared to a net profit after tax of THB 70 million in the year 2019, mainly because the gross margin improved from 4.5% in 2019 to 5.0% in 2020. The net profit also increased because the construction income and revenue from sales and services of the Company increased by THB 285 million or 3.9%, resulting in an increase of absolute gross profit of THB 45 million. The

Company managed to reduce administrative expenses by THB 43 million. Other income apart from the construction income and revenue from sales and services decreased by THB 85 million since, in year 2019, other income included recovery of doubtful debts of THB 64 million and there was a profit from the change in fair value of investment properties of THB 31 million, derived from the Company changing its accounting policies regarding the record of the investment properties from a cost model to a fair value model to reflect the actual valuation of the lands and properties for investment. Other income was also higher this year because of the THB 10 million gain from increase in disposals of construction equipment in year 2020. However, financial costs increased by THB 2 million since the Company had to resort to taking short term loans mainly in the first half of the year for funding working capital requirements. The Company has set up an allowance for expected credit losses of THB 3 million and there was a decrease from 2019 in deferred corporate income tax of THB 9 million

As of the end of year 2020, the Company and its subsidiaries had total assets of THB 6,361 million, total liabilities of THB 4,258 million and shareholders' equity of THB 2,103 million. Cash and cash equivalents as at the year ended 2020 was THB 239 million, an increase of THB 57 million from a balance of THB 182 million at the beginning of the 2020 which came after net cash earned from operating activities of THB 634 million, net cash from investing activities of THB 14 million and net cash used in financing activities of THB 591 million. As explained above, the liquidity position of the Company is quite good at the end of the year. The Current ratio of the Company per the consolidated financial statements is 1.09 times, which increased slightly as compared to the end of year 2019 and the Quick ratio is 0.44 times, which also is higher than 0.26 times at the end of year 2019. The Return on Equity was 3.63% compared to 3.86% in year 2019 and Return on Assets was 1.16% compared to 1.13% in year 2019. Debt to Equity ratio was 2.02 times which was better than 2.22 times as at the end of year 2019.

Appropriation

The Board of Directors proposes to appropriate the earnings of the Company (per separate financial statements of Company only) for year 2020 as follows:

	Baht
Retained Earnings brought forward	343,014,215
Operating Result for year 2020	73,013,425
Actuarial loss on Financial & Demographic assumption changes and experience adjustment	(20,659,966)
Reversal of gain on valuation	2,108,620
<u>Appropriation</u>	
Legal reserve	(3,700,000)
Dividend payment	(51,395,207)
Unappropriated retained earnings carried forward	342,381,087

he appropriation as above is being proposed for approval at the next Annual General Meeting of Shareholders.



(Mr. Khushroo Kali Wadia)
Managing Director and Executive Director



FINANCIAL HIGHLIGHTS

(Unit : Million Baht)

Statements of Financial Position	2020	2019	2018 (restated)
Total Assets	6,361	6,721	5,774
Total Liabilities	4,258	4,634	4,210
Total Shareholders' Equity	2,103	2,087	1,564

Statements of Income	2020	2019	2018 (restated)
Construction Income and Revenue from sales and services	7,526	7,240	7,123
Total Revenues	7,540	7,339	7,193
Total Expenses	7,441	7,241	7,516
Gross Profit	373	329	174
Operating Profit (Loss)	98	98	(323)
Profit (Loss) for the year	76	70	(369)

Dividend information	2020	2019	2018 (restated)
Book value per share (Baht)	2.05	2.03	1.52
Earnings per share, Company Only (Baht)	0.07	0.09	(0.37)
Cash dividend declared for the year per share (Baht)	0.05	-	-
Cash interim dividend paid out per share	-	0.04	-

Financial Ratio	2020	2019	2018 (restated)
Current Ratio (times)	1.09	1.07	1.06
Gross Profit Margin (%)	4.96	4.54	2.45
Operating Profit (Loss) Margin (%)	1.31	1.36	(4.53)
Quality of Earnings (%)	644.68	(78.19)	(117.33)
Net Profit (Loss) Margin (%)	1.01	0.96	(5.13)
Return on Equity (%)	3.63	3.86	(20.79)
Return on Assets (%)	1.16	1.13	(6.34)
Debt to Equity Ratio (times)	2.02	2.22	2.69
Interest Coverage (times)	8.08	10.22	(46.78)
Dividend payout ratio (%)	70	46	-



TYPE OF BUSINESS OPERATIONS

Christiani & Nielsen (Thai) Public Company Limited was founded in 1930 with initial registered capital of 600,000 Baht. The Company's principal shareholders were Christiani & Nielsen A/S, Denmark, The East Asiatic Co., Ltd. and the Privy Purse Bureau (Crown Property Bureau). The Company registered share capital as at 30 December 2020 was 1,102,904,144.- Baht with paid up capital of 1,027,904,144.- Baht. The major shareholder of the Company is Thailand registered company named Globex Corporation Limited, holding shares of 56.535 %

Business Policy

Christiani and Nielsen (Thai) Public Company Limited is a construction company with a history of over 90 years. Throughout the years, the Company has always been a part of national development with many construction projects all across Thailand. Among these construction works, some have become landmarks of the country and can still be seen in various locations.

The Company is determined to be the most respected construction company both in the country and in the ASEAN region. Sustainable growth is a goal and a framework for implementation, which is in line with the Company's vision of building a strong foundation for its future. Furthermore, the Company attaches great importance to the development of personnel in order to have sufficient knowledge and ability. As to continuously increase the competitiveness, the Company has sought out construction technology as well as project management methods to make construction as efficient and as effective as possible.

All the years, the Company adheres to and honors the promises made to all stakeholders, whether they are internal or external stakeholders. The Company has been operating in strict compliance with laws and regulations. By adhering to good corporate governance principles, the Company has established strong and effective risk management and internal control. Furthermore, effective capital management has been put in place. The Company ensures that payments are accepted as scheduled. When in need of short-term or long-term financial assistance, the company ensures that the provision of reserves is procured.

Social and environmental responsibility are valued by the Company. As such, the Company has an intention to plant in the mind of the employees to become fully aware of the importance of their contribution to maintaining a sustainable environment.

The Board of Directors and executives regularly review their vision, business structure, and business strategy to create long-term value for stakeholders, i.e., creating good returns for those involved and growing business with a sustainable approach. These will create a balance between the economy, society, and the environment.

About us

Christiani & Nielsen was established by Dr. Rudolf Christiani and Captain Aage Nielsen in Copenhagen, Denmark in 1904. The founders incorporated technologies and their expertise to build bridges, marine works, and other reinforced concrete structures. Within less than ten years the company was widely recognized and had gained credibility. After that, the operations were extended to other countries in Europe, South America, and South Africa.

Christiani & Nielsen is a world class building contractor that has earned its reputation from civil engineering and structural works. The Company is well known for its high experience, expertise, and innovative technology. With over one hundred years of experience abroad and ninety years in Thailand the Company has participated in numerous significant engineering projects. It developed and produced reinforced concrete load relieving platform and vertical raking piles that were used for building wharves that later became known as "the C&N Wharf". In addition the Company also developed immersed-tube technology for underwater tunnel construction and cast-push method for bridge construction. Those techniques have been repeated and developed for use worldwide. Knowledge and expertise have been passed down from generation to generation, resulted in numerous types of building projects and country landmarks across the world. Roads, bridges, dams, seaports, tunnels, airports, gas separation plants, sport stadiums, high rise and residential buildings are examples of our projects.

The first 25 years in Thailand (1930-1955)

Christiani & Nielsen (Siam) Ltd. was founded on 28 February 1930 and officially registered as a private limited company on 10 September 1930. Its major shareholders were Crown Property Bureau, East Asiatic, and Christiani & Nielsen Copenhagen. Later in 1949 the name of the company was changed to Christiani & Nielsen (Thai) Limited.

Company projects in the first 25 years were roads within Bangkok and to other provinces, bridges, factories, cinemas, and many others. The Company also built country landmarks like the Democracy Monument (completed in 1940) and Kong Toey port (completed in 1941).

50-75 years in Thailand (1956-1980)

During this period reinforced concrete was increasingly used in the construction industry. The Company used it to build a 10-storey Oriental Hotel (completed in 1958). It was considered the very first high rise building in Thailand. In addition the Company also built highways, reinforced concrete bridge (connecting Bangkok and Thonburi), airport, dam, banknote printing factory, and industrial factories. Building industrial factories during those period was to accommodate the first national economic and social development plan (1961-1966), which intended to boost investment in the industrial sector. That marked the beginning of the industrialization era in Thailand.

75 years onwards (1981-2020)

Oil and natural gas was found in the Gulf of Thailand. The discovery played a vital role in spurring economic growth in Thailand. Christiani & Nielsen was active in many developmental projects in the Eastern Seaboard. Some of the Company's projects during that time were oil drilling, infrastructure for gas pipeline, drilling platform, golf courses, hotels, resorts, housing, large office buildings for both local and foreign investors, and many more.

In 1991 Christiani & Nielsen became the first construction company that was listed on the Stock Exchange of Thailand. In November 1992 the company was renamed Christiani & Nielsen (Thai) Public Company Limited.

In December of the same year the Company executed a reverse takeover from its publicly listed Danish parent company which was the first in Thai business history. Resulting from the economic crisis in 1993, the Company had to cease its operation overseas. The business since then was concentrated in Thailand only.

Throughout the years since establishment, Christiani & Nielsen (Thai) Plc. has constructed countless of projects, many of which are Thailand landmarks that symbolize the Country's development. At the 85th anniversary the Company purchased an area of land, instead of leasing it, to build a new head office, and also moved plant yard and steel structure factory to a new location that was sufficiently far away from communities to avoid disturbance. In addition, a training center was created to serve as a place for skills development for our staff and labour. The Company is determined to carry on the founders' wishes to achieve business goals and care for society and protect the environment in a sustainable manner.

To accommodate the growth of ASEAN community, on 15 July 2016, the Company established a new wholly owned subsidiary in The Republic of the Union of Myanmar namely Christiani and Nielsen (Myanmar) Limited to provide construction, engineering and related services with registered capital of USD 500,000 and paid up capital of USD 100,000. The Company paid for its investment three installments with payment of USD 100,000 per time on 16 March 2017, 2 July 2018 and 9 December 2019, respectively such that, at present, the total paid up capital is USD 400,000

On 4 July 2017, the Company established a new wholly owned subsidiary in Kingdom of Cambodia namely Christiani & Nielsen (Cambodia) Co., Ltd. to provide construction, engineering and related services with registered capital of USD 100,000 with fully paid up capital of USD 100,000.-

In 2018, the Company entered into an Investment Cum Shareholders Agreement (the "Investment Agreement") for a minority equity investment in Gammon Engineers and Contractors Private Limited (GECPL), a private company

based in India. The Company acquired newly issued 6,000,000 shares with par value of 35 Rupee India each or equivalent to THB 104 million. The Company views this as an attractive investment as it offers the Company a way to tap into GECPL's large technical resources and also gives access to the large Indian market.

In 2019, the Company established a subsidiary in Thailand, namely "Christiani & Nielsen Energy Solutions Company Limited" with registered share capital of THB 10 million. The Company holds 85% equity interest in this subsidiary. The objective of this investment is to explore and capture the growing opportunities in the solar, wind and other renewable energy business in order to diversify from the Company's main business, i.e., construction where market competition has recently become very fierce. Including the benefit of financial returns, mitigation of concentration risk associated with having a single business, and to enhance the Company's long term sustainability and reputation by entering into a business of the future.

On 19 July 2019, the Company was registered as Professional Practice (Juristic Person) under Engineering Act. B.E. 2542 with Council of Engineers. Registration No. 1551/62.

In 2020, the subsidiary "Christiani & Nielsen Energy Solutions Company Limited" established a new company in Thailand, namely "CNES D1 Co., Ltd. engaged in developing renewable energy based power producing facilities, with the registered share capital of THB 2 million. The subsidiary "Christiani & Nielsen Energy Solutions Company Limited" holds 100% equity interest in this company.

Changing in Shareholding Structure

Since 2005, the Company's Shareholders changed several times starting from May 2008, when longstanding major shareholder, Siam Commercial Bank PCL, sold its stake to the Crown Property Bureau, giving it a majority share. However, owning a construction company no longer fit with the long term business strategy, and in November 2011, the Crown Property Bureau sold all its shares to the GP Group, a company with a history that goes back more than 145 years in Thailand since 1918, through Globex Corporation Limited which then became the major shareholder of the Company.

Standards and Certifications

Throughout the years, the Company is committed to conducting business in a manner that adheres to construction international standards and certifications. This enables creation of sustainable value for the business and meet the satisfaction of all stakeholders. At present, the Company has received the latest quality management system certification, ISO 9001: 2015 from the United Kingdom and Accreditation Service (UKAS), which is an international standard that business organizations around the world trust in ensuring the quality of their organizations, and also from the National Accreditation Council of Thailand (NAC). In addition, the company is now certified with ISO 45001:2018 by Bureau Veritas Certification, which is a credible health and safety management standard to replace the OHSAS 18001: 2007. The Company joined EcoVadis to obtain holistic assessment of social and environmental responsibility ratings (CSR) and was obtained the Bronze level. As a result, the Company has been continuously receiving many awards in quality and safety from project Clients.



CORPORATE AND REVENUE STRUCTURE

Corporate Structure

As at 31 December 2020, the Company has 4 direct Subsidiaries and 1 indirect Subsidiary (wholly held by a subsidiary) (year 2019 - 4 Subsidiaries) as follows:

Direct Subsidiary	Type of Business	Registered Country	2020		2019	
			Paid up Capital	% of Share-holding	Paid up Capital	% of Share-holding
1. CNT Holdings Limited	Construction Business & Holding Company	Thailand	Million THB 50.0	60	Million THB 50.0	60
2. Christiani and Nielsen (Myanmar) Limited	Construction, engineering related services	The Republic of the Union of Myanmar	Million USD 0.4	100	Million USD 0.4	100
3. Christiani & Nielsen (Cambodia) Co., Ltd.	Construction, engineering related services	Kingdom of Cambodia	Million USD 0.1	100	Million USD 0.1	100
4. Christiani & Nielsen Energy Solutions Company Limited	Provision of services for energy solutions in solar, wind and other renewable energy sectors	Thailand	Million THB 10.0	85	Million THB 10.0	85
<u>Indirect Subsidiary (held by Subsidiary No. 4)</u>						
5. CNES D1 Co., Ltd.	Developing renewable energy based power producing facilities	Thailand	Million THB 0.5	100	-	-

CHRISTIANI & NIELSEN (THAI) PCL (THE COMPANY)

The Company and its Subsidiaries 1 to 3 are principally engaged in the construction business, Subsidiaries 4 and 5 in provision of services for energy solutions in solar, wind and other renewable energy sectors and in

developing renewable energy based power producing facilities. The Revenues of the Company during the year 2020 (and 2019) mainly came from construction operations as detailed hereunder.

Revenue Structure from the operations of the Company and Subsidiaries

Revenue	2020		2019		2018 (restated)	
	Million Baht	%	Million Baht	%	Million Baht	%
Construction Income	7,462	98.97	7,239	98.64	7,123	99.03
Service Income (of Subsidiary 4)	64	0.84	1	0.01	-	-
Reversal of allowance for doubtful accounts	-	-	64	0.87	-	-
Gain from change in fair value of investment Properties	-	-	31	0.42	68	0.94
Other Income	14	0.19	4	0.06	2	0.03
Total Revenue	7,540	100	7,339	100	7,193	100

Revenue Structure from the Operations of the Company only

	2020		2019		2018 (restated)	
	Million Baht	%	Million Baht	%	Million Baht	%
Construction Income	7,462	99.76	7,220	98.57	6,949	98.90
Reversal of allowance for doubtful accounts	-	-	64	0.87	-	-
Gain from change in fair value of investment Properties	-	-	31	0.42	68	0.97
Other Income	18	0.24	10	0.14	9	0.13
Total Revenue	7,480	100	7,325	100	7,026	100



NATURE OF BUSINESS AND OPERATIONS

Christiani & Nielsen (Thai) Public Company Limited (the Company or CNT) is a construction contractor listed on the Stock Exchange of Thailand. The Company's share of revenue in the market is 4.2% among the Top 10 Listed Companies in Thailand [Source: Thailand Industry Outlook 2021-23 by Krungsri Research]. The Company has long been established as one of the top and most highly reputable contractors, trusted by clients from both public and private sectors. The Company has never broken its promises and never will with its Clients; nor has the Company ever shirked its responsibilities. Since the first day of operations, the Company holds these values as its core values. The Company has delivered every project with good quality, within the agreed price and agreed timeline. With these credentials, the Company always qualifies to compete in every tender offered by both public and private sectors.

As a leader in the construction industry in Thailand the Company provides a wide range of services including design and construction of building and civil engineering projects, design, fabrication and erection of steel structures and mechanical and electrical installations. The Company's Business operations are separated into Business Units comprising Government Business Unit, Petrochemicals and Special Industry Business Unit, Buildings Business Unit, Residential and Hospitality Business Unit and General Construction & MEP Business Unit.

The Company works for both, the Government as well as the Private Sector. The types of construction projects executed by the Company include:

Buildings: retail hypermarkets, malls and stores, distribution centers, universities, schools, hospitals, offices, condominiums, hotels, refurbishment and renovation and other residential and commercial buildings.

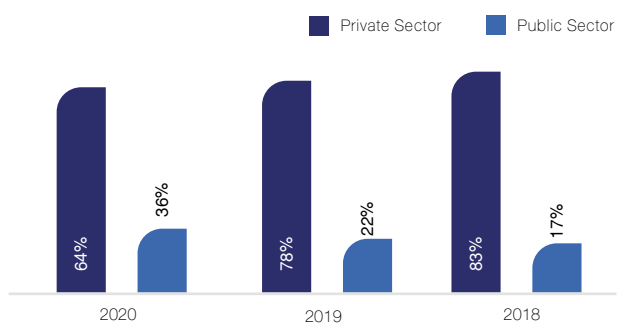
Industrial: Industrial plants, factories, warehouses, petrochemicals and power plants.

Infrastructure: Airports, mass transit systems, roads, highways, bridges, sports facilities, water distribution and wastewater systems/ structures, tunnels, pipelines, flood protection structures.

Currently the operations of the Company and its subsidiaries are divided into two parts as follows:

- **Construction** - the Company operates its construction business in Thailand and certain other countries in ASEAN, mainly, Myanmar and Cambodia. However, during the year 2020, the operations of the subsidiaries in ASEAN did not contribute any significant income and therefore, the construction activities in Thailand were by far the most significant contributor of income in the year.
- **Renewable energy** - sales and provision of energy solutions in solar, wind and other renewable energy sectors through its subsidiary in Thailand. The operations of this subsidiary did not contribute a significant income during the year.

Construction Revenue during the past three years was split by type of Client and by type of Construction as follows:



Unit — Million Baht

Type of Construction	Value 2020	%	Value 2019	%	Value 2018	%
General and Industrial	2,463	33%	2,554	35%	2,837	40%
Petrochemicals & Energy	776	10%	901	12%	255	4%
General Buildings	2,825	38%	2,570	36%	643	9%
Commercial Buildings	-	-	117	2%	2,703	38%
Hotels/Residential	422	6%	265	4%	103	1%
Civil Works	976	13%	832	11%	582	8%
Total	7,462		7,239		7,123	

The projects where the Company executed projects (not handed over to Clients as at the end of the year) with a value of more than 10% of the Total Construction Revenue in year 2020 per the Financial Statements are as follows:

Project Name	Value of Contract (MB)	Expect to complete (Year)	Client
Bangyai Spurline (Highway)	1,487	2022	Department of Highways
New Passenger Terminal at Khon Kaen Airport	1,874	2022	Department of Airports
New Passenger Terminal No. 3 and the improvement of Terminal No. 1 and No. 2 and Car Park Building at Krabi International Airport	2,732	2021	Department of Airports
PTTLNG Admin. Building	1,371	2021	PTT LNG Co., Ltd.
PTTLNG Tanks	1,533	2022	PTT LNG Co., Ltd.
Highway No. 3191, Map Tha Phut	1,353	2022	Department of Highways
Michelin Long Term Warehouse, Thailand	1.433	2021	Michelin Siam Co., Ltd.
Excellent Medical Specialty Service Centre for Srinagarind Hospital	3,645	2024	Khon Kaen University

Market and Competition

The Company's marketing plan focuses on medium to large-scale projects, aiming to expand the proportion of jobs in the public and private sectors as follows:

Public sector

- Large infrastructure projects such as mass transit system, rail infrastructure related buildings, highways,
- Co-investment in various projects via, public and private partnership (PPP) route,
- Large buildings, Governmental office complexes, Airports.
- Educational Institutions and Hospitals

Private sector

- Large-scale projects in petrochemicals and energy sectors,
- Warehouses and distribution centers, Food processing industry, Electronic components industry,
- Hospitals, Office buildings, Hotels and Shopping Malls.
- Educational institutions like Schools and Universities

Marketing and Competition Strategy

- Over the past century, Christiani & Nielsen has constructed a vast number of projects, both, for Government and the Private sector in 70 countries around the World. The Company is very well known since it was established in Thailand more than 90 years ago (at the very beginning of the Country's development). As such, the Company's

reputation in the Market is very good.

- The Company's construction quality is based on ISO 9001:2015 standards and Occupational Health and Safety Management standard, OHSAS 18001:2007 which is now replaced with ISO 45001:2018 in every project, including the Company's own new office headquarters building. This serves as a guideline in business operations, and helps the Company achieve all Client's requirements, by focusing on efficiency, quality and safety to deliver each project to the Client on time and within the agreed budget.
- The Company has developed the capability to execute Design & Build projects, which can meet the satisfaction of Clients like a One-stop Service. For effective and analytical control of construction design, the Company uses the BIM (Building Information Modeling) technology for design and calculation through the digital model of physical and functional characteristics of buildings.
- The Company conducts a Value Engineering process which is used to analyze and re-design for cost effectiveness and efficiencies which is proposed to the Client to reduce time and cost with the required quality.
- The Company has highly qualified personnel and each of its top executive officers has vast experience in the construction business, including knowledge of various types of construction and the different benefits and difficulties of various methods of construction. The Company has established a clear policy to further develop its personnel with a thorough knowledge of the construction business.

The Company's clients consist of Government Institutions, private and government educational institutions, and the private sector companies and individuals. There are clients from different kinds of industries in the private sector, such as agriculture and food, electronics, petrochemicals, energy, hospitality, trade, logistics (warehouse and distribution centers), etc. The Company always maintains good relationships with each of its Clients, which encourages them to return to the Company for their future requirements either in Thailand or in other countries in ASEAN.

Pricing Policy

Quotation for bidding for a project is based on the following principles, although generally it is the Client who specifies which price system is to be applied. The Company sets its basic profit margin as a percentage of project cost depending on parameters such as competition, complexity of work, materials availability and costs.

1. Fixed Price System - Under this system, the Company offers a fixed lump-sum price and is responsible for any changes in quantities, costs and expenses. In construction contracts made with the Government sector, conditions for cost adjustment may be included, such as inflation. For all contracts, the Client is responsible for the cost of extra works or change orders.
2. Unit Price System - The bidder usually proposes its price for materials and manpower in terms of unit price, and the Client pays according to the actual quantities. Cost adjustment is specified in the contract in the same manner as that of the fixed price system.

Bidding Strategy

The Company bids for tenders which are released in the market to provide its services in one or more of the following ways:

- Main Contractor

As the main contractor, the Company directly submits tenders to the Client in its sole capacity as bidder and contractor.

- Subcontractor

In projects where the Company lacks special qualifications and experience, the Company bids as sub-contractor to a Main contractor. Such projects include very large infrastructure projects, rail transportation systems and Engineering Procurement and Construction (EPC) projects for mega Industrial Plants such as petrochemical plants, oil

refineries and power Plants.

- Joint Venture (JV)

The Company may join with other business partners for projects that require specific expertise and complex high-value mega projects. In addition, the Company may join with other partners so as to combine qualifications, experience, expertise, and mitigate certain risks.

In addition to above types of projects, the Company has been exploring opportunities to partner with government and/or private sector in Public Private Partnership (PPP) projects that may be suitable for the Company. However, for such PPP projects that are of huge size and long duration, the Company needs to carefully consider the terms and conditions of the investment as well as the funding needs.

Bidding Process and Procedures

Senior Management, Head of Business Unit, together with the Business Development Department, have a duty to deal with incoming Clients, search for information on Government and Private Sector projects from all available sources, follow up on information from consulting companies and deal with project Clients and project consultants, if possible. From such sources of information, the Company is able to regularly bid for and win new contracts.

- Bidding

In bidding for Government projects, all bidders must be qualified according to pre-qualification requirement.

For private sector projects; the Client, designer or consultant considers the qualifications and financial position of prospective contractors before issuing the invitation to bid for their projects.

Once the Company makes the decision to bid for a project, it proceeds as follows:

1. Purchase the tender documents.
2. Prepare the Bid in 3 parts:

2.1 Commercial — prepare legal, financial and company profile documents considering contract's requirement e.g. all insurances, payment terms and special requirements according to contracts and contact financial institutions for bank guarantees and bank bonds that may be required.

2.2 Cost estimation - site inspection, quantity take-off, materials quotations and sub-contractors quotations in

case of special requirements.

2.3 Construction planning - construction method, procurement of tools and equipment, staff allocation according to each type of construction project.

3. Conduct cost and expenditure estimation with respect to the details and procedures specified in the bidding document, then submit them on the date, time and at the place designated by the Client.

- Direct Negotiations

The Client sometimes relies mainly on the reputation and experience of the Company, and so prefers the Company to quote the price based on its or its designer's estimation, and then carries out a mutual negotiation without involving other competitors. Generally, the design is provided by the Client but the Company may negotiate to do the design and build to its design. This reduces the time of construction of the project and also adds other efficiencies in the construction process.

Decision Making, negotiations and award of Contract

In bidding process, the procedure for the Client and the Company is as follows:

1. The Company must pass the pre-qualification criteria as defined by the Client.
2. Purchase Tender Documents and calculate the bidding price according to the construction drawings and terms and conditions as stated in the tender document.
3. Submit the price according to Client's criteria including bidding electronically via Client's e-bidding platform.
4. Clarification of database as required by Client.
5. In evaluation of the bidding price, the Client may ask for price re-submissions, short-list bidders and further negotiations.
6. In selecting the successful bidder, there is a lot of criteria for Client's consideration such as Technical and Price issues all of which are negotiated.
7. After negotiations, when a decision has been made, the Client informs in writing to the successful bidder.

Pre-Construction Process

After receiving a formal acceptance from the Client by either Letter of Intent (LOI) (during the process of signing the Construction Contract), a meeting between all concerned departments and individual Business Units is held by the Company to co-ordinate and discuss detailed estimates and construction plans to ensure that the project is executed according to plan and can be delivered to the Client on time and within budget.

The Company appoints a Project Manager to be the representative of the Company at the Construction Site. The duties and responsibilities of the Project Manager are as follows:

1. Prepare the main construction programme and budget.
2. Prepare a sub-programme in accordance with the main program, prepare the staff and labour organization chart, prepare the materials and equipment list.
3. Meet with the Client or his representative to update on the progress of work and solve problems to ensure that the project is completed on time.
4. Prepare Payment Applications for submission and liaise on payments from the Client.
5. Collect all Site Instructions or any evidence for all changes in construction drawings, variation orders, requests for additional value of work or requests for extension of time due to changes to the construction drawings or from other factors that might cause a delay to the project.
6. Control and monitor the construction work to ensure that it is in accordance with the construction drawings and specifications. Check the completion of all work before handing over to the Client.
7. Hand over important documents such as As-Built Drawings, certificates of materials and craftsmanship and all documents specified in the construction contract. Follow up repayment of Retention Money after acceptance of the works by the Client and collect the original Performance Bond when due for return.

Procurement of Products or Services

The Company procures products and construction materials from various sources, both domestic and overseas under a proper quality management system to meet with standards, specifications and purpose of the Client and the Project.

The Company uses ERP (Enterprise Resource Planning) system software to enhance the procurement of products and materials process.

Description of key construction materials purchased during the years 2018–2020 is as follows:

Descriptions	Purchase Value: Million Baht					
	2020	%	2019	%	2018	%
Concrete	475	50	662	42	741	51
Cement	40	4	46	3	35	2
Stone & Sand	51	5	33	2	41	3
Steel Structures	108	12	202	13	235	16
Steel Re-bars	272	29	638	40	397	28
Total Purchase Value	946		1,581		1,449	

Procurement process

1. Define master procurement plan for materials and subcontractors.
2. Prepare materials' details such as budget price, quantity, standards and specifications.
3. Specify the delivery schedule.
4. Select suppliers, subcontractors by considering quality, standards, cost, availability, delivery period, etc.
5. Agree price, scope of work and responsibility (in case of subcontract), issue purchase orders, sign subcontracts and then accept delivery after quality checking, delivery schedule, etc.

Business Assets and details

For details of Fixed Assets of the Company, please refer to "Notes to Consolidated Financial Statements Nos. 18, 19 and 22" in this Annual Report.

Backlog (as at 31 December 2020)

The Company's Backlog as at 31 December 2020 was THB 11,444 Million which is categorized by type of work as follows:

Type of Construction	Value (MB)	Percentage
Buildings	6,376	56%
Highways	2,597	23%
Industrial	1,725	15%
Petrochemicals	603	5%
Hotels	143	1%
Total	11,444	100%

New Contracts in 2020

In year 2020, the Company was awarded new Contracts in 2020 of a total value of THB 5,523 Million (excluding VAT), categorized by type of work as follows:

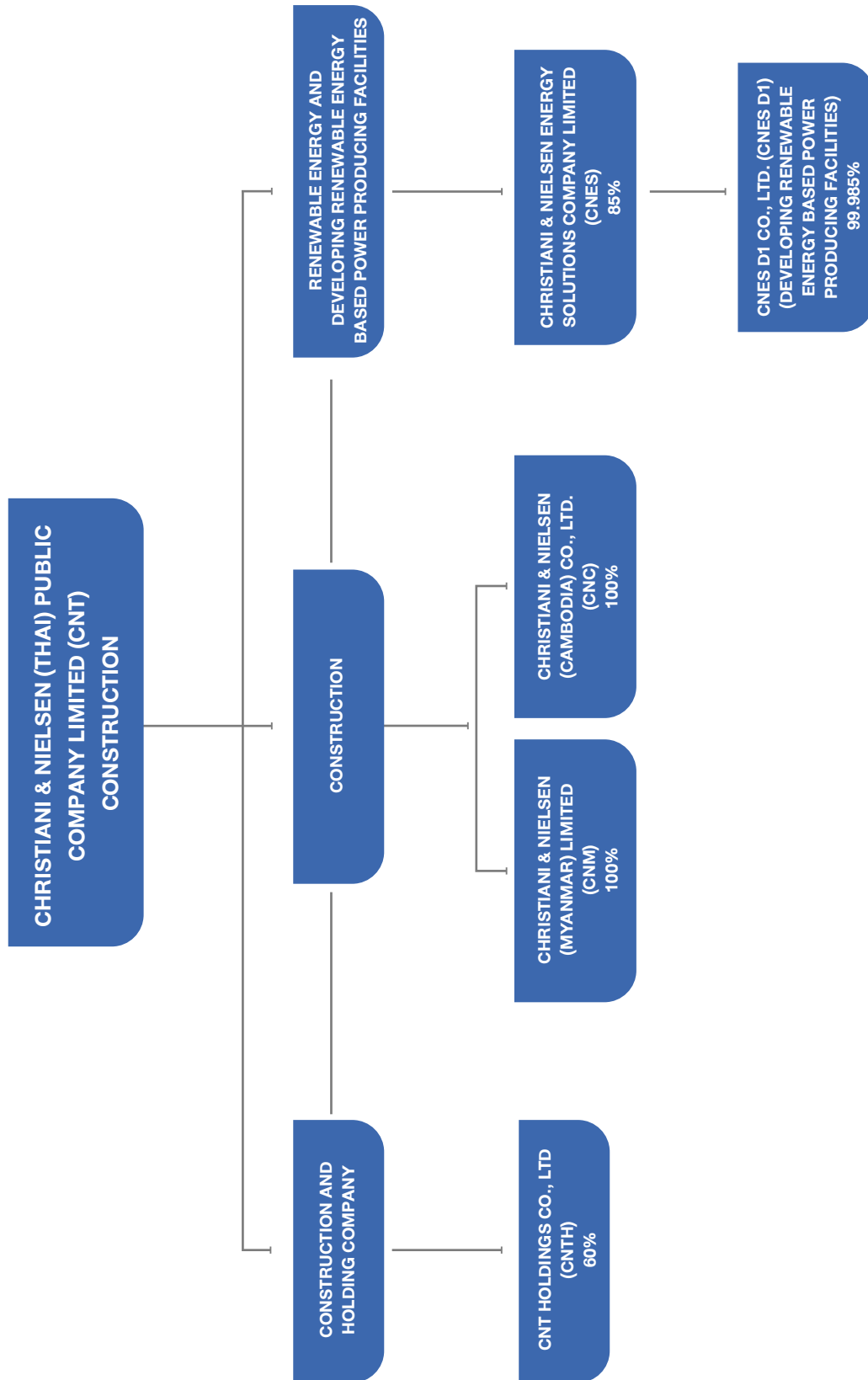
Type of Construction	Value (MB)	Percentage
Buildings	3,645	66%
Industrial	1,180	21%
Highways	698	13%
Total	5,523	100%

These Contracts were/are due for completion in Years 2020 through to 2024 as follows:

Year of completion	Value (MB)	Percentage
2020	360	7%
2021	1,419	26%
2022	2,071	37%
2023	1,400	25%
2024	273	5%
Total	5,523	100%



CORPORATE STRUCTURE





SHAREHOLDING

As of 30 December 2020, the Company registered capital is Baht 1,102,904,144 with paid-up capital of Baht 1,027,904,144 divided into 1,027,904,144 common shares with par value of Baht 1.00

Shareholders

The list of top 10 major shareholders, as at 30 December 2020

Shareholders	Number of shares	% Shareholding
Globex Corporation Limited	581,126,256	56.535
Victor Investment Holdings Pte. Ltd.	94,372,280	9.181
Mr. William Ellwood Heinecke	66,275,410	6.448
Thai NVDR Co., Ltd.	35,976,499	3.500
UBS AG Singapore Branch	34,794,606	3.385
Novotel Investments Limited	25,000,000	2.432
Mr. Sanpal Silpchaowala	8,250,000	0.803
Miss Sirirat Pongthippanas	4,900,000	0.477
Mr. Prasit Cheewananthachai	4,338,700	0.422
Miss Pornparn Phothirangsithep	4,330,016	0.421

The Group of majority shareholders, as at 30 December 2020

Shareholders	Number of shares	% Shareholding
Globex Corporation Limited	581,126,256	56.535

The Group of majority shareholders has assigned its representatives to take positions of authorized directors in the Company. In this regard, the number of representative directors are considered as appropriate not in proportion of number of shareholdings.



DIVIDEND PAYMENT POLICY

The Company's Board of Directors has the policy to propose to the Annual General Meeting of Shareholders to approve the dividend payment to shareholders based on the Company's operating result in that year at the rate of not less than 40 percent of net profit after tax deductible in the Company's profit & loss statements (in compliance with Public Limited Company Act and interpreted by Federation of Accounting Professions) provided that there was no other necessary event and such dividend payment does not have substantial impact to Company's normal business.

There is no Dividend Payment Policy set out for Company's affiliate, the jointed controlled business and the connected company.

Dividend Payment Records

Year	2020	2019	2018 (Restated)	2017	2016
Net Profit per Share	0.07	0.09	(0.37)	0.10	0.14
Dividend per Share	0.05	0.04	-	0.10	0.10
Dividend payout Ratio (%)*	70%	46%	-	100%	71%

*** Note**

- Dividend payout ratio compared to the Separate Financial Statement of the Company which is in accordance with Company's Dividend Payment Policy.
- In 2017 dividend payment from a combination of year 2017's net profit after allocated of legal and the Company's unappropriated retained earnings as at 31st December 2017.



RISK MANAGEMENT

Risk Management Policy

Risk Management is an important part of the Company's management system. The Company has developed a risk management system at every level which covers the entire enterprise. Based on a review and recommendations of Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. employed by the Company for this purpose, the Company has trained its employees in risk management areas and prepared the Company's risk management policy, procedures and concepts, which are based on the principles of COSO (Enterprise Risk Management — Integrated Framework, COSO, September 2004) and AS/NZ 4360:2004 (Risk Management — Australian/New Zealand Standard, AS/NZ 4360:2004), thereby ensuring that the Company's risk management system meets international standards. The policies, procedures and concepts are also reviewed and updated regularly to cover new updates or new regulations and principles issued from time to time.

The Company is aware of the importance of risk management in operating its business in terms of internal and external factors that affect the company's operations. Accordingly, the Risk Management Committee was appointed on 20 February 2013 to, inter alia, consider the efficacy of the Company's risk management policies. For the structure, roles and duties of the Risk Management Committee, please refer to "Organization Structure" of this Report.

In addition, the Company has the Risk Management Department overviewed by the Risk Management Committee which is responsible for the risk management process of the Company, overall evaluation and review of both, the internal and external risk factors, as well as reporting the risk factors to the Board of Directors. Controlling Systems and Risk Management Policy which include roles, duties and responsibilities in Risk Management and Risk Management Processes are disclosed on website in Company's Corporate Governance Policy Manual.

The important risk factors that may affect the Company's on-going and/or future business which may affect the

investors and internal and external stakeholders are as follows:

Market Risk

The Company's main revenue comes from construction projects for both, the Government & Private Sectors. The Company's growth mainly depends on the domestic property and construction markets which are driven by various uncontrollable factors, viz. economy, production and exports, level of investment in the economy, monetary and fiscal policies as well as the political environment. The Company proactively takes steps to ensure that it gets consistent and sufficient volume of work despite the prevailing market conditions.

The Company thoroughly assesses the market and settles a strategy for bidding to mitigate the risk factors associated with the state of the property and construction market. The Company selects and focuses on potential projects to increase the revenues, as well as use all the resources available to it to make its Bids for projects as competitive as possible.

The Company reviews and adjusts the level of tender margins according to market circumstances, with a long term view, to reduce construction costs and increase productivity in order to improve overall competitiveness.

The Company has expanded its business into the ASEAN countries by way of setting up a wholly-owned subsidiary in The Republic of the Union of Myanmar in 2016, namely "Christiani and Nielsen (Myanmar) Limited" and "Christiani & Nielsen (Cambodia) Co., Ltd." in Kingdom of Cambodia in 2017 to provide construction, engineering and related services in the aforesaid countries which has a growing economy and is now developing infrastructure. Therefore, the Company will also be exposed to similar market risks in those two countries as well as any other ASEAN countries which the Company may expand to in the future.

Operating Risk

The Company is exposed to different levels of operating risks such as accidents, mechanical failure, human error,

political action, labor strikes, adverse weather conditions and other circumstances and events. These could result in increased costs or loss of revenues. However, to cover against most of these risks, the Company ensures that contractors' all risks insurance is available for each of the projects which the Company executes.

Construction cost

Generally, construction contracts envisage a lump sum price, which means that the Company has to absorb the risk of escalation in construction cost. In some cases, construction contracts may have conditions to allow increase or decrease of pricing from changing work price per unit of materials as per an escalation formula, for example, in most government contracts. However, the escalation formula adjusts only escalation in costs of certain materials and the contractor has to be responsible for the first 4% of price escalation in certain contracts.

All projects require time to construct, and the time frame may be tight or relaxed, depending on the construction contract. The Company cannot set an unreasonably high price or demand too long a construction period, as either of these may cause the Company to lose the project to a more competitive bidder. Therefore, in order to remain competitive, the Company has to manage the overall purchasing volume by ordering big lots to help in bargaining and sign material contracts as early as possible. In order to mitigate the time risks, including fluctuation of material prices over time, the Company favors projects which have manageable construction periods, or projects that are split into multiple phases. This allows the Company to adjust the pricing in case of higher material costs in the later phases. Therefore, in certain contracts, agreement with owner to supply main materials in such case may also be applied.

Delays in Construction

Projects may be delayed due to external factors, one of which is by the employer, for example, delay in hand-over of the relevant areas, delay in approval of matters that require approval from employer or requiring numerous changes to the contract designs or additional work without appropriate time extension. Delay may also be caused

by others, for example, inefficient material suppliers, laborers, and/or subcontractors. Force majeure events may also cause delay of projects, i.e., events completely beyond the reasonable control of either the employer or any employee, e.g. rebellion, war or a natural calamity and a Pandemic like COVID-19. In case of such delays, the Company is exposed to the risk in fluctuation in price of materials and other potentially unforeseen expenses. In case the Company is not adequately compensated in the event of such delays, the Company may face a loss or have to litigate with the employer to secure its rights.

Before signing contracts for its services, the Company has a policy to review draft contracts carefully, including inserting provisions to mitigate the abovementioned risks when necessary. The Company also has a focused and dedicated training program to improve employee/labour skills and efficiencies. Further, each project manager prepares a detailed schedule plan, and closely monitors the plan. The project managers diligently control work and arrange regular meetings with the management to track the progress of work every week. As such, the management is aware of any problems and accordingly allocates resources, including revising strategies to solve such problems in a timely manner.

Bad Debts/Overdue Payments

The Company's main Revenue is from providing construction services, where normally, payment is made in installments based on the progress of work done, so the Company might be at risk if the employers have financial problems and are unable to pay for the construction services which may eventually become bad debt, which may affect the operations and financial position of the Company.

The Company is aware of these risks, and therefore, the Company carefully assesses the potential client's financial position before accepting projects and reviews contracts very carefully before signing. Also, the Company ensures close monitoring of the work done and payments due from the employers to further mitigate these risks.

Financial Risk

Working Capital

Operations in the construction business require the funding of a large amount of working capital to run the business. As mentioned before, payment is normally received in installments as per work done after deduction of withholding taxes. If the employers do not make timely payments of such installments or the Company does not manage the working capital well, it will affect the Company's ability to get new projects and also might affect the performance of the other ongoing projects. This will also lead to a need to take short term loans from Banks and the Company is also required to arrange bank facilities for this which may not be always available.

To mitigate these risk factors, the Company has a policy to negotiate the terms of payment and ask for advance payment from the employers before start of work. Further, the Company's experienced staff manages the liquidity carefully and efficiently. The Company has also secured funding from various banks to facilitate the operations and working capital requirements of the Company.

Compliance Risk

As a publicly listed company, the Company is required to comply with various laws and regulations and failure to comply with any one or more of such laws and/or regulations could expose the Company to penalties or other legal action against the Company and its Senior Management. The Company remains attentive to this matter and has taken suitable measures, by way of appointing qualified staff and also adopting adequate and effective systems to ensure full compliance with all laws and regulations.

The Construction business involves several specific construction-related laws and regulations including control of construction, labor law, License for Professional Practice (Engineer/Architect) and environmental regulations. The Company must comply with these laws and regulations as may be amended and updated from time to time. In order to prevent any damage as a result of non-compliance or negligence by the Company, the Company has a policies and procedures in place to operate the business

according to the rules and regulations by specialized departments to monitor and inspect the operations of the Company, including keeping all employees updated with any changes in these laws and regulations.

Controlling Risk (for Investors)

As at the date of the Annual General Meeting 2020, Globex Corporation Ltd. held 581,126,256 shares in the Company, which is equivalent to 56.535 percent of all the Company's issued and paid-up shares. Consequently, Globex Corporation Ltd., as major shareholder can control almost all the resolutions in the Annual General Meeting which includes the appointment of directors or other resolutions which require simple majority votes, with the exception of those matters which as per law or the Company's Article of Associations require the votes of 3 of 4 voters present in the Annual General Meeting. For this reason, other minority shareholders may not be able to control and collect enough votes to balance out any Agenda item that may be proposed by the major shareholder. However, the Company has complied with the SET's prescribed Good Corporate Governance Policy, Business Ethics, and Transparency of Information to safeguard the interests of all shareholders including the minority shareholders. The Company has set up principles for the approval of Connected Transactions, as per which related parties cannot approve their own transactions. The Audit and Corporate Governance Committee considers all Connected Transactions and propose to the Board of Directors and/or Shareholder Meeting for approval.

Apart from the above risks which the Company is exposed to, an Investor investing in equity shares of the Company is exposed to the risks associated with the equity investment in the Company as a company listed in Thailand, which include the following:

- The value of the stocks listed on the Stock Exchange of Thailand ("SET") may fluctuate due to factors affecting the Thai Stock Market as a whole without any connection to the performance of the Company. Such factors affecting the Thai Stock Market could include political instability or political disturbances, slowdown in growth of the Thai economy, US Federal

Reserve action, withdrawal of economic stimulus by governments of key export markets, effect of COVID-19 Pandemic on Thailand, general slowdown in regional, Asian or other developed economies and so on.

- Since the investment in the equity shares is made in Thai Baht currency, the investor is exposed to the exchange risk associated with the investment due to the fluctuation of the investor's investment currency as against the Thai Baht, whereby the investor may suffer a loss in the investor's own investment currency terms if the Thai Baht depreciates against the same when the equity shares are sold and the proceeds thereof are remitted back to the Investor after converting the same into the Investor's investment currency.
- The Investor may suffer a loss on his investment in the event one or more Thai laws pertaining to the investment are amended adversely. An example

of such an adverse change in law would be imposition of taxes or other duties on the investment or sale of investment in equity shares.

- If the Thai Government introduces exchange controls on investment proceeds or on the repatriation of investment proceeds, the Investor's cost of the investment may increase and/or the Investor may not be able to repatriate the sale proceeds of the investment.
- Further, the Investor is exposed to additional risks like lower standards of Corporate Governance of the companies listed on the SET, insufficient legal checks and balances on company management, high proportion of concentrated shareholding with one individual or one group leading to unduly high control exercised by the individual or group, unavailability of qualified and experienced persons to act as Directors, etc.



SUSTAINABILITY REPORT

Principles for Sustainability Development

The Company's vision is to "Develop Sustained Competitiveness". Therefore, in order to achieve this vision, the Company's mission is to set up sustainability management. The Company has applied the principles of organizational sustainability aspects which cover the economy, society and environment under good governance for establishing strategy and policy.

Overview of Sustainability Report

The Company attaches great importance to creating the highest sustainable returns for all stakeholders. We recognize that the construction business is a fundamental business which plays an important role in driving the nation's economy. The Company's business affects various stakeholders, especially in terms of the impact on well-being and safety of not only its staff but also the communities and environment as well. Not only are the Company's employees and workers impacted, but also the neighborhoods and the environment. Construction work is a factor in various pollutants that can affect nearby communities and risk harming life and property unless there is careful action, adequate supervision and effective management. The Company has a clear goal of conducting business to achieve sustainable development at all stages of the operational process by complying with applicable laws and regulations. The Company operates the business under a key vision and mission, focusing on transparency. The Company places importance on reliability, responsibility, independence and equality to achieve the goals and strategies. It is defined as a policy that is being implemented continuously and monitored for improvement.

The Company's operation of social and environmental responsibilities is separated into two parts, as follows:

1. CSR In Process

The Company conducts its business with full realization of the responsibility towards the impact of all parts of the Company's operations to create value and equally contribute maximum benefit to all stakeholders.

2. CSR After Process

The Company policy is to become involved and support all activities, both direct and indirect for the benefit and well-being of society and community for sustainable growth. This is not related to Company operations.

Scope of Sustainability Report

This Sustainability Development Report is included in the Annual Report and covers the development under the sustainable development framework, comprising three core indicators, namely, the economy, society and environment. The Report discloses operational results from 1 January 2020 to 31 December 2020, to stakeholders accurately and transparently.

With full awareness of the importance of the sustainability development target according to international standards, this Report is made in accordance with Business Sustainability Report guidelines of the Stock Exchange of Thailand and the 4th Global Reporting Initiative (GRI). The Company prepares this report annually and continues to develop the system and method for compiling the information, to achieve clear guidance and meet with full core indicators in the future.

Stakeholder Engagements

The Company recognizes the importance of all stakeholder groups whether internal stakeholders such as management and employees of the Company and subsidiaries, or external stakeholders such as shareholders and investors, customer, suppliers and creditors, competitors, communities and environment, government agencies and other related organizations whom the Company has an ongoing relationship and impact as a result of its business operations. The Company engages its stakeholder groups in various channels, with the frequency and communication mechanisms based on the most effective communication channels. The Company has also provided communication channels on its website or other means for any stakeholder to express their opinion or complaint and contact the Board of Directors directly, without going through the Management. The Board will continue to treat such information seriously and with utmost confidentiality.

Currently, the Company's Stakeholders can be categorized into 8 groups, which are presented below. All Company departments are responsible for creating and maintain good relationships with these groups, communicating, taking their suggestions, and assessing their expectations.

Stakeholders	Expectations	Key action and engagement	Communication channels
Management and Employees	<ul style="list-style-type: none"> • Appropriate compensation and welfare. • Career advancement and succession. • Competency advancement. • Good working environment. • Security and safety at work and camp. 	<ul style="list-style-type: none"> • Respect human rights and diversity and ensuring equal opportunity. • Provide fair salary, benefit, and welfare by benchmarking with other companies in the industry. • Provide bonus based on company financial and employee performances. • Provide benefit and welfare: provident fund, social security fund, compensation fund, emergency financial assistance, medical treatment fees, and group health insurance. • Ensure a safe and healthy work environment • Provide training for skill enhancement. • Annual review of compensation, welfare and benefits structure, in accordance with Company's performance both in short and long term, to remain competitive with industry standards. • Promote saving via CNT Cooperation. • Create safety awareness by training. • Occupational Safety and Health standard ISO 45001:2018. 	<ul style="list-style-type: none"> • Set up Staff Welfare Committee. • Message from Management via monthly internal newsletter, CNT Internal Web • Meetings, Seminar and Company events for staff to meet with Management. • Announcements, PR Board. • Submit comments and suggestions to Supervisor, Management or Managing Director via E-mail: ponpisch@cn-thai.co.th
Shareholders and Investors	<ul style="list-style-type: none"> • Increase share value • Share profits in term of dividends. • Sustainable growth of the business. • Conduct business with justice and transparency under good corporate governance. • Risk Management. 	<ul style="list-style-type: none"> • Duty of fiduciary. • Create, maintain and added long-term value to Shareholders. • Disclosing timely, concise and relevant information. • Response to all queries. 	<ul style="list-style-type: none"> • Regular communication with Investors through meetings and conference call. • Direct channel of communication to Board/ Management open for every shareholder via Secretary to Audit and CG Committee • E-mail: ponpisch@cn-thai.co.th. • Shareholders Meeting at least once a year, plus quarterly Opportunity Day Meetings. • Annual Report, Form 56-1, etc. • E-mail: ir@cn-thai.co.th

Stakeholders	Expectations	Key action and engagement	Communication channels
Customers	<ul style="list-style-type: none"> Professional service with fair price. Deliver construction work on time, with agreed quality and within budget. Construction warranty period. Confidential non-disclosures. On-time trouble shooting. 	<ul style="list-style-type: none"> Develop services that respond to diverse needs. Provide efficient, reliable and professional services and solutions at once. Meet clients' expectations with superb quality and services. Deliver projects within the budget and timeline. Never deliver projects that may potentially damage the clients. ISO 9001:2005 Quality Management System Keep the cost low, yet maintain high quality construction standard and services. Seek ways to add more benefits to the clients. Take part in finding solutions as well as preventing environmental problems within the building sites and the neighborhood. 	<ul style="list-style-type: none"> Meeting with the project's owner or representative. Construction site visit by Management. Customer Feedback Questionnaire. Letter to Project Manager, Operations Director, Managing Director. E-mail: cnt@cn-thai.co.th
Suppliers	<ul style="list-style-type: none"> Fairness and equal opportunity in procurement process. Fair prices. Reputation and creditability. Create synergy partners. Adhere to conditions in the contracts. 	<ul style="list-style-type: none"> Set criteria for the appraisal and selection of supplier for fair competition. Define quality, products and services. Ensure that terms and conditions are based on industry norms and practices. Comply with agreed terms and conditions. On time payment Support and assist where possible to create synergy partners. Internal Audit Department is assigned to follow up and monitor the procurement / purchasing process to ensure that there will not be any corruption or fraud. 	<ul style="list-style-type: none"> E-mail: cnt@cn-thai.co.th Whistle blower E-mail: ponpisch@cn-thai.co.th Regular meetings for information exchange and create good relationship. Organize activities to create good relationship.
Creditors	<ul style="list-style-type: none"> Ability to repay loans/debts on time Fair returns on loans and service fees. Commitment to agreements. 	<ul style="list-style-type: none"> Strictly comply with all terms and conditions and objectives of using the borrowed funds, repayment, collateral, and other conditions as may be agreed. Never conceal truth that may potentially cause damage to the creditors. Assure quality of collateral or any conditions in the agreement made with the creditors for achieving mutual benefit. 	<ul style="list-style-type: none"> Regular meetings for information exchange and create good relationship. E-mail: cnt@cn-thai.co.th

Stakeholders	Expectations	Key action and engagement	Communication channels
Regulators	<ul style="list-style-type: none"> Strictly comply with all related laws and regulations. Good Corporate Governance and transparency. On-time and sufficient disclosure of information. 	<ul style="list-style-type: none"> Follow guidelines in doing transactions with the State, code of conduct and participate in all relevant activities which may require. Financial and annual operating Reports. Keep oneself informed and updated at all time with the news, regularly join meetings, seminars, and activities held by Ministries that govern rules and regulations in order to be informed about changes. Periodic internal assessment to ensure compliance. Regularly disclose through SET. 	<ul style="list-style-type: none"> Financial and annual operating reports including Annual Report, Form 56-1 and other related reports required regularly. Regular disclosure through SET. Letter to Managing Director Whistleblower E-mail: ponpisch@cn-thai.co.th
Community, Society and Environment	<ul style="list-style-type: none"> Improvement of quality of life. Support of community activities. Preserve environment. Avoid, reduce pollution which may affect the environment. Issued two policies in regards to Corporate Social and Environmental Responsibilities: CSR In Process and CSR After Process. 	<ul style="list-style-type: none"> Support and participate in local community activities. Be part of the neighborhood and join activities as seen fit. Organize campaigns to instill value of living harmoniously with the Company, community, social, and environment. Respond quickly and efficiently when there's an environmental complaint made by the community as a result of the Company construction. 	<ul style="list-style-type: none"> Letter to Operations Director, Managing Director. E-mail: ir@cn-thai.co.th, cnt@cn-thai.co.th
Competitors	<ul style="list-style-type: none"> Competing under rules, regulations & law Fair trade, transparency and auditability. Not to violate competitors' intellectual property rights. Not to access confidential information in dishonor or in appropriate means. 	<ul style="list-style-type: none"> Not attacking reputations with false allegations. Properly treated competitors with fairness, ethically and legally. 	<ul style="list-style-type: none"> Join as a member of Thai Contractor Association to meet and exchange of idea to create good relationship among contractors' members. E-mail: cnt@cn-thai.co.th

Corporate Governance, Ethics and Integrity

The Company is committed to conducting business under Good Corporate Governance principles; doing business ethically and striving for the betterment of society and the environment. The Board of Directors has promoted corporate governance practices to help fulfill its responsibility to the shareholders. It is the duty of the Board of Directors to serve in a prudent fiduciary relationship with shareholders and to oversee the management of the Company's business. The Company has provided the governance structure of the Company, including committees under the subject of "Organization Structure" in this Annual Report.

The Company has set up a Corporate Governance Policy, Business Ethics and Code of Conduct Manual to commit to the key principles of integrity, ethical business conduct and accountability for Directors, Executives and staff as a guideline in carrying out their respective work for the Company in a transparent, honest, faithful and justifiable manner. These guidelines can be accessed through the Company's website.

Anti-corruption Policy

The Company's Board of Directors shall not participate in any form of corruption. This is in compliance with Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). Further details are provided under the section "Corporate Governance Report". The Company

announced its Anti-Corruption Policy and "No Gift Policy" on Company's Website.

Sustainable Management Performance

Economic Performance

The Company conducts business with commitment to promoting the Nation's economic development both directly and indirectly through its revenue. The generation and distribution of economic value is aimed to create added value to its shareholders, customers, employees and other stakeholders on an equitable basis. Profits from operation are part of the creation of well-being of all stakeholders.

The Company management structure in Construction operation is separated into Business Units according to staff capability and experience. Head of each Business Unit is responsible for the management of their own unit to generate income for the sustained economic growth of the Company. Business Units comprise Government Business Unit, Petrochemicals and Special Industry Business Unit, General Buildings Business Unit, Residential and Hospitality Business Unit and MEP and General Construction Business Unit.

The Company's operations contribute to the economy of the Nation by generating economic benefits for different stakeholders through Company's cash flow from operations.

Economic Performance Data	2020	2019	2018
Direct Economic Value	Million Baht	Million Baht	Million Baht
Income from Construction	7,462	7,239	7,123
Revenue from sales and services	64	1	-
Distribution of Direct Economic Value			
Cost of Construction	7,102	6,911	6,949
Cost of Sales and services	50	1	-
Employee's remuneration and benefits	1,377	1,686	1,570
Transaction creditors	186	168	185
Dividend Payment	41	-	50
Tax/Duty Payment to Government*	263	257	294
Community supports	0.1	0.5	0.7
Cumulated			
Depreciation	205	216	225
Provision	24	(50)	(48)
Transfer to legal reserve	3.7	4.5	-

Tax/Duty paid to Government including Value Added tax 104MB, Withholding Tax 131MB, Duty Stamp 7MB, Import Duty 0.3MB, Social Security Fund (staff and workers) 21MB. (Source — Financial Statement of 2020)

Further information for Company's economic performance can be found in "Type of Business" and "Income Structure" in this Annual Report.

Company's financial performance is described in "Financial Highlight" and "Management Discussion and Analysis" in this Annual Report.

Effective Management Resources

The Company uses an Enterprise Resources Planning system to manage and integrate all core business processes including Cost Control, Accounts and Finance, Procurement, Worksite Storekeeping, Equipment Maintenance etc. The system aims to manage all resources efficiently and reduce time (Algorithm) by integrating all database of Company core business function in a single database to ensure the accuracy of all data. The real time access and linkage of all data enables the decision making of Management to become more efficient and allows immediate action where necessary.

Social and Environment Performance (CSR In Process)

Corporate Social Responsibility Policy

Social responsibility is one of the Company's commitments in operating its business. The important mission is to create and develop a better quality of life in every community where the Company's operations are involved. The Company always provides continuous support and promotes different kinds of social activities. The objective is to promote the business and communities to coexist harmoniously.

Incorporated over 80 years ago, the Company is proud to be a part of the Country's development on both, social and economic fronts. All along, it has been the Company's policy to conduct its business with good corporate governance, while acting with responsibility towards society and the environment, which is translated into a clear policy for conducting the Company's business operations.

The Company applies the principles of Corporate Social Responsibilities set out by the Stock Exchange of Thailand (“SET”) as its guidance for the following:

1. Good corporate governance;
2. Fair business operation;
3. Respect of human rights and fair treatment of labour;
4. Environmental conservation;
5. Consumer responsibility;
6. Participation in social development;

Corporate Social Responsibility in Operation

The construction business, if conducted irresponsibly, can affect many aspects of the environment. The Company emphasizes environment protection, and policies were set out and strictly followed by all employees at its Head Office, Plant and each construction work site. The Company also encourages and creates awareness in all employee to realize the importance of preserving sustained environment. The Company realize the importance of long term resource utilization, both direct and indirect, such as employees, suppliers who supply natural construction materials, various communities and the environment. The Management has set a clear policy to develop, encourage, promote and maintain the utilization of such resources with responsibility and good practices which is in accordance with good corporate governance. The Company believes that a successful business, conducted with all stakeholders’ in mind, can create long-term sustainability in social and environmental issues and enable the Company to achieve its missions.

The policies on social and environment are outlined and disclosed as follows:

Respecting Human Rights and Labour Practices

The Company requires that all of its Directors, Management and Staff strictly respect international human rights principles as part of the operations of the Company, and do not tolerate any violations thereof. The principle also apply to all Company sub-contractors.

Human Rights Management Guidelines

The Company will uphold morality to procure and employ staff without discrimination in terms of race, religion, colour or gender. There are no child labour or forced labour and this shall be applied to all Company’s sub-contractors. This is to ensure fair and equal opportunity for everyone to be recruited as Company employees. The recruiting process emphasizes on capability and suitability for such position. The Company also strives to improve the quality of life of disabled people, by employing them under the same terms and conditions as other staff. Moreover, the Company also provides facilities for the handicapped in its Head Office, e.g. special elevator, ramp for wheelchairs, special toilets, etc.

The Company complied with the law for the employment of disabled by cooperating with all related public sectors and the Social Innovation Foundation by joining the programme to employ the disabled person to work in the community or in public society organizations such as schools, hospital, local government authorization. This is the new dimension initiated by the Government to encourage the private sector to employ disabled persons who are capable to work in the organization and be the representative of that organization for the contribution to society. The employment of disabled people is according to Company’s policy to create equality in society, improve disabled quality of life and add economic value to the country.

In 2016, the Company joined with the declaration for the cooperation between the public, private and civil society sectors. “Create a new dimension to create 10,000 careers for disabled persons” by the Thai Health Promotion Foundation in collaboration with private sector to create 10,000 careers for disabled people.

This year the Company is able to hire disabled employees in proportion required by law at 1 disabled employee to 100 employees. A total of 63 disabled were employed which is according to the law and, as such, the Company need not subsidize the Fund for Empowerment of Persons with Disabilities.

Staff Number

Number of staff working at Head Office, Plant and construction work sites is as under:

Total numbers of staff by age and gender

Staff	Under 30 years old			31-50 years old			Over 50 years old			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
Female	75	115	130	136	133	135	35	34	33	246	282	298
Male	111	145	182	368	417	427	135	144	141	614	706	750
Total Staff	186	260	312	504	550	562	170	178	174	860	988	1,048
Resigned Staff												
Female	22	28	26	15	16	13	5	6	5	42	50	44
Male	34	41	39	57	47	58	47	36	38	138	124	135
Total staff resigned	56	69	65	72	63	71	52	42	43	180	174	179

Total numbers of staff - classified according to work places, age and gender

Staff	Under 30 years old			31-50 years old			Over 50 years old			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
Head Office												
Female	25	28	30	69	69	76	25	27	24	119	124	130
Male	7	8	8	66	69	73	35	40	36	108	117	117
Total	32	36	38	135	138	149	60	67	60	227	241	247
Plant												
Female	7	9	17	7	6	12	1	0	1	15	15	30
Male	4	5	10	29	32	32	12	11	12	45	48	54
Total	11	14	27	36	38	44	13	11	13	60	63	84
Construction Work site												
Female	43	78	83	60	58	47	9	7	8	112	143	138
Male	100	132	164	273	316	322	88	93	93	461	541	579
Total	143	210	247	333	374	369	97	100	101	573	684	717
Total Staff	186	260	312	504	550	562	170	178	174	860	988	1,048

Classified according to level and gender :

Total of employees	2020			2019			2018		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Top Management	8	54	62	9	59	68	6	58	64
Middle Management	26	102	128	29	107	136	29	112	141
Junior Management	128	275	403	150	319	469	150	332	482
Operation Level	84	183	267	94	221	315	113	248	361
Total	246	614	860	282	706	988	298	750	1,048

Classified according to their Thai workers and migrant workers under MOU, Age and Gender:

Type of Workers	Under 30 years old			31-50 years old			Over 50 years old			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
Thai workers												
Female	246	366	340	605	900	864	200	240	197	1,051	1,506	1,401
Male	375	574	542	830	1,276	1,244	401	518	494	1,606	2,368	2,280
Total	621	940	882	1,435	2,176	2,108	601	758	691	2,657	3,874	3,681
Migrant workers under MOU												
Female	3	7	7	7	13	5	-	1	-	10	21	12
Male	111	187	250	128	185	206	2	3	3	241	375	459
Total	114	194	257	135	198	211	2	4	3	251	396	471
Total of Workers	735	1,134	1,139	1,570	2,374	2,319	603	762	694	2,908	4,270	4,152

Disabled employees

	2020						2019						2018					
	Female		Male		Total		Female		Male		Total		Female		Male		Total	
Staff	1,281	98%	2,424	98%	3,705	98%	1,785	99%	3,408	99%	5,193	99%	1,688	99%	3,445	99%	5,133	99%
Disables staff and worker	26	2%	37	2%	63	2%	24	1%	41	1%	65	1%	23	1%	44	1%	67	1%
Total	1,307		2,461		3,768		1,809		3,449		5,258		1,711		3,489		5,200	

Overall Employment

In 2020, Company's total staff and workers were 3,768 persons classified into staff (head office, plant and worksites) of 860 persons with female staff 246 persons (29%) and male staff 614 persons (71%). Total workers were 2,908 persons with female 1,061 persons (36%), male 1,847

persons (64%). Among these were Thai workers 2,657 persons (91%) and workers under MOU 251 persons (9%). Disabled workers were 63 persons equivalent to 2% of total staff and workers.

Average turn-over rate (2018-2020)

Staff	2020	2019	2018
No. of staff (average)	941	1,017	1,057
Voluntary resignation	76	109	114
Average turn-over rate	8%	11%	11%

Changing the number of employees

There is no significant changed in number of employees or had significant labor disputes in the past three years. Employee turn-over rate for year 2020 was 8%, decreasing from the year 2019 and 2018 at 11%. The Company turnover rate is low when compared to the Property and Construction Industry turnover rate of 21% in 2020, 27% in 2019 and 21% in 2018.

workforce contains higher number of male than female staff/workers. In terms of employing physically challenged persons (disabled) the Company strongly adheres to the law. The Company realizes that they have physical limitations and therefore delegate them to work in the areas that do not impose any risk to their individual physical challenge.

The Company has always valued equal employment opportunities. However, as the nature of construction business requires physical endurance, our construction

Total remuneration paid to staff and workers were THB 1,159 million comprising salary, overtime, welfare, bonus, provident fund on voluntary basis etc.

Description	2020	2019	2018
No. of staff at Head Office, Plant and Work sites at the end of the year (persons)	860	988	1,048
No. of workers at Plant and Worksites at the end of the year (persons)	2,908	4,270	4,152
Remuneration paid to staff and workers (Million Baht)	1,103	1,380	1,375
Management Remuneration (Million Baht)	56	50	49

Equal Opportunity and Fairness Labour Treatment

The Company is committed to providing equal opportunity in every aspect of its business. The Company pays remuneration according to Employee's abilities for each position. The same principle also applies to other benefits such as housing, medical services etc. The Company does not discriminate between able and disabled staff or local and migrant labour, all of who are considered equal. All Employees have an equal chance to develop themselves for career advancement.

Equality support for career advancement

The Company applies the principle of "Competency Development Programme" for training. Goal, indicators and action plans are set according to Individual Development Plan (IDP) to enhance employee's knowledge for the advancement in their career. Post evaluation and assessment are conducted after every training course to prepare further individual development plans.

The Company has the policy to develop employees at offices and construction sites as follows:

1. Employees must attend training and seminars to enhance knowledge and ability related to each employee's jobs. (Functional Competency)
2. Provide internal training courses to employees to meet their core competency. (Individual Core Competency)
3. Provide training to continuously improve workers' skills, in collaboration with the Department of Skill Development to enhance the work methods in the Company's main construction activities.
4. Encourage employees to become members of various professional associations.
5. Define a succession plan.
6. Define quality management system.
7. Promote creativity and innovation in the organization.

Human Resources Development and career advancement Training and Development Policy

Qualified employees and personnel are key resources for any company to drive long-term development of the

organization, as well as the country through their knowledge and experience. The Company plays an important role in supporting and encouraging its employees and staff, by providing various training courses which are related to their existing duties and responsibilities, general management and skills in the Company's main construction activities. This is to ensure that all staff understand all relevant practices and meet with the Company's standard. The continuous training programme provided to enhance its staff to meet with the change of construction business and prepare for Company's future growth. The Company believes that good workmanship will deliver high quality of work to satisfy clients. Although certain employees may leave the Company, it is expected that their knowledge, experience and good workmanship practices would enable them to deliver good work to other organizations, thereby resulting in the positive long term development of the Country.

Training School is responsible to prepare the training programme, according to Company Strategic Plan, to all employees at all levels including workmanship in construction site. The courses are conducted by in-house or external trainers who are experienced in each subject. The annual training programme and target training group is set in advance and publicized on Company Internal Web Site, E-Learning Programme and Internal Journal. The programme also notifies each employee to plan for attending the course.

The Company construction training center at Nimit Mai Road (total land area 29 Rais) was established to enhance Company's development programme, with more space, in order to facilitate more staff training programs to improve their skill and workmanship.

A Training Centre in Sriracha, Chonburi (total land area 38 Rais) was set up to facilitate training classes related to steelwork and equipment, i.e. scaffolding installation and inspection, crane operation, small tools utilization.

The objective of these courses is to support our staff to develop skills and expertise in operating such equipment so that they can apply for licenses legally required by Department of Labor Protection and Welfare.

Apart from in-house training, the Company also sends Employees to attend training programmes organized by other organizations related to Company's business or general management, so that Employees gain new knowledge, ideas, and to develop innovation. After training, they apply their new learning in their existing job duties for the development of their careers.

Master Degree Supporting Policy

The Company has a policy to support key employees to further their study in Master Degree in Company's business related programmes. Employees whose qualifications meet with Company's criteria have a chance to enhance

their knowledge, capability and increase their efficiency in their existing jobs and in the future. As part of the career long-term advancement plan, the employee can bring in their new knowledge for the improvement in their jobs and become Company's future assets.

In order for the Company to provide continuous specific training courses to staff and workers especially for safety and special training programme, The Company has registered with relevant departments to set up Company's in-house training center to train internally and issue the certificate thereof. The Company has promoted, developed and supported employees whose qualifications are in accordance with the requirement of Department of Labour Protection and Welfare to be trained as an in-house trainer. The training courses are conducted by Company's employees who have experience and were trained in relevant courses. Details as under:

Training courses	Registrar
Safety in Electrical Works	Occupational, safety Health — Department of Labour Protection and Welfare
Confine Space Safety	Occupational, safety Health — Department of Labour Protection and Welfare
Safety, Occupational Health and Work Environment	Occupational, safety Health — Department of Labour Protection and Welfare
Safety Officer at Supervisor Level	Occupational, safety Health — Department of Labour Protection and Welfare
Crane Operation	Occupational, safety Health — Department of Labour Protection and Welfare
Safety Testing for Road Works	Department of Highways
Installation and Inspection of Ring-locked Scaffoldings	Occupational, safety Health — Department of Labour Protection and Welfare
Safety working at height	Occupational, safety Health — Department of Labour Protection and Welfare
Controlling of Passenger Hoist in Construction site	Occupational, safety Health — Department of Labour Protection and Welfare

Career Development Plan

The annual development programme (Career Path Development) is set up on a continuous basis from year to year. The objective is for employees to realize and understand the opportunities for their career development which is the Company's mission to create "quality employees, quality productivity". The Company will train its employees according to its development plan. Employee training is focused on two target groups as follows:

Group of operation staff — Top Management and Staff at Management level

Group of operation staff including workers at worksites

Development plan for Top Management and Staff at Management Level

The Company applies the principle of "Competency Development" for training. Goal, indicators and action plans are set according to Individual Development Plans (IDPs). There are 3 levels in Competency Development.

Type of Competency	Level of staff	Average training hour per employee	Objective of the program
Core Competency For staff at all levels	All levels	30 hrs./ session / year	To ensure that all staff understand the core values of the organization which is achievement oriented, cost effective, customer focused, initiative and alertness.
Managerial Competency	Management	30 hrs./ session / year	To develop managerial skills such as pro-active analytical and planning, resources management, management, communication and co-ordination, leadership.
Functional Competency	Technical & Operation	24 hrs. / session / year	To develop technical skills according to their professional duties and responsibilities.

Leadership Development

To create and develop the leadership is one of the Company's missions to develop staff from supervisor level to prepare themselves into higher level to become future organization leader group as part of succession plan. The Company provides continuous soft-skill training and other related programmes for both in-house and external training institutions.

English communication skills development

The Company realizes the importance of staff being able to communicate in English. Therefore, English courses are provided to employees as part of their skill development. There is a full time English teacher who conducts English classes for staff at the Head Office, plant and construction sites. Courses are designed to match the level of individual's English proficiency and needs with pre & post course evaluations

E-learning system

The Company has developed an e-learning system for English and many in-house courses for Head Office and construction sites staff. The purpose is to provide an all-time access to knowledge for employees. The on-line courses include quizzes and exercises to encourage participation. E-learning enables staff to continue improving their skills and knowledge.

New E-learning programmes were added to the existing courses such as Team Building, Assignment and Work Order Skill, HR for non-HR, Young Engineer Programme and English for Young Engineer. The Anti-Corruption Policy is a compulsory course, where all employees must take a test with minimum scores required to pass.

In 2020, e-learning version 2 was developed and added with new training courses. The courses including Commercial

Knowledge for Young Engineers, Lesson Learned by CNT, Planning for Target, Negotiation Skill, Effective Delegation Technique, Self-development for Young Manager and English Courses which specially design to support staff who work from home during the peak of COVID-19 outbreak.

Young Engineer Programme

Newly employed young engineers are a major resource of the construction business, and are trained to develop their basic knowledge and in the Company's special techniques. This campaign is called the "Young Engineer", whereby the Company recruits new graduates from engineering institutes and trains them starting with the Company's fundamentals, such as procedures, systems, techniques, know-how etc. They are trained both in the office and at the work sites (on the job training). The Company believes that after training, these young engineers will carry out their duties according to the Company's standards and will become the Company's future assets and continue to maintain the Company culture.

Development Plan for operation staff in construction operation

The Training School is also responsible to prepare the training programme to develop staff in construction operation. The training programme focuses on operating and managing in worksite (Project Management) to ensure the understanding of efficient project management. The target groups are all staff at supervisor level, engineer level 5-8 up to Project Manager. The target groups must attend all training courses as under with training hours not less than 36 hours per year. The courses are divided in to 7 groups of knowledge and are conducted by Company's staff who are experienced, knowledgeable and experts in each subject. This is to create sustainable knowledge in the Company from generation to generation. Staff can attend more than one course in a year. Details of training course, number of training staff and hours are as under:

Training Programme	No. of courses		Training hours		No. of participant	
Training year	2020	2019	2020	2019	2020	2019
Construction Knowledge	9	12	60	78	336	404
Soft Skill	4	11	21	252	177	965
Computer Skill	1	2	6	18	2	54
Safety Programme	15	18	465	591	702	1,275
Project Manager programme	2	3	12	15	146	113
English Skill	4	4	9	12	87	90
Total	35	50	573	966	1,450	2,901

Group of Operation staff at construction sites

As a large construction company, the Company needs a number of skilled staff and workers. With high competition in the construction market, operation staff and worker is one of the significant target groups for training. The Company has built a training center at Nimitmai Road to provide full facilities for training staff and workers. The programs are focused on major construction activities, skills which are needed for every construction project such as brick laying, plastering, carpentry, formwork, erection works, etc. The Company conducts a test for standard workmanship in line with the standards of the Skill Development Department, as for the Company to pay the remuneration according to their skill. The Company always develops the training programme to meet with the shortage of some certain skills in order to increase Company's including its sub-contractors' quality of workmanship. As for sustained development, after training, they may leave the Company to join other organizations without any objection from the Company.

In addition to in-house training, we also arrange field trips for our staff to visit suppliers so that they can gain hands-on experience from manufacturing processes. For instance, they have visited lightweight-concrete plant, hot dip galvanizing factory, and glass producing company. Among these trips, they have gained practical direct experience of laying lightweight concrete bricks from the producer.

The training programmes for safety are conducted regularly for staff and workers at site to ensure safety at workplace. Training for the use of equipment is provided to ensure that all Company equipment is used correctly and efficiently. The regular training programmes, including the development of skilled labour are also conducted to ensure that qualified works are handed over to all Clients. The details of training programmes are as under:

Continuous programme	No. of hours		No. of participant	
	2020	2019	2020	2019
Safety in Construction and using Scaffolding	120	258	663	4,198
Tower Crane Signal	183	240	132	348
Working in confined spaces	200	22	193	288

Due to COVID-19, last year, the Department of Labor Protection and Welfare reduced the number of safety training requirements from 50% to 10% per annum.

Programme developed in 2020

Programme	No. of hours	No. of participant
Installation and inspection of scaffoldings	30	75
Steel Fiber-Reinforced Concrete flooring machinery	12	58

Joining as a member of Council of Engineers net work

The Company is a member of Council of Engineers network. As a member, the Company is certified to host training for engineers of other members and sharing engineering professional knowledge among members as knowledge sharing to promote personal and country development in a sustainable way. In addition engineers can collect training hours toward the continuing professional development program (CPD), which is required when they need to take professional license examination for their career advancement. The Company also sends our experienced staff to be lecturers for certain courses that organized by the Council.

In 2020, training courses on knowledge development for engineers were held continuously, namely, Industrial concrete flooring, Planning-procedures-and project management, Inspection and delivery to client guidelines, Structural inspection with cracking problem guidelines, Welding technology, and visual inspection, Workshops on the use of Steel Fiber-Reinforced Concrete flooring machinery, Basic knowledge of building assembly, Inspection of destructive and non-destructive welding and cost management for construction projects. There were 428 engineers, and 1,128 PDU (Professional Development Unit).

Details of Trainings

Type of Training Courses	Total No. of Training Courses		No. of Training Staff		No. of Training Days		Total Training Expenses Per Year(Baht)	
	2020	2019	2020	2019	2020	2019	2020	2019
In-House Trainings	63	123	1,363	2,664	93	160	635,313	1,073,661
External Trainings	41	60	58	90	64	124	184,669	398,215
Total	104	183	1,421	2,754	157	284	819,982	1,471,876

Average training hours according to employee level and gender

Employee Level	Hour/person/year	
	2020	2019
Operation Staff	9	16
Junior Management Level	7	12
Middle Management Level	6	9.5
Top Management Level	7	6

By Gender	Hour/person/year	
	2020	2019
Female	7	18
Male	8	18

Performance Management

The Company has a system of performance management to support the employees to work efficiently and effectively in accordance with the ultimate target of the Company to develop sustained competitiveness.

The supervisor has duties to manage performance of their sub-ordinates in each level to achieve success by assigning the duties and responsibilities in accordance with Company target and strategy. It is to enhance their sub-ordinates through training, coaching and mentoring according to their knowledge and capability.

The employees have a duty to comply with their duties and responsibilities for the achievement of their target and meet the standard of performance and be responsible for self-development for better performance.

The performance evaluation is conducted annually to review the remuneration including promotion. This is to encourage and motivate employees to work with their full effort and dedication in works and continuously improve their performance.

Policy and Guidelines on fair remuneration and welfare

The Company has a policy of remuneration payment related to the Company's performance both in short and long term to motivate employees to devote themselves for the achievement of their target. KPI (Key Performance Indicator) and Competency is the mechanism in which the Company applies for the management of salary in the short term. Other benefits beyond legal entitlement are also provided. The aim is to promote the security for employee and their family and to build up long-term relationship between employees and the Company. The salary rate and basic remuneration is not be different between female and male employees e.g. salary adjustment, bonus, performance awards, etc. However, for long term remuneration, it depends on Company's investment plan in the future and the outlook of the construction market.

The Company regularly reviews employees' remuneration and welfare to ensure that the Company's compensation is at an appropriate level and remains competitive in the construction industry.

Other Welfare and Benefits

The Company provides welfare and benefits to employees to reduce the cost of living from the day they become full-time staff. Equal welfare and benefits are obtained without gender, race, age, or religious belief discrimination. The Company has informed all employees about their rights through the employee manual and internal communication channel.

The Company and its employees (including management) jointly established a provident fund under the Provident Fund Act B.E. 2530 (1987). The registration was made on 13 June 1990 having SCB Asset Management Co., Ltd. as a fund manager. The purpose is to save and build a safety net for the employees and their families, strengthening long-term financial stability. Employees can choose their investment plan as deemed appropriate. The Company encourages employees to understand investment plans by considering opportunities, and risks, as well as returns. The Asset Management Company meets with management,

employer representatives, and employee representatives to report on the fund's performance, market conditions, opportunities, and risks, as well as short-term and long-term investment trends. The representatives can then inform the employees who are members of the fund to make an informed decision and choose the right investment plan.

The saving rate from employee shall be at the rate of 5-15% depending on the voluntary contribution. The contribution rate for the Company shall be ranging from 5-9% depending on number of employees' years of service.

In year 2020, the total amount in provident fund in company's contribution at the rate of 5-9% by using criteria of member's years of services for percentage calculation is 24.36 Million Baht with reserve according to the provident fund plan of 166 Million Baht which covers all entitled employees.

All staff who pass the probationary period have the right to apply for provident fund membership. As at 31 December 2020, members of provident fund total 863 employees or 98.5% who are the members of the fund from 876 employees who are qualified according to the requirement of the fund.

Saving and Contribution Rate (Employees & Company)

The contributions to the fund are from Employees and Company. The saving from Employee is at the starting rate of 5 percent. The contribution from the Company is at 5-9% depending on number of Employees' years of services to promote good morale and serve as a long term incentive to Employees who have many years of service. The employees saving rate can be from 5-15 percent depending on their voluntary contributions. The saving and contribution rates are as under:

Saving and contribution Rate according to employee's years of services

Years of services	Contribution Rate (%) from Company
Less than 15 years	5
From 15 to 20 years	6
From 20 to 25 years	7
From 25 to 30 years	8
More than 30 years	9

Terms of payment

The Company pays to the employees who are dismissed from membership of the provident fund when they resign or retire from the Company. The payment and benefits are

cumulative savings from employee and contribution from the Company depends on employee's years of service.

Year of membership (after probationary period)	Cumulative Employee Saving (%)	Cumulative Company Contribution (%)
Less than 5 years	100	none
From 5 to 6 years	100	50
From 6 to 7 years	100	60
From 7 to 8 years	100	70
From 8 to 9 years	100	80
From 9 to 10 years	100	90
More than 10 years	100	100

Other Welfare and Benefits

Welfares and Benefits are provided to employees and their family after they pass the probationary period. Employees at same level receive the same welfare and benefits regardless of their gender, race, age and religion. Welfare and Benefits are as under:

Promoting Health Policy

The Company provides yearly physical check-ups to all its employees with the aim of detection and protection before any severe disease occur. The Company also provides medical insurance, in addition to Social Security's medical benefits for employees, to enable them to access better medical services. Moreover, the Company also provides first-aid services at its office and on worksites. In addition, certain worksites have a nurse stationed at a first-aid room

to provide first-aid assistance and give advice on health care and use of medicine.

The Company also promotes its employees' good health by hiring trainers to conduct aerobic exercise and yoga classes on a daily basis as well as the exercise room with a fully equipped gymnasium with trainer to guide how to exercise and use equipment properly and safely for employees at Head Office who want to exercise after working hours. As for employees at the plant and construction sites, the Company provides a proper exercise venue with necessary sport equipment. The objective is to facilitate employees who want to exercise after working hours without travelling and expenses as to promote good health for the benefit of employees.

Work Absence at Head Office, Plant and Construction work sites are as follows:

Head Office	Gender	No. of Person			No. of Days			Average (Day:Person)		
		2020	2019	2018	2020	2019	2018	2020	2019	2018
Sick Leave	Female	99	75	122	463	443	510	4.7	5.9	4.2
	Male	80	58	111	349	280	362	4.4	4.8	3.3
Business Leave	Female	38	36	44	120	94	92	3.2	2.6	2.1
	Male	32	33	35	82	63	63	2.6	1.9	1.8
Annual Leave	Female	83	116	117	721	1,276	929	8.7	11.0	7.9
	Male	87	105	103	597	1,007	819	6.9	9.6	8.0
Plant										
Sick Leave	Female	4	5	15	29	19	63	7.3	3.8	4.2
	Male	16	15	35	78	70	96	4.9	4.7	2.7
Business Leave	Female	6	6	20	24	17	55	4.0	2.8	2.8
	Male	22	19	31	69	72	113	3.1	3.8	3.6
Annual Leave	Female	17	13	22	171	160	108	10.1	12.3	4.9
	Male	41	45	50	402	469	379	9.8	10.4	7.6
Construction work sites										
Sick Leave	Female	158	195	143	998	1,174	663	6.3	6.0	4.6
	Male	468	290	401	2,403	1,440	1,589	5.1	5.0	4.0
Business Leave	Female	58	120	51	198	328	181	3.4	2.7	3.5
	Male	221	136	198	668	329	518	3.0	2.4	2.6
Annual Leave	Female	131	117	131	1,258	1,087	753	9.6	9.3	5.7
	Male	499	495	564	4,850	3,958	3,513	9.7	8.0	6.2

After one year of service, staff at Head Office are entitled to 10 days and staff at Plant and work sites are entitled to 12 days Annual Leave.

Annual Leave for 860 employees who are entitled for Annual Leave in year 2020 (nos. of Annual Report in this Report is including the Annual Leave taken by employees who were resigned during the year). Its duty of Supervisor to allocate the Annual Leave to all their subordinates.

Other Benefits

Housing/camping

The Company provides housing for employees who are working outside Bangkok city limits in order to facilitate living and reduce the impact of higher cost, the Company builds temporary camp sites located near its construction sites for staff and labour including sub-contractors' labour. These camps are safe, clean with a healthy living environment.

Child care at construction sites

It is Company policy to provide housing for staff and workers who are working at construction sites. In addition to housing, at some construction sites with a long period of construction and a large number of staff and workers who are having their babies or minors, the Company may provide a child care center for the children of staff and workers. This is to improve the quality of life for those children. As a result, children have someone to look after them while their parents are at work. Besides improving the quality of life for the children, parents are assured that their children are cared for, allowing them to work more effectively.

Medical care benefit for staff and family

The Company absorbs limited cost of out-patient medical services for its employees which is beyond the medical services provided by Social Securities Fund. The Company also provides insurance to cover in-patient costs and

accident for employees. As an in-patient, gifts will be sent to employee for caring and concerning. In addition, the Company also provides limited in-patient medical benefits to the spouses and children aged 20 years or younger of its Employees.

Life Insurance, accident and social funds

The Company provide group life insurance policy and medical group insurance with Alliance Ayutthaya Insurance PCL. As an in-patient, staff will be able to reimburse medical expenses according to the insurance plan.

The Company pays contributions, as required by law, to Social Security Fund and Workmen's Compensation Fund.

Financial Supports

Funeral expense aid

As one of the policies to ease the financial burden of its employees, the Company provides funeral expense aid in case employee or the employee's family members passes away. The Company sends the wreath in condolence for the loss of the employee.

Saving Cooperative

The Company encourages the establishment of a saving cooperative and named it the "Christiani & Nielsen Employee Saving Cooperative" or Co-op in short. The Co-op is managed by the employees with the objective to encourage employee's to save for their financial stability in the future. Moreover, it is a financial aid amongst its members. The Company supports the Co-op staff and allows the Co-op to use Company premises. The Co-op start its operation since 2011. Currently there are 613 members out of 876 staff.

Moreover, the Company act as a centre in supporting its employees for special interest rate and conditions for housing loan from various commercial banks.

Employee Welfare Committee

As required by law, the Company has established a welfare committee in the workplace. The committee was elected and appointed to represent the employees and offer recommendations to the Company regarding welfare provision. In addition to inspecting and supervising the welfare arrangements, the committee also promotes labor relations. The committee seeks to find ways to improve welfare and the work environment and build morale for employees, resulting in increased productivity in the establishment. Last year, the committee held meetings with the Company's representatives and presented recommendations from employees for joint consideration. Thus far, the Company has neither had disputes nor received complaints about unfair treatment of employees.

Environmental Operation (CSR In Process)

Policy and report on safe and environmental protection in process

The Company conducts its business strictly in compliance with all related laws and regulations governed by related authorities for social and environmental protection. The Company realizes that simply complying with regulations is not enough, and so has a clear policy to prevent harmful effects and pollution from the Company's work. Reviews are regularly conducted to control and monitor the effects of the Company's work in order to ensure the highest level of effectiveness. This policy is updated with the changes in environment to ensure long-term sustainable development.

The QSHE (Quality, Safety and Health Environment) Department monitors and ensures that construction operations comply with the related laws and regulations. The QSHE also ensures that quality and safety are in accordance with the high standards and policy of the Company. The aim is to prevent or minimize all accidents and negative impacts that may occur during the construction process.

The Company was granted the certificate of OHSAS 18001:2007 (Occupational Health and Safety Assessment Series). The objectives for this assessment is to monitoring to reduce and control all risks of employees and the others and to increase the efficiency of business.

In 2020, to enhance the organization's reputation and define accurate occupational health and safety objectives, the Company encouraged employees to be more involved. Moreover, the Company has developed a system for occupational health and safety management following the changes in current standards; certified initially as OHSAS 18001:2007, to ISO 45001:2018 certified by Bureau Veritas with a focus on improving safety and environment within the organization more broadly. The Company has taken into account the risks, opportunities, legal requirements, and other aspects that will enhance occupational health and safety efficiency. The aim is to help reduce losses, accidental injuries and protect employees' health at work.

In 2020, the Company joined EcoVadis to obtain a holistic assessment of social and environmental responsibility ratings (CSRs) covering a comprehensive management system that is not financially dependent, namely its impact on the environment, labour, human rights, ethics, and sustainable purchasing. The Company is evaluated on several key issues based on industry size with EcoVadis' CSR management system evaluation method based on international standards such as the International Reporting Index (GRI), ISO 26000 standard, and the World Agreement Code of Conduct (reference www.ecovadis.com). The Company's assessment results are bronze level, with the Company's score being in the high score group of 30% of all companies applying for EcoVadis certification. It will drive the organization to take sustainable action to meet the needs of all stakeholders.

Furthermore, to increase the confidence of all stakeholders regarding the Company's environmental actions, the management has assigned the responsible persons to prepare information, including planning for the certification of ISO 14000. The international standard will be guidelines for managing environmental aspects in the organization more effectively and preventing pollution. The Company also ensures that the organization operates under the law to reduce civil liability risk that may arise from illegal practices. The Company plans to obtain certification in 2021.

Occupational Safety, Health and Environment

The Company cares for life and health and is determined to promote safety for employees to prevent injury, accident and sickness from work and control compliance in the business operation of the policy of safety, occupational health and work environment according to guideline under the Safety, Occupational Health and Working Environment Act. Therefore, Safety is the strictest policy which all departments must follow. It is a duty of all employees to take care of the health and safety of oneself and the others in the operation. All employees are required to cooperate with the Company to comply with rules and regulations. Moreover, the Company also encourages employees to realize the importance of safety at all times by providing training on a regular basis. The Company plans and sets methods to reduce accidents including discussion to strengthen safety mindfulness and how to react to accidents.

The Company has a Safety, Occupational Health and Working Environment Committee including representatives from employer and employees with the aim to define standards and policies for safety for effective management. The Committee is responsible for prepare safety plans, safety reporting and propose the measures according to the laws to ensure safety and a healthy work place for all employees, sub-contractors and other related parties.

At every work site, the Company provides Safety Officers at various levels such as Supervisory Level, Operation Level and Professional Level to oversee and monitor the

operation according to the professional safe standard, the planning and the work conditions to be in compliance with the applicable laws, such as line drawings, warning signs installation and providing safety equipment. Safety Officers at work sites monitor and advise in order to ensure that work sites are running under safe conditions. There is a daily morning "Toolbox Talk (Safety Talk)" to brief all employees to be aware of safety during their day to day operations. The Company has also has a campaign for the awareness of health and safety at work sites, called the "Best Sites for Safety and Cleanliness", whereby the best performing sites in these aspects are rewarded with cash rewards and commendation certificates are given to the Project Managers and staff. This also improves morale and encourages safety awareness at every stage of their work. The best safety performance is judged in accordance with safety standards outlined by OHSAS's standards regarding safety management.

The Company has rules and regulations for safety workplace for all employees to follow based on Security Act (2011), Ministerial Regulations (2006), and Ministerial Regulations (2012).

Health and Safety Policy

- Employees must be aware of safety and health in every construction activity and including other related parties in that operation.
- In all workplaces, the Company will provide and maintain as under:
 - Safety workplace including proper access way
 - Safety working system and equipment
 - Proper safety standard for safe workplace
 - Occupational Health and Safety training.
- Promote employees to participate in health and safety programme. Appoint Safety Officer as a member of Occupational Health and Environment Committee.
- It is a duty of all employees to ensure their own health and safety as well as other co-workers. All employees must strictly perform their duties with full responsibility.

The Regulations for working in safety place:

- Safety training, i.e. safety training before work, work in risky area, use of fire extinguishers, and first aid.
- Safety in general work. The employees, workers including subcontractors must wear safety protection at all times to prevent harm from work. Head, ears, feet, face, eyes, mouth, hands, and arms must be protected. Also devices to prevent falls height must be used.
- Display safety sign such as prohibit signs, warning signs, mandatory signs and safety condition signs with different colours to differentiate the types.
- Firefighting training to identify type, cause of the fire and how to protect oneself, how to use fire extinguishers including practicing the fire alarm plan, set the fire exit routes and emergency contact numbers.
- Set the environment in workplace and arrange welfare;
 - o Promote 5S (Sort, Set in order, Shine, Standardize and Sustain),
 - o First aid room, medicine and car to send sick person to hospital. Equipped Exercise Room and Sanitary canteen.
 - o Arrange activities to promote safety and safety driving campaign.

Environment Policy

The Company promotes and enhances its employees to be aware of the importance of environment protection and set out the policies as under:

- Economical use of materials and power. If appropriate try to reuse or recycle.
- Consider using materials or products from reliable sources, environmental friendly products. All materials must consider to reuse or recycling.
- Implement proper measurement to avoid any harmful affect from constructions to nearby communities.
- Worksite and work place must be kept clean and tidy at all times.
- Promote employees' knowledge for green building construction.

Occupational, Safety and Health Training

The Company regularly conducts the Occupational, Safety and Health training programme for its Safety Officers and staff working at worksites. About 11 training courses a year are conducted to ensure all staff at worksites understand and are aware of safety in work place in order to avoid or prevent accidents or diseases from work-based activities.

The Company is registered with Department of Labour Protection and Welfare to set up its own training unit for Safety Officer at Supervisor level, including other training courses related to safety working of various types. The Company is able to conduct in-house training and to issue the certificate to the trainees.

Prevention of risk from work-based Diseases

The Company is aware of good health of all staff both in Head Office, Plant and Site Office by providing annual medical check-up for all staff. Moreover, the specific medical check-up programme is provided for staff according to their risk exposure environment such as Pulmonary Function Test, Visual Test, Hearing Test, etc. to prevent or eliminate the risk from work-based diseases.

From the outbreak of COVID-19 in 2020 to the second wave in early 2021, the Company has introduced strict measures of keeping social distance following the Department of Disease Control, Ministry of Public Health's recommendations on all Company's premises. Employees and workers at construction sites, in the offices, at the plant, at worker campsite were educated and well-informed of best practices. The Company provides equipment to clean all workspace to prevent the spread of Coronavirus. The Company has been able to manage this crisis effectively. The employees and their families are in good health. They can maintain their hygiene and steer clear of infection. Hence the business can continue to operate without interruption.

The Operation in Sriracha Plant

The Company's plans to increase its Equipment and Scaffolding Plant capacities, which are important supporting units to increase the Company's productivity. The Company realized that increasing the production in its plant, which includes equipment maintenance, steel fabrication and erection, etc. may pollute nearby communities. The Company therefore relocated its existing plant from greater Bangkok to Sriracha, which does not have crowded communities in its neighboring areas.

The Company strictly complies with related laws and regulations concerning environment and communities. The Company aims to establish a good connection with local communities like schools and temples by supporting and improving the surrounding area. The Company also offers jobs for locals to work in the Plant.

The Operation in the Structural Steel Manufacturing

Structural steel is one of the major materials used in construction of all types. In order to create Company's long term cost competitiveness, the Company is permitted to operate the manufacturing plant for steel structure works with the maximum capacity of around 10,000 tons per year. The aim is to serve all construction work sites for design and fabrication of steelworks as well as provide a service to external customers to increase its revenue.

Safety and Environment protection in Structural Steel Manufacturing.

To prevent dust and reduce noise, a barrier was installed around the manufacturing plant in order to avoid any disturbance to the community.

Waste Management for production process

- Continue developing and improving production process and supporting activities to minimize the waste.

- Waste management system complies with the law including storage, re-use, treatment or disposal outside the factory.
- Reduce landfill by categorizing waste according to its usefulness.
- Regular monitoring and evaluating the waste management system.
- Sewage water must be treated before disposal.
- Coordinate with the government service and strictly comply with laws and regulations of The Ministry of Industry.

The Operation in plant yard and workshop

The Plant in Sriracha is the central storage and management for construction equipment of more than 10,000 pieces consisting of machinery, equipment, tools, scaffoldings and steelworks. The plant also provides the maintenance services and transportation services to all worksites located in Bangkok and all regions around Thailand. The policies for environment protection and safety in plant yard including transportation system are as under:

- All equipment to be used in worksite and being maintained or repaired must be kept separately and categorized according to the use.
- Using Preventive Maintenance System to ensure that all equipment will be in proper condition at all times to reduce numbers or frequency of broken equipment.
- All machines, equipment must be checked and maintained periodically. All broken machines and equipment must be repaired in time and be ready to be use with quality and safety.

Waste management in plant yard and workshop

- Sewage receiving area, and waste disposal area must be kept clean at all time.
- Provide proper area, container with proper coverage according to the type of trash or waste such as paper, plastic, oil and contaminated or toxic waste.
- Contacting with company experiencing in disposal of contaminated or toxic waste.
- Contacting with vendors for the sale of reusable wastes such as paper, plastic, residues, oil and etc.
- Strictly complied with laws and regulations of The Ministry of Industry.

Safety Standard for Transportation of materials and equipment

The Sriracha office transports construction materials, including scaffolding and steelwork to various worksites located in many areas in Bangkok and up country. Therefore, the transportation must be handled appropriately and safely from the starting point to destination. The transportation policy is as under:

- Transport safely, completely, accurately and on time.
- Develop and promote workers to implement good quality management system.
- Be responsive to all worksites requirements and satisfaction.
- Strictly comply with the regulations of Department of Land Transport.
- Arrange equipment, tools or materials on truck effectively to prevent any hazards or accident during the transport.

Safety and Environment Report**Accident Statistics 2020 and 2019**

Month	Man-hours		Total Accident Target < 50 Cases : 1 MMH				Lost Time Accident Target < 20 Cases : 1 MMH				Fatality Target = 0 (Zero)			
	2020	2019	Total	Frequency in 1 MMH	Total	Frequency in 1 MMH	Total	Frequency in 1 MMH	Total	Frequency in 1 MMH	Total	Frequency in 1 MMH	Total	Frequency in 1 MMH
			2020		2019		2020		2019		2020		2019	
January	1,483,962	1,593,415	7	5	14	9	6	4	7	4	0	0	0	0
February	3,109,907	3,273,562	18	6	32	10	14	5	16	5	0	0	0	0
March	4,726,362	5,004,026	33	7	49	10	23	5	28	6	0	0	0	0
April	6,004,677	6,300,010	41	7	65	10	30	5	36	6	0	0	0	0
May	7,329,564	7,927,942	47	6	71	9	36	5	42	5	0	0	0	0
June	8,644,429	9,681,167	54	6	77	8	39	5	48	5	0	0	0	0
July	10,042,470	11,381,558	60	6	86	8	41	4	53	5	0	0	0	0
August	11,434,322	13,428,101	65	6	95	7	44	4	60	4	0	0	0	0
September	13,012,545	15,384,461	70	5	109	7	47	4	71	5	0	0	0	0
October	14,733,073	17,110,264	75	5	116	7	51	3	75	4	0	0	0	0
November	16,319,619	18,901,548	82	5	123	7	55	3	78	4	0	0	0	0
December	17,617,883	20,428,502	86	5	130	6	58	3	82	4	0	0	0	0

Construction projects rewarded as part of safety campaign

In year 2020, there were 18 projects out of 35 projects that received awards according to the Company's safety campaign, having worked for 3 consecutive months without lost time. The rewards Baht 848,850.- (In 2019 there were 30 projects out of 45 projects with rewards of Baht 499,750.-)

In 2020, Safety Awards received from Clients/Consultants in construction sites are as follows:

Safety Achievement Awards

Thailand Sustainable Warehousing (Michelin Siam Co., Ltd.)
2,000,000 Safe Manhours without Lost Time Injury
1,000,000 Safe Manhours without Lost Time Injury
500,000 Safe Manhours without Lost Time Injury

New Office of TSB Project (Thai Oil Public Company Limited)
2,000,000 Work Hours Without Lost Time Accident

Best HSE Performance

PTTLG Nong Fab Receiving Terminal Project (PTT LNG Co., Ltd.)

Safety and environment projection at Worksite

Pollution reduction during construction process

The Company's construction policy is to reduce or avoid any activities which may affect the environment by applying the standard of Green Building Construction according to LEED (Leadership in Energy and Environment Design).

The Company has measures in place to mitigate impact to the environment, i.e. dust and noise pollution, or surface water. Each worksite is required to do as follows:

- Worksite must be kept clean and tidy at all times. Proper storage of materials and reusable items on site. Control when removing loose materials, reusable, recycling materials;

- Install dust mesh sheet around the building and site for projects that are located close to the community. Install construction safety debris mesh net to protect against falling objects and to minimize the hazard posed by the emission of construction dust.
- Cooperate with the authority if there is any request to withhold construction for certain days in order to reduce PM 2.5 dust.
- Speed limit for vehicle in construction site. Prepare site hoarding and dust protection. Road and access must be kept clean, all truck wheels must be cleaned before leaving the construction site to reduce the amount of sediment transported outside.
- For a construction site with open-cut excavation, regularly damp down surfaces with water to prevent dust from spreading.
- Carry out noise generating construction activities within specific hours that the community has agreed upon. However, if the activity must be carried on after the agreed hours, the worksite must notify the neighbours in advance.
- Control sediment/debris at site boundary and outlet and control soil erosion at site access area;
- Segregate trash and waste and have waste water control. Construct grease trap to treat water contaminated by oil. Regularly repair and maintain machines and equipment in good condition with no oil leakage with proper control and disposal by sanitary methods.
- Control the quality of air around the worksite and nearby area. Conduct routine housekeeping and measuring air quality at worksite.

Numbers of complaints about Environment and Social Impact

The complaints about environment and social impact during construction process can be notified to Company's Project Manager or e-mail at cnt@cn-thai.co.th.

During the past year, there were no significant complaints received for any impact to environment or social.

Environment Protection

Greenhouse Gas Management

Greenhouse gas emissions from the Company's operations are mainly from fuel consumption. However, the Company has made reasonable efforts to conduct its business with environmental protection in mind, i.e., efficient use of resources and environmental impact reduction. The Company has not prepared a report on greenhouse gas emissions yet because there is no data stored in compliance with the procedures. However, the management recognizes the importance of reporting greenhouse gas emission reductions caused by direct and indirect processes. Hence, the next action will be to find out the amount of greenhouse gas emissions generated, and then set a policy and plan to manage the reduction of greenhouse gas emissions. After that, submit the plan to the Board of Directors for approval. During the preparation period, the Company encourages employees to attend training with the Greenhouse Gas Management Organization (Public Organization) and with the Stock Exchange of Thailand (SET). Moreover, the Company also encourages the employees to study greenhouse gases to understand the importance of controlling greenhouse gas emissions. Soon, the Company expects to start reporting greenhouse gas emissions following international standards or equivalents. An external source will also review the report to ensure the information's reliability to investors, shareholders, and concerned parties. In addition, the report will show a comparison between the Company's operations each year.

Environmental Protection Campaign

Management Executives not only realize the importance of environment preservation during the operation, but also during daily life of staff. Therefore, the management initiated the CNT Go Green project to raise awareness of the need to preserve the natural environment, including to stop global warming caused by human destruction through daily living. The Company has announced its intention to protect the environment through various communication channels. The Company also appointed a working group whose work is to encourage employees and their families' engagement. Several programs were initiated, for example,

paper usage reduction, single-use plastic reduction, and garbage sorting. The goal in 2020 was to stop using single-use plastic in offices and at construction sites. Continuous communication and activities are held for all employees, as listed below.

- Promote policies and campaigns through in-house media such as journals, e-mails, computer wallpapers, and posters.
- Provide cloth tote bags to all employees as a substitute for plastic bags.
- Prepare garbage bins according to the type of garbage to be sorted before disposal.
- Discontinue the use of plastic water bottles in meeting rooms and use water glass jars instead.
- Promote using personal cups and straws instead of disposable cups and plastic straws.

Unfortunately, due to the COVID-19 outbreak, everyone has to adopt a "new normal" way of life. Thus, some of the environmental protection measures could not be implemented. For instance, temporarily stop using a particular type of personal cup to reduce disposable one to prevent the spread. As a result, single-use plastic could not be eliminated as intended. However, when the situation improves and it is safe to use the personal cups, the Company will continue its campaign to discontinue single-use plastics.

Company Head Office

The Company Head Office at 727 La Salle Road, was constructed on the land plot of 10 Rai to support the Company's expansion. The office is a 7-storey building with a floor area of 10,000 square metres, which can accommodate up to 750 staff. The design concept was loft style, which is modest and environmentally friendly. The new Head Office was designed with a view to reduce energy consumption and provide modern facilities, including a training room, cafeteria, lounge, fully equipped gym room, and external recreation area, to create a pleasant working environment that is also disable-friendly. The new Head Office was completed in 2013 and the Company relocated to the new Head Office on 28 April 2014.

Features of the design for an energy saving working place:

- LEDs (Light-emitting Diodes) which consume less power, giving more brightness with low heat and a long useful life time. The use of LEDs is calculated to reduce energy consumption by 60% when compared to other types of light bulbs.
- VRV (Variable Refrigerant Volume) air-conditioning system. With this system, the reduction in energy consumption is around 20-30% compared to normal systems.
- Heat Absorbing Glass (Double Insulated Low E Glass). This glass can absorb twice as much heat as regular glass, and acts as a reflection filter for unwanted light. This glass thereby reduces the heat in the building, and reduces the energy consumed by air-conditioners.
- Motion sensor lights in all restrooms: A motion detector controls the lighting system, and turns the lights on when it detects any motion and automatically turns the lights off after a certain period of time. It facilitates energy saving and generates less heat from light bulbs.
- Solar roof on Head Office and Plant's roof top to substitute some of power energy by using solar power.

Electricity consumption during the last 3 years (2018-2020)

The company starting to use the electricity produced from solar roof top to substitute some of power energy consuming for its operation at Head Office starting from July 2020 and Plant from September 2020.

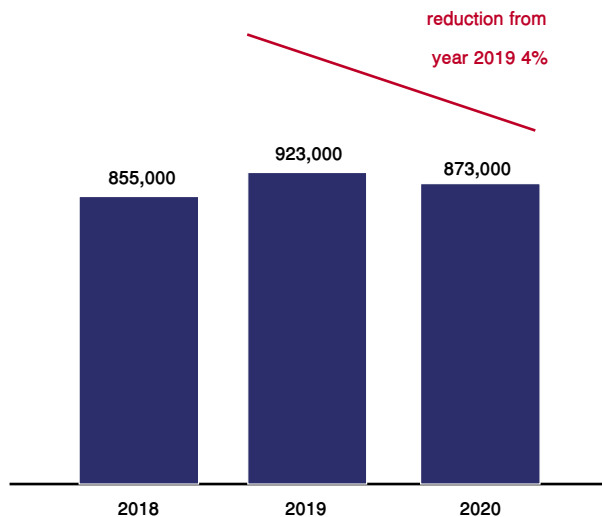
Electricity consumption at Head Office (2018-2020)

The reduction in 2020 was about 4% from year 2019.

Electricity Consumption in Head Office (Kilowatt-Hour Meter)

Month	2018	2019	2020
January	66,000	71,000	77,000
February	63,000	71,000	73,000
March	76,000	81,000	84,000
April	65,000	77,000	80,000
May	81,000	84,000	86,000
June	75,000	76,000	82,000
July	72,000	81,000	74,000
August	71,000	79,000	71,000
September	68,000	76,000	68,000
October	76,000	84,000	62,000
November	74,000	76,000	60,000
December	68,000	67,000	56,000
Total	855,000	923,000	873,000

Electricity Consumption in Head Office (Kilowatt-Hour Meter)



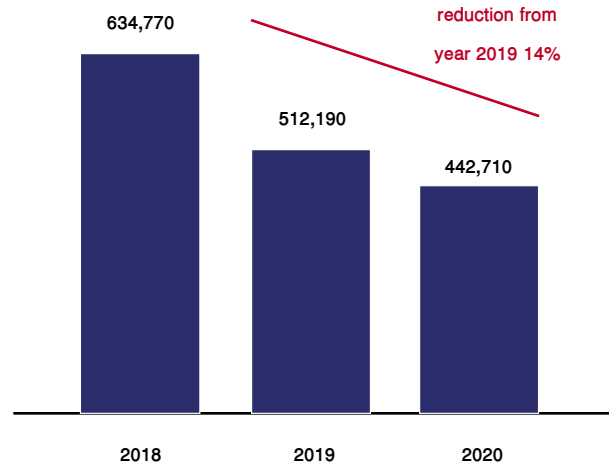
Electricity consumption at Plant (2018-2020)

The reduction in 2020 was about 14% from 2019.

Electricity Consumption in Plant Sriracha (Kilowatt-Hour Meter)

Month	2018	2019	2020
January	35,370	45,840	42,060
February	43,980	42,720	36,990
March	49,890	33,870	41,160
April	39,090	36,450	45,510
May	57,570	49,290	37,650
June	58,320	44,970	40,200
July	55,260	43,110	39,360
August	59,790	45,780	39,780
September	59,400	40,770	31,950
October	61,740	46,140	26,550
November	68,160	49,080	30,180
December	46,200	34,170	31,320
Total	634,770	512,190	442,710

Electricity Consumption in Plant Sriracha (Kilowatt-Hour Meter)

**Paperless Organization**

To increase efficiency, administration speed, and conserve natural resources, the management has issued a policy to request all departments to reduce paper consumption. The goal in 2020 was to reduce paper usage by over 50% could the goal was achieved the by improving work processes and eliminating redundant steps. Moreover, by doing so, this improved work efficiency. For example, approval procedures were reduced as well as printing or copying, by using both sides of the paper. Furthermore, the

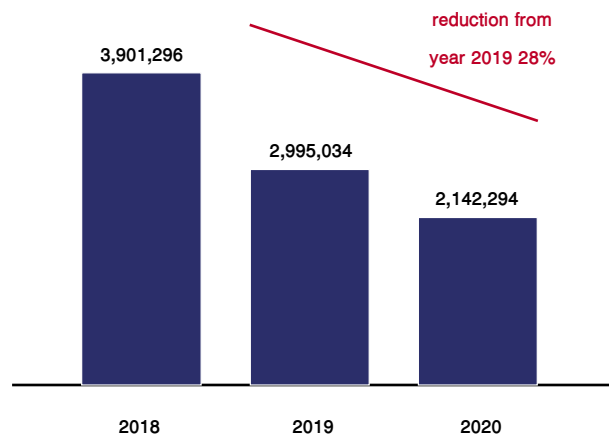
Company has also assigned the IT department to develop a document storage system in digital file format instead of copying documents in paper form. The IT department has also developed a system where approvals can proceed through internal webmail instead of paper approvals. As such, leave requests, business card requests, car and airplane travel authorization, and fuel expense approval can also be done electronically.

Paper consumption in Head Office (2018-2020)

The reduction of paper used in year 2020 is 28% from 2019 and 45% from 2018.

Month/ Year	Paper consumption (page)		
	2018	2019	2020
January	264,483	275,282	152,888
February	392,290	335,885	158,929
March	419,599	231,706	265,863
April	282,947	245,417	154,574
May	425,168	255,682	245,834
June	300,601	287,300	190,766
July	307,224	271,003	175,740
August	272,542	246,534	160,771
September	303,928	187,164	159,837
October	310,009	221,422	119,048
November	369,715	284,843	174,910
December	252,790	152,796	183,134
Total	3,901,296	2,995,034	2,142,294

Paper consumption in Head Office (page)



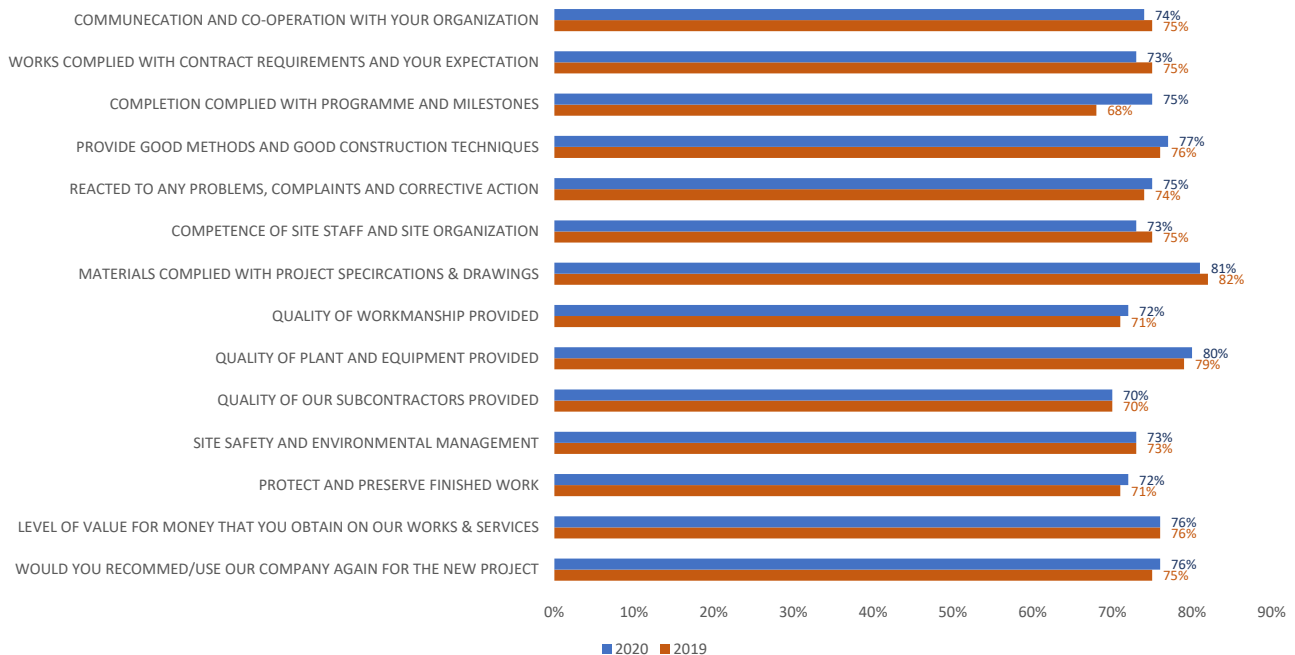
Responsible for products and services

The Company is highly aware of customer's trust and confidence, which is very important.. It is the Company's policy to conduct construction under close supervision at every process, starting from the beginning i.e. designing, consulting, and supervising to ensure that all buildings are constructed correctly and in accordance with the highest professional standards. All materials must be of good quality, qualified standards and meet the customer's needs. The Company has issued the "CNT Standard for Architectural Works" to use as a guideline and to be monitored by Quality Assurance (QA) Department which is independent from construction operations management. The QA Department visits worksites to ensure that during the construction period and before handing over to customers, all construction works are qualified in accordance with Company's standards and meet customer's specifications. The Company also solicits

client satisfaction feedback to projects' owner and or their representatives for improving and developing operations to maximize customer satisfaction. The Company provides a guarantee period of not less than 1 year or at Client's requirement to ensure the safety and quality of the buildings.

The Company conducted a survey that contained 14 topics concerning client satisfaction. The survey had a scale of 0 to 10 with 10 be the highest and 0 the lowest. The surveys were sent to project owners and consultant with the result yielded an average of 74%, which was almost the same as the previous year. This showed that the Company was able to maintain quality standard of our service to Clients. In addition, Clients' suggestions may be adopted to improve the service even further, especially in topics that received lower scores than the others. The aim is to continue improving the service to reach the highest Client satisfaction.

Customer Feedback



The Company has implemented the quality management system ISO 9001:2015 the international standard that specify requirements for quality management system in the organization, with the purpose of ensuring that the Company can deliver services that meet Clients' requirements and expectations and comply with legal requirements. Moreover, Company has provided training to personnel at various levels to understand the standard regulations and for employees to apply them appropriately depending on the level of responsibility of person in each group.

Complaints for Quality of work

Clients/Customers can complain of quality of work during the construction process and thereafter by making a complaint in Customers' Feedback Survey or directly inform the Company's Project Manager or Management or by sending e-mail at cnt@cn-thai.co.th. All problems or complaints are responded to as fast as possible according to our employee's core competency "Alertness".

Client/Customer Privacy

The Company insists on protecting Client's confidential information from loss, misuse, unauthorized disclosure, modification, and unauthorized destruction. The Company handles complaints through phone lines, e-mail and letters to/from Clients. The Company always prioritizes the principles of transparency and responsibility in providing services to its Clients in order to meet the commitment to provide the best service, provide a rapid response to various requests and complaint as part of Company Core Competency. During last year, there have been no complaints whatsoever regarding the mentioned issues and no financial penalties or other sanctions associated with the violation of the confidentiality of Clients' data.

The Company is currently drafting a Privacy Policy under the Personal Data Protection Act, which will come into force in 2021. The policy is aimed to assure all stakeholders, including clients, that the Company will protect personal data and only use such data in good faith.

Innovation (Value Engineering)

Through experience gained in the construction business over the past several decades, the Company always encourages its employees to find new construction methods and new equipment to increase productivity with

the least adverse environmental impact. The objective is to accelerate the construction time with lower costs and minimal environmental impact and meet the continuing changes required for long term satisfaction of the Client.

The Company has put in place a campaign to encourage innovation in construction activities by encouraging all employees, in office and on worksites, to submit their innovative plans and ideas for a better working system or new methods of construction which can be proved to be better than existing ways or methods and can save both time and cost (Value Engineering). The ideas must comply with Company's quality standards, lower cost of construction and delivery on time and in accordance with Clients' needs. Moreover, the idea must be able to be applied as a prototype for other departments or worksites and for long term development to enhance Company's specialist skills and reputation. This is the encouragement for continuous thinking to create long-term sustainability and in line with Company's mission, which is to "Aim to produce high quality works, develop optimum sale and services and develop optimum staff cost consciousness". That includes innovation that reduces environmental impact from the project. The goal is to preserve the environment and promote creative thinking in the employees for them to be a part of sustaining the environment.

The "Best Innovation Award" is one of such initiatives that have been put in place. The Company has appointed its top management to be members of the committee to select the best proposed innovation ideas. Rewards and certificates are given as morale boosters and encouragement for continuous thinking to create long-term sustainability.

Participating in Social Development (CSR After Process)

The Company strives to meet the declared policy of the responsibility to Company's stakeholders, especially towards the communities which are directly and indirectly related to Company business. These communities can be directly affected by the operations of the Company. The Company is aware of its responsibility to these communities and society and does as much as possible to absorb social accountability, going beyond what is required by the relevant laws. There are many projects and activities in which the Company participates, by contributing to communities and the society both CSR in process and CSR after process.

The Company assigns construction site to participate in the local community environment improvement projects and activities as deemed appropriate. The construction site may join with the stakeholder for a building project to achieve environmental and community betterment.

Last year, the Company supported activities in CSR After Process by joining with various social organizations, organizations, education institutions etc. with total expenses of 111,000.- Baht.

Education Support

The Company realizes the importance of education as a major mechanism to develop the Country. The Company continuously supports education in remote areas. Total support in 2020 was 65,000.- Baht.

Intern students

One of the Company's policies is to support intern students from private and public technical schools and universities to engage in temporary work with the Company in various departments or work sites. These students gain experience

in a working environment and prepare themselves for future employment.

In 2020, there were 18 intern students from 10 education institutions working in Head Office and work sites. None of them joined the Company after graduation. Among these intern students 3 of them joined the company after graduation. In year 2019, 3 intern students among 41 intern students from 23 education institutions joined the Company after graduation.

Social Support

Blood donation: Under the name "CNT's donation for good faith to the King with the Thai Red Cross Society", employees are encouraged to donate blood, with assistance from Somdejprapinklao Hospital, through mobile unit visiting the Company office every three months. Two weeks before the mobile unit is set up, the Company places a notice in the office, giving employees an opportunity to prepare themselves for the donation. This campaign has been regularly conducted for the past few years. During last year, blood donations were arranged 4 times, detail as follows:

	Date	No. of Donator	Amount of Blood Collection
1/2020 (37)	7-Feb-20	37	16,650 cc
2/2020 (38)	26-Jun-20	35	15,750 cc
3/2020 (39)	25-Sep-20	33	14,850 cc
4/2020 (40)	16-Dec-20	24	10,800 cc
Total amount of blood collection			58,050 cc

The Company supports the social activities by joining with various organizations including the disabled people, with total support in 2020 of 20,000.- Baht.

Cultures and Religious activities

The Company encourages annual events of related activities on behalf of the Company, employees, and stakeholders. However, due to the COVID-19 outbreak, the Company has refrained from organizing any activities that may go against social distancing measures that the disease control

department announced. Activities were cancelled, such as the candle festival and Loy Krathong traditions. However, the Company donated 26,000. – Baht to the charity that contributed to supporting religious, Thai traditions, and cultures.

Participation in sustainability Network

The Company joined hands with various social organizations in both public and private sectors for the contribution to society as under:

- Continued association with Rotary Club for the contribution to society.
- The Company joined hands with Artist's Friend Foundation to construct schools in remote areas, depending on the foundation resolution to build a certain school in a remote area.
- Supports construction materials to communities, school, temples and any other public places upon request.
- Allocate area in Head Office for the placing of donation box from "Baan Nok Khamin Foundation"
- The Company joined with the declaration for the cooperation between the public, private and civil society sectors. "Create a new dimension to create 10,000 careers for disabled persons" by the Thai Health Promotion Foundation. This is to improve quality of life of disabled people and add economic value to the Country.
- Thai Listed Company Association: being the member of CSR Club to make benefits for public and share information, experiences and knowledge of CSR development.
- Thai Contractors Association of Thailand: being lifetime member with the Association for jointly with other members for contribution to society, share information, experiences and knowledge to develop the construction business. The Company also sends its executives to be candidates for election as a director of the Thai Contractors Association of Thailand.
- Member of Council of Engineers network certified to host training for engineers of the other members, as well as share engineering professional knowledge among members as this promotes personal and country development in a sustainable way. In addition, engineers can collect training hours toward the continuing professional development (CPD) program to take professional license exam to prepare for their career advancement. The Company also sends experienced staff to be lecturers of certain courses organized by the Council.
- Installing "Too Chuen Chai" — with every purchase created income for betterment of disabilities by joining with Social Innovation Foundation, and Civil Society Working Team worked together to provide a space in Head Office and in Sri Racha Plant yard for charity vending machine called "Happy Vending Machine" (Too Chuen Jai). The proceeds go toward supporting occupation for the disabled people. Five percent of sales is contributed toward lessening hardship and improving life quality for severe disabilities.



MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) FOR THE YEAR 2020

Overview

Christiani & Nielsen (Thai) Public Company Limited (the “Company”) is a leading construction company in Thailand and has been providing a wide range of services, including design and construction of buildings, civil engineering projects, design, fabrication and erection of steel structures and mechanical and electrical installations, for over 90 years. The Company works in both the Government and Private Sectors. In year 2019, the Company entered into the renewable energy business which is a very promising business for the future.

The Coronavirus disease 2019 (COVID 19) pandemic resulted in an economic slowdown and an adverse impact on most businesses and industries. This situation has brought uncertainties and an impact on the environment in which the Company and its subsidiaries (the Group) operate. The Group’s management has managed the impact quite well so far and continuously monitors ongoing developments and has also assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, whereas estimates and discretion were used in respect of various issues as the situation evolved.

On 7 August 2020, the meeting of the Board of Executive Directors of the Company No. 5/2020 passed a resolution approving of the establishment of a new company in Thailand, namely “CNES D1 Co., Ltd.”, to be engaged in the development of renewable energy power generating facilities, with registered share capital of THB 2 million (20,000 ordinary shares of THB 100 each). The subsidiary “Christiani & Nielsen Energy Solutions Company Limited” (a subsidiary of the Company established in 2019 to enter into the new renewable energy business in which the Company holds an 85% share) holds 100 % equity interest in this company. The new company (CNES D1) registered its establishment with the Ministry of Commerce on 21 September 2020.

Performance Overview

On 15 September 2020, the Company signed a high-value contract for construction of Excellent Medical Specialty Service Centre (Medical Hub) for Srinagarind Hospital at the Faculty of Medicine, Khon Kaen University. This increased the backlog of the Company as of 31-Dec-20 to approximately THB 11,444 million, although a slight decrease from year 2019. Due to depressed market conditions and severe competition as mentioned above, the construction revenue is expected to decrease in year 2021.

Financial Performance

FOR THE YEAR ENDED 31 DECEMBER 2020

(unit : Million Baht)

	Consolidated financial statements			
	2020	2019	Var.	
			Inc. / (Dec.)	%Inc. / (Dec.)
Revenues				
Construction income & revenue from sales and services	7,525.6	7,240.3	285.3	3.9%
<i>% of total revenues</i>	<i>99.8%</i>	<i>98.7%</i>		
Reversal of allowance for doubtful accounts	-	64.2	(64.2)	(100.0%)
Gain from change in fair value of investment properties	-	30.7	(30.7)	(100.0%)
Other income	14.0	4.1	9.9	242.4%
Total revenues	7,539.6	7,339.3	200.3	2.7%
Costs of construction & cost of sales and services	7,152.1	6,911.7	240.4	3.5%

FOR THE YEAR ENDED 31 DECEMBER 2020

(unit : Million Baht)

	Consolidated financial statements			
	2020	2019	Var.	
			Inc. / (Dec.)	%Inc. / (Dec.)
Gross Margin	373.5	328.6	44.9	13.7%
% Gross Margin	5.0%	4.5%		
Expected credit losses	3.0	-	3.0	100.0%
Administrative expenses	286.0	329.3	(43.3)	(13.2%)
% Administrative expenses / Total revenues	3.8%	4.5%		
Profit from operating activities	98.4	98.2	0.2	0.2%
Finance income	7.1	8.6	(1.5)	(17.7%)
Finance cost	(23.5)	(21.5)	(2.0)	(9.3%)
Profit before income tax expenses	82.0	85.3	(3.3)	(3.9%)
Corporate income tax	(6.0)	(14.9)	8.9	(59.8%)
Net Profit for the period	76.0	70.4	5.6	7.9%
% Net Profit / Total revenues	1.0%	1.0%		
Earnings per share				
Basic earnings per share				
Net profit attributable to equity holders of the Company (Baht)	0.07	0.07	0.00	4.9%

Consolidated construction income & revenue from sales and services of the Company in 2020 was THB 7,526 million, an increase of THB 285 million from THB 7,240 million or 3.9% in year 2019, representing 99.8% of total revenues of THB 7,540 million. This resulted in an increase of total revenues from year 2019 of THB 200 million or 2.7%. Gross profit for year 2020 increased by THB 45 million compared to year 2019 due to better and more efficient project management by the Company by which the gross margin percentage of 2020 improved from 4.5% in 2019 to 5.0%.

Other income apart from the construction income & revenue from sales and services of the Company and its subsidiaries, in year 2020, reduced by THB 85 million since, in year 2019, other income included recovery of doubtful debts of THB 64 million and there was a profit from the change in fair value of investment properties of THB 31 million, which derived from the Company changing its accounting policies regarding the record of the investment properties from a cost model to a fair value model to

reflect the actual valuation of the lands and properties for investment. There was also an increase in other income of THB 10 million in 2020 from profit gained from increase in disposals of construction equipment in year 2020.

The main costs of construction were for construction materials, subcontractors and labor all of which depend on market conditions. The consolidated costs of construction and cost of sales and services of the Company and its subsidiaries in year 2020 were THB 7,152 million, an increase of THB 240 million from year 2019, equivalent to 3.5%, which was a lower rate of increase than the increase in revenue due to efficient construction project management.

The decrease in administrative expenses in year 2020 of THB 43 million derived mainly from an aggregate of THB 15 million recognized in year 2019 due to the impact of the new Labor Protection Act and the absence of THB 5 million of tender expenses from year 2019 for the prospective U-Tapao airport development project and the

decrease of legal consultant expenses by THB 6 million from resolving a dispute with one customer in 2019. Other administrative expenses decreased by THB 17 million due to improved cost management. In year 2020, the Company has set up the allowance for expected credit losses of THB 3 million.

Finance costs in 2020 rose from 2019 by THB 2 million due to higher short-term loans from financial institutions and overdrafts used as the Company's working capital. The loan balance as at 31 December 2020 may have been much lower but the average daily balance during the period was higher. As a result, the interest paid during the period is higher in comparison to the same period of the previous year.

The Company and its subsidiaries in Thailand were not liable for actual corporate income tax for year 2020, since the Company and its subsidiaries brought forward tax losses from previous years which can be set off against

the net income of year 2020 but has accounted for deferred corporate income tax of THB 6 million.

The consolidated financial statements of year 2020 show a net profit after tax of THB 76 million, compared to a net profit after tax of THB 70 million in the year 2019, mainly because the gross margin improved from 4.5% in 2019 to 5.0% in 2020. The net profit also increased because the construction income & revenue from sales and services of the Company increased by THB 285 million or 3.9%, resulting in an increase of gross profit of THB 45 million, administrative expenses decreased by THB 43 million and other income apart from the construction income & revenue from sales and services decreased by THB 85 million which was there in 2019 from recovery of doubtful debts and profit from the change in fair value of investment properties explained above. Financial costs increased by THB 2 million. The Company has set up the allowance for expected credit losses of THB 3 million and a decrease from 2019 in deferred corporate income tax of THB 9 million.

STATEMENTS OF COMPREHENSIVE INCOME

(unit : Million Baht)

	Consolidated financial statements		
	2020	2019	Var.Inc. / (Dec.)
Net profit for the period	76.0	70.4	5.6
Revaluation surplus on assets	-	565.7	(565.7)
Fair value reserve of financial assets at FVOCI	(12.9)	-	(12.9)
Actuarial gain (loss)	(25.8)	-	(25.8)
Income tax effect	7.8	(113.1)	120.9
Exchange differences on translation of financial statements in foreign currency	0.5	(1.4)	1.9
Other comprehensive income for the period	(30.5)	451.1	(481.6)
Total comprehensive income for the period	45.5	521.6	(476.0)
Equity holders of the parent	45.0	524.2	(479.2)
Non-Controlling interests of the Subsidiary	0.5	(2.6)	3.2
	45.5	521.6	(476.0)

Comprehensive income

The total comprehensive income in the consolidated financial statements for year 2020 decreased by THB 476 million from year 2019 as a result of the absence of a revaluation surplus on assets (net of income tax) of THB 453 million as the Company changed its accounting policy regarding the record of land, property and equipment valuation from a cost model to revaluation model in year 2019. In the year 2020, the total comprehensive income

was THB 46 million, derived from the net profit of THB 76 million, less fair value reserve of financial assets at fair value and actuarial loss in the amount of THB 13 million and THB 26 million, respectively, which had a benefit in deferred income tax of THB 8 million, and exchange differences on conversion of financial statements to foreign currency of THB 0.5 million.

STATEMENTS OF FINANCIAL POSITION

(unit : Million Baht)

ANALYSIS	Consolidated financial statements			
	31 Dec. 20	31 Dec. 19	Inc. / (Dec.)	% Inc. / (Dec.)
Assets				
Cash and cash equivalents	239.1	181.9	57.2	31.4%
Trade and other receivables	1,488.6	928.7	559.9	60.3%
Contract assets	1,751.5	2,540.7	(789.2)	(31.1%)
Inventories	59.6	79.1	(19.5)	(24.7%)
Advance payments to subcontractors	439.3	386.1	53.2	13.8%
Withholding tax deducted at source	306.7	374.9	(68.2)	(18.2%)
Other current assets	22.5	58.6	(36.1)	(61.6%)
Total current assets	4,307.3	4,550.0	(242.7)	(5.3%)
Investment properties	287.5	237.5	50.0	21.1%
Property, plant and equipment	1,352.2	1,788.5	(436.3)	(24.4%)
Right-of-use assets	281.7	-	281.7	100.0%
Other non-current financial assets / other long-term investments	106.7	105.0	1.7	1.6%
Other non-current assets	25.5	40.5	(15.0)	(37.0%)
Total non-current assets	2,053.6	2,171.5	(117.9)	(5.4%)
Total assets	6,360.9	6,721.5	(360.6)	(5.4%)

Assets

As at 31 December 2020, the Company and its subsidiaries had total assets of THB 6,361 million, a decrease of THB 361 million or 5.4% compared to 31 December 2019. This was due to a decrease in current assets of THB 243 million and a decrease in non-current assets of THB 118 million for the following reasons.

Current assets reduced by THB 243 million as a result of reduction of contract assets by THB 789 million mainly due to an increase in collection. Trade and other receivables increased by THB 560 million due to an increase in the transfer of contract assets (unbilled receivables), and an increase in advance payments to subcontractors by THB 53

million. Also due to the receipt of advances from customers in the latter part of the year from new construction contracts signed by the Company, the cash and cash equivalents increased by THB 57 million. Furthermore, in the year 2020, the Company also received a refund of withholding tax of THB 191 million from the Revenue Department, resulting in a reduction of withholding income tax of THB 68 million. Inventory and other current assets decreased by THB 20 million and THB 36 million, respectively.

In the year 2020, non-current assets decreased by THB 118 million due to a decrease in machinery and equipment investments and right-of-use assets net of depreciation during the period of THB 155 million, other non-current assets also decreased by THB 15 million. However, the Company has accounted for an increase

in the investment properties of THB 50 million due to the debtor having transferred the ownership of 2 plots of land to the Company for partial settlement of debt and interest. In accordance with the new financial reporting standards related to financial instruments and TFRS 16 effective from the current period onwards, the Company thereby recorded changes in the investments in equity instruments of non-listed companies at their fair values, resulting in an increase of THB 2 million in other non-current financial assets and a re-classification of land, building and equipment as right-of-use assets of THB 355 million, resulting in a decrease in land, building and equipment (net of depreciation) of THB 436 million with an increase in right-of-use assets (net of depreciation) of THB 282 million.

Aging construction contract receivables based on due dates are detailed below:

(unit : Million Baht)

	Consolidated financial statements		
	31 Dec. 20	31 Dec. 19	31 Dec. 18
Age of receivables			
Not yet due	1,268	633	728
Past due			
Not over 1 month	16	13	176
	1,284	646	904
% of total construction contracts debtors	85.7%	69.5%	68.0%
1 - 3 months	39	113	36
3 - 6 months	42	1	-
6 - 12 months	17	-	51
Over 12 months	116	170	339
Total construction contract debtors	1,498	930	1,330

The Company has construction contract debtors categorized by the aging of balances in 2020 of THB 1,498 million, 85.7% of which were not yet due and not over 1 month past due. The Company has allowances for doubtful accounts with estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic conditions. In the year 2020, the Company had an allowance for doubtful

accounts for loss of THB 34 million which is about 2% of total construction contract debtors. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore, does not expect to incur materials, financial losses. In addition, the Company does not have high concentration of credit risks since the Company has a large customer base and creditworthiness of customers is assessed before taking up construction work.

(unit : Million Baht)

	Consolidated financial statements			
	31 Dec. 20	31 Dec. 19	Inc. / (Dec.)	% Inc. / (Dec.)
Liabilities				
Bank overdraft and short-term loans from financial institutions	40.3	401.5	(361.2)	(90.0%)
Trade and other payables	1,977.3	1,908.4	68.9	3.6%
Contract liabilities	1,517.0	1,546.7	(29.7)	(1.9%)
Short term provision	218.4	194.1	24.3	12.5%
Long term loan	-	38.4	(38.4)	(100.0%)
Liabilities under lease agreements / liabilities under finance lease agreements	185.7	295.5	(109.8)	(37.2%)
Provision for long-term employee benefits	185.8	162.2	23.6	14.5%
Deferred tax liabilities	49.1	48.1	1.0	2.1%
Other liabilities	84.4	39.8	44.6	112.1%
Total liabilities	4,258.0	4,634.7	(376.7)	(8.1%)

Liabilities

As at 31 December 2020, the Company had liabilities totaling THB 4,258 million, a decrease of THB 377 million or 8.1% of THB 4,635 million compared to 31 December 2019, primarily from decreases in short-term and long-term loans from financial institutions by THB 400 million due to loan repayments by the Company. Contract liabilities (advances receivables and advance construction costs) decreased by THB 30 million and liabilities under lease agreements reduced by THB 110 million (due to an increase in right-of-use assets of THB 37 million and contractual repayments of THB 147 million), trade and other payables increased by THB 69 million or 4%, being increased at the

same rate as the increase in construction cost, short-term provisions for the estimated expenses for construction projects increased by THB 24 million due to additional estimated expenses for construction projects that will be incurred in some projects partly because of COVID 19 pandemic. In the year 2020, the Company reviewed the calculation of employee benefits, which resulted in an additional provision for long-term employee benefits of THB 24 million, other liabilities increased by THB 45 million mainly due to an increase in deferred output VAT of THB 40 million.

(unit : Million Baht)

	Consolidated financial statements			
	31 Dec. 20	31 Dec. 19	Inc. / (Dec.)	% Inc. / (Dec.)
Shareholders' equity				
Share capital	1,027.9	1,027.9	-	0.0%
Share Premium	100.0	100.0	-	0.0%
Retained earnings				
Appropriated - statutory reserve	99.0	95.3	3.7	3.9%
Unappropriated	294.6	282.5	12.1	4.3%
Other components of shareholders' equity	469.4	469.6	(0.2)	(0.0%)
Premium on sales of investment in subsidiary	21.4	21.4	-	0.0%
Premium on sales of own shares held by subsidiary	68.9	68.9	-	0.0%

(unit : Million Baht)

	Consolidated financial statements			
	31 Dec. 20	31 Dec. 19	Inc. / (Dec.)	% Inc. / (Dec.)
Equity attributable to Owners of the Company	2,081.2	2,065.6	15.6	0.8%
Non-controlling interests of the subsidiary	21.7	21.2	0.5	2.4%
Total shareholders' equity	2,102.9	2,086.8	16.1	0.8%

As at 31 December 2020, shareholders' equity of the Company was THB 2,103 million, an increase from year 2019 of THB 16 million, equivalent of 0.8% due to the Company having reported a net profit in 2020 of THB 76 million, as well as dividends paid to the shareholders in based on the operation results of the year 2019, amounting to THB 41 million. In addition, in the year 2020, the Company had a loss from actuarial insurance, net of the impact of income tax of THB 21 million with an exchange

difference on conversion of financial statements to foreign currency of THB 1 million.

Cash Flow

Cash and cash equivalents as at the year ended 2020 was THB 239 million, an increase of THB 57 million from a balance of THB 182 million at the beginning of the 2020. Details of cash flow by activities are as follows:

Statements of Cash Flow

For the year ended 31 December 2020

(unit : Million Baht)

	Consolidated financial statements		
	2020	2019	Var. Inc. / (Dec.)
Cash from (used in) operating activities	572	(274)	846
Interest income	7	8	(1)
Cash paid for interest expenses	(12)	(10)	(2)
Refund of withholding tax deducted at source	191	382	(191)
Cash paid for income tax	(123)	(184)	61
Net cash from (used in) operating activities	634	(77)	711
Decrease in restricted bank deposits and investments	13	12	2
Cash paid for acquisitions of property, plant and equipment	(21)	(90)	69
Proceeds from disposals of plant and equipment	23	5	18
Net cash from (used in) investing activities	14	(83)	97
Increase (decrease) in bank overdrafts and loans from bank and financial institution	(361)	402	(763)
Cash paid for long term loan and liabilities under financial lease agreements	(194)	(168)	(26)
Dividend paid	(41)	-	(41)
Net cash from (used in) financing activities	(592)	235	(827)
Increase (decrease) in cash and cash equivalents	57	74	(17)
Cash and cash equivalents at beginning of period	182	108	74
Cash and cash equivalents at end of period	239	182	57

Net cash earned from operating activities increased by THB 711 million, mainly due to an increase in cash received in advance from new customers and deferred construction revenue. In the year 2020, the Company received advance payments from new construction projects including building construction project at Medical Specialty Service Centre for Srinagarind Hospital at the Faculty of Medicine, Khon Kaen University. Withholding income tax refund received from the Revenue Department was lower by THB 191 million from year 2019

Net cash used in investing activities increased by THB 97 million, mainly due to a decrease by THB 69 million

in investment in machinery and construction equipment, and cash received from sales of construction equipment increased by THB 18 million.

Net cash used in financing activities decreased from 2019 by THB 827 million since short-term loans and bank overdrafts used as working capital decreased by THB 763 million from debt repayment. Financial leases and long-term loans decreased by THB 26 million due to repayment of long-term loans before maturity and dividends of THB 41 million were paid to shareholders for operating profit in year 2019.

Liquidity

Key Financial Ratios

		Consolidated financial statements	
		2020	2019
Current Ratio	Times	1.09	1.07
Quick Ratio	Times	0.44	0.26
Average collection period	Days	58.87	57.21
Average Debt service period	Days	99.18	102.53
Return on Equity	%	3.63	3.86
Return on Assets	%	1.16	1.13
Debt to Equity Ratio	Times	2.02	2.22

As of the end of year 2020, there was no adverse impact on liquidity since the Company had sufficient cash reserves. The financial liquidity ratio of the Company in the consolidated financial statements was 1.09 times, which has slightly increased compared to the end of year 2019 and the quick ratio was 0.44 times, which was higher than 0.26 times at the end of year 2019. The average collection period of 59 days was in accordance with the Company's credit term policy of between 30 — 90 days. The average debt service period to creditors was 99 days, which was

slightly higher than the Company's debt settlement policy of between 30 — 90 days due to slight delays in payment from customers caused by the COVID 19 pandemic in the first half of the year 2020. However, the repayment period was lower than the 103 days in year 2019. Return on Equity was 3.63% compared to 3.86% in year 2019 and Return on Assets was 1.16% compared to 1.13% in year 2019. Debt to Equity ratio was 2.02 times which was better than 2.22 times of year 2019.

Financial Statements Summary of Independents Auditor's Report for the past 3 years

Auditor's Office	EY Office Limited
Auditor's Name	Kamontip Lertwitworatep
	Certified Public Accountant (Thailand)
	No. 4377

Summary of Independent Auditor's Report Auditor's Opinion Financial Statements Year 2020

The Auditor has presented as unqualified opinion of financial statements report by stating that the financial position as at 31 December 2020, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards present fairly, in all material respects.

Financial Statements Year 2019

The Auditor has presented as unqualified opinion with an emphasis of matters of financial statements report by stating that the financial position as at 31 December 2019, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards present fairly, in all material respects.

Emphasis of Matter

The Auditor draw attention to Note 4 to the financial statements that during the current year, the Company changed its accounting policies for recording land from cost model to revaluation model and measurement of the investment properties from cost model to fair value model. For the change in accounting policy regarding the measurement of the investment properties, the Company restated the consolidated and separate financial statements for the year ended 31 December 2018, presented as comparative information, to reflect the effect of the adjustments resulting from such change. The Company has also presented the consolidated and separate statements of financial position as at 1 January 2018 as comparative information, using such accounting policy. The Auditor's opinion is not modified in respect of this matter.

Financial Statements Year 2018

The Auditor has presented as unqualified opinion of financial statements report by stating that the financial position as at 31 December 2018, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards present fairly, in all material respects.

Financial Highlights

For the year ended ended 31 December 2020

	2020	2019	2018 (restated)
Statements of Financial Position (Million Baht)			
Total Assets	6,361	6,721	5,774
Total Liabilities	4,258	4,634	4,210
Total Shareholders' Equity	2,103	2,087	1,564
Statements of Income (Million Baht)			
Construction Income and Revenue from sales and services	7,526	7,240	7,123
Total Revenues	7,540	7,339	7,193
Total Expenses	7,441	7,241	7,516
Gross Profit	373	329	174
Operating Profit (Loss)	98	98	(323)
Profit (Loss) for the year	76	70	(369)
Dividend information			
Book value per share (Baht)	2.05	2.03	1.52
Earnings per share, Company Only (Baht)	0.07	0.09	(0.37)
Cash dividend declared for the year per share (Baht)	0.05	-	-
Cash interim dividend paid out per share (Baht)	-	0.04	-
Financial Ratio			
Current Ratio (times)	1.09	1.07	1.06
Gross Profit Margin (%)	4.96	4.54	2.45
Operating Profit (Loss) Margin (%)	1.31	1.36	(4.53)
Quality of Earnings (%)	644.68	(78.19)	(117.33)
Net Profit (Loss) Margin (%)	1.01	0.96	(5.13)
Return on Equity (%)	3.63	3.86	(20.79)
Return on Assets (%)	1.16	1.13	(6.34)
Debt to Equity Ratio (times)	2.02	2.22	2.69
Interest Coverage (times)	8.08	10.22	(46.78)
Dividend payout ratio (%)	70	46	-

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries
Statements of financial position (continued)

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2020				2019				2018 (Restated)			
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Current assets												
Cash and cash equivalents	239,142	3.8	125,623	2.0	181,906	2.7	101,327	1.5	107,550	1.9	32,612	0.6
Trade and other receivables	1,488,612	23.4	1,488,777	23.8	928,734	13.8	928,411	13.9	1,117,445	19.4	1,106,253	19.3
Contract assets	1,751,489	27.5	1,709,238	27.3	2,540,666	37.8	2,538,964	37.9	2,001,504	34.7	1,992,701	34.8
Inventories	59,553	0.9	58,436	0.9	79,072	1.2	78,048	1.2	114,660	2.0	114,660	2.0
Short-term loan to related party	-	-	18,500	0.3	-	-	7,000	0.1	-	-	-	-
Current portion of long-term loans to related parties	-	-	-	-	764	0.0	-	-	-	-	-	-
Advance payments to subcontractors	439,329	6.9	434,454	6.9	386,132	5.7	384,088	5.7	151,769	2.6	149,217	2.6
Withholding tax deducted at source	306,689	4.8	306,082	4.9	374,914	5.6	374,500	5.6	572,845	9.9	572,135	10.0
Other current assets	22,472	0.4	22,060	0.4	57,825	0.9	57,352	0.9	9,832	0.2	8,817	0.2
Total current assets	4,307,285	67.7	4,163,170	66.5	4,550,014	67.7	4,469,690	66.7	4,075,605	70.6	3,976,396	69.5
Non-current assets												
Restricted bank deposits and investments	1,546	0.0	1,546	0.0	14,815	0.2	14,815	0.2	26,324	0.5	26,324	0.5
Investments in subsidiaries	-	-	48,884	0.8	-	-	58,724	0.9	-	-	47,180	0.8
Other long-term investments	-	-	-	-	104,950	1.6	104,950	1.6	104,950	1.8	104,950	1.8
Other non-current financial assets	106,677	1.7	106,677	1.7	-	-	-	-	-	-	-	-
Investment properties	287,476	4.5	287,476	4.6	237,476	3.5	237,476	3.5	206,797	3.6	206,797	3.6
Property, plant and equipment	1,352,202	21.3	1,352,867	21.6	1,788,490	26.6	1,784,849	26.7	1,260,536	21.8	1,256,552	22.0
Right-of-use assets	281,723	4.4	277,128	4.4	-	-	-	-	-	-	-	-
Intangible assets	23,950	0.4	23,918	0.4	25,701	0.4	25,656	0.4	19,855	0.3	19,841	0.3
Deferred tax assets	-	-	-	-	-	-	-	-	80,354	1.4	80,354	1.4
Total non-current assets	2,053,575	32.3	2,098,496	33.5	2,171,432	32.3	2,226,471	33.3	1,698,816	29.4	1,741,997	30.5
Total assets	6,360,860	100.0	6,261,666	100.0	6,721,446	100.0	6,696,161	100.0	5,774,421	100.0	5,718,393	100.0

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries
Statements of financial position (continued)

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2020				2019				2018 (Restated)			
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Liabilities and shareholders' equity												
Current liabilities												
Bank overdraft and short-term loans from financial institutions	40,279	0.6	-	-	401,454	6.0	400,000	6.0	-	-	-	-
Trade and other payables	1,977,270	31.1	1,942,718	31.0	1,908,388	28.4	1,897,118	28.3	1,972,825	34.2	1,949,624	34.1
Short-term loan from related party	4,500	0.1	-	-	-	-	-	-	-	-	-	-
Current portion of liabilities under finance lease agreements	-	-	-	-	136,302	2.0	136,302	2.0	129,767	2.2	129,767	2.3
Current portion of lease liabilities	111,909	1.8	110,607	1.8	-	-	-	-	-	-	-	-
Current portion of long-term loans	-	-	-	-	38,400	0.6	38,400	0.6	29,560	0.5	29,560	0.5
Contract liabilities	1,516,966	23.8	1,515,095	24.2	1,546,675	23.0	1,544,584	23.1	1,401,731	24.3	1,401,731	24.5
Short-term provisions	218,363	3.4	217,847	3.5	194,131	2.9	192,983	2.9	243,701	4.2	238,730	4.2
Other current liabilities	79,917	1.3	79,771	1.3	39,828	0.6	39,699	0.5	77,800	1.3	77,627	1.4
Total current liabilities	3,949,204	62.1	3,866,038	61.7	4,265,178	63.5	4,249,086	63.4	3,855,385	66.8	3,827,039	66.9

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries
Statements of financial position (continued)

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2020						2019						2018 (Restated)					
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Consolidated financial statements		Separate financial statements		Separate financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Non-current liabilities																		
Liabilities under finance lease agreements - net of current portion	-	-	-	-	159,231	2.4	159,231	2.4	159,231	2.4	192,695	3.3	192,695	3.3	192,695	3.4	-	-
Lease liabilities - net of current portion	73,842	1.2	70,548	1.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term loans - net of current portion	-	-	-	-	-	-	-	-	-	-	38,400	0.7	38,400	0.7	38,400	0.7	-	-
Provision for long-term employee benefits	185,823	2.9	185,823	3.0	162,165	2.4	162,165	2.4	162,165	2.4	124,244	2.2	124,244	2.2	124,244	2.2	-	-
Deferred tax liabilities	49,052	0.8	49,052	0.8	48,094	0.7	48,094	0.7	48,094	0.7	-	-	-	-	-	-	-	-
Total non-current liabilities	308,717	4.9	305,424	4.9	369,490	5.5	369,490	5.5	369,490	5.5	355,339	6.2	355,339	6.2	355,339	6.3		
Total liabilities	4,257,922	66.9	4,171,462	66.6	4,634,668	69.0	4,634,668	69.0	4,618,576	69.0	4,210,723	73.0	4,210,723	73.0	4,182,378	73.2		
Shareholders' equity																		
Share capital																		
Registered 1,102,904,144 ordinary shares of Baht 1 each	1,102,904		1,102,904		1,102,904		1,102,904		1,102,904		1,102,904		1,102,904		1,102,904			
Issued and fully paid up																		
1,027,904,144 ordinary shares of Baht 1 each	1,027,904	16.2	1,027,904	16.4	1,027,904	15.3	1,027,904	15.4	1,027,904	15.4	1,027,904	17.8	1,027,904	17.8	1,027,904	18.0		
Share premium	100,000	1.6	100,000	1.6	100,000	1.5	100,000	1.5	100,000	1.5	100,000	1.7	100,000	1.7	100,000	1.7		
Retained earnings																		
Appropriated - statutory reserve	98,986	1.6	97,426	1.6	95,286	1.4	95,286	1.4	93,726	1.4	90,786	1.6	89,226	1.6	89,226	1.6		
Unappropriated	294,572	4.6	393,776	6.3	282,466	4.2	282,466	4.2	384,129	5.7	212,811	3.6	298,564	3.6	298,564	5.2		
Other components of shareholders' equity	469,409	7.4	471,098	7.5	469,595	7.0	469,595	7.0	471,825	7.0	19,521	0.3	20,321	0.3	20,321	0.4		
Premium on sales of investment in subsidiary	21,431	0.3	-	-	21,431	0.3	21,431	-	-	-	21,431	0.4	-	0.4	-	-	-	-
Premium on sales of own shares held by subsidiary	68,924	1.1	-	-	68,924	1.0	68,924	-	-	-	68,924	1.2	-	1.2	-	-	-	-
Equity attributable to owners of the Company	2,081,227	32.7	2,090,205	33.4	2,065,608	30.7	2,065,608	31.0	2,077,585	31.0	1,541,379	26.6	1,536,015	26.6	1,536,015	26.8		
Non-controlling interests of the subsidiaries	21,711	0.3	-	-	21,170	0.3	21,170	-	-	-	22,319	0.4	-	0.4	-	-	-	-
Total shareholders' equity	2,102,938	33.1	2,090,205	33.4	2,086,778	31.0	2,086,778	31.0	2,077,585	31.0	1,563,698	27.0	1,536,015	27.0	1,536,015	26.8		
Total liabilities and shareholders' equity	6,360,860	100.0	6,261,666	100.0	6,721,446	100.0	6,721,446	100.0	6,696,161	100.0	5,774,421	100.0	5,718,393	100.0	5,718,393	100.0		

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

Income statements

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2020						2019						2018 (Restated)					
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Revenues																		
Construction income	7,462,158	99.0	7,462,158	99.8	7,239,527	98.6	7,220,219	98.6	7,220,219	98.6	7,123,365	99.1	6,949,439	99.0				
Revenue from sales and services	63,405	0.8	-	-	730	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of allowance for doubtful accounts	-	-	-	-	64,223	0.9	64,223	0.9	64,223	0.9	-	-	-	-	-	-	-	-
Gain from change in fair value of investment properties	-	-	-	-	30,723	0.4	30,723	0.4	30,723	0.4	67,754	0.9	67,754	0.9				
Other income	13,998	0.2	17,602	0.2	4,088	0.1	10,093	0.1	10,093	0.1	1,969	0.0	8,877	0.1				
Total revenues	7,539,561	100.0	7,479,760	100.0	7,339,291	100.0	7,325,258	100.0	7,325,258	100.0	7,193,088	100.0	7,026,070	100.0				
Expenses																		
Costs of construction	7,102,385	94.2	7,109,292	95.0	6,911,142	94.2	6,901,357	94.2	6,901,357	94.2	6,949,133	96.6	6,806,580	96.9				
Cost of sales and services	49,727	0.7	-	-	574	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Administrative expenses	286,016	3.8	262,587	3.5	329,341	4.5	305,554	4.2	305,554	4.2	353,572	4.9	345,879	4.9				
Expected credit losses	3,000	0.0	3,000	0.0	-	-	-	-	-	-	213,180	3.0	213,180	3.0				
Other expenses	-	-	9,840	0.1	-	-	-	-	-	-	-	-	400	0.0				
Total expenses	7,441,127	98.7	7,384,720	98.7	7,241,058	98.7	7,206,910	98.4	7,206,910	98.4	7,515,884	104.5	7,366,039	104.8				
Operating profit (loss)	98,434	1.3	95,040	1.3	98,234	1.3	118,347	1.6	118,347	1.6	(322,796)	(4.5)	(339,968)	(4.8)				
Finance income	7,052	0.1	7,051	0.1	8,567	0.1	8,174	0.1	8,174	0.1	10,576	0.1	10,246	0.1				
Finance cost	(23,502)	(0.3)	(23,300)	(0.3)	(21,505)	(0.3)	(22,210)	(0.3)	(22,210)	(0.3)	(20,693)	(0.3)	(20,134)	(0.3)				
Profit (loss) before income tax expenses	81,985	1.1	78,792	1.1	85,296	1.2	104,311	1.4	104,311	1.4	(332,913)	(4.6)	(349,857)	(5.0)				
Income tax expenses	(5,971)	(0.1)	(5,778)	(0.1)	(14,850)	(0.2)	(15,306)	(0.2)	(15,306)	(0.2)	(35,807)	(0.5)	(30,347)	(0.4)				
Profit (loss) for the year	76,013	1.0	73,013	1.0	70,446	1.0	89,005	1.2	89,005	1.2	(368,720)	(5.1)	(380,204)	(5.4)				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:																		
Exchange differences on translation of financial statements in foreign currency	541	0.0	-	-	(1,430)	(0.0)	-	-	-	-	(239)	0.0	-	-				
Other comprehensive income to be reclassified to profit or loss in subsequent periods	541	0.0	-	-	(1,430)	(0.0)	-	-	-	-	(239)	0.0	-	-				

Comparison of the past 3 years

Comparison of the past 3 years										(Unit : Thousand Baht)					
Description	2020			2019			2018 (Restated)								
	Consolidated financial statements		Separate financial statements	Consolidated financial statements		Separate financial statements	Consolidated financial statements		Separate financial statements						
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	-	-	-	565,706	7.7	565,706	7.7	-	-					
Revaluation surplus on assets															
Loss on changes in value of equity investments designated at fair value through other comprehensive income	(12,946)	(0.2)	(12,946)	(0.2)	-	-	-	-	-	-					
Actuarial gain (loss)	(25,825)	(0.3)	(25,825)	(0.3)	-	-	-	-	1,085	0.0					
Less: Income tax effect	7,754	0.1	7,754	0.1	(113,141)	(1.5)	(113,141)	(1.5)	(217)	(0.0)					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(31,017)	(0.4)	(31,017)	(0.4)	452,564	6.2	452,564	6.2	868	0.0					
Other comprehensive income for the year	(30,476)	(0.4)	(31,017)	(0.4)	451,134	6.1	452,564	6.2	868	0.0					
Total comprehensive income for the year	45,537	0.6	41,996	0.6	521,580	7.1	541,570	7.4	(368,090)	(5.1)					
Total comprehensive income attributable to:															
Equity holders of the Company	44,996	0.6	41,996	0.6	524,229	7.1	541,570	7.4	(367,818)	(5.1)					
Non-controlling interests of the subsidiaries	541	0.0	-	-	(2,649)	(0.0)	-	-	(272)	(0.0)					
Profit (loss) attributable to:	45,537	0.6	41,996	0.6	521,580	7.1	541,570	7.4	(368,090)	(5.1)					
Equity holders of the Company	75,472	1.0	73,013	1.0	73,095	1.0	89,005	1.2	(368,448)	(5.1)					
Non-controlling interests of the subsidiaries	541	0.0	-	-	(2,649)	(0.0)	-	-	(272)	(0.0)					
Earnings per share	76,013	1.0	73,013	1.0	70,446	1.0	89,005	1.2	(368,720)	(5.1)					
Basic earnings per share															
Profit attributable to equity holders of the Company	0.07		0.07		0.07		0.09		(0.36)	(0.37)					
Weighted average number of ordinary shares ('000 shares)	1,027,904		1,027,904		1,027,904		1,027,904		1,027,904	1,027,904					

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries
Cash flow statements

Comparison of the past 3 years

Description	2020		2019		2018 (Restated)	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Cash flows from operating activities						
Profit (loss) before tax	81,985	78,792	85,296	104,311	(332,913)	(349,857)
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities						
Depreciation and amortisation	204,823	202,314	216,329	214,779	224,986	224,194
Allowance for expected credit losses						
(reversal allowance for doubtful accounts)	3,000	3,000	(64,223)	(64,223)	213,180	213,180
Allowance for diminution in inventory value (reversal)	(589)	(589)	1,567	1,567	698	698
Allowance for impairment loss of investment in subsidiary	-	9,840	-	-	-	400
Allowance for impairment loss of assets (reversal)	(1,654)	(1,654)	2,781	2,781	-	-
Loss (gain) on disposals/write off of equipment and right-of-use assets	(9,310)	(9,087)	217	217	1,973	1,830
Loss on disposals of intangible assets	-	-	74	74	-	-
Gain on disposals investment properties	-	-	(237)	(237)	-	-
Write back other payables and other current liabilities	-	-	-	-	78	78
Estimated expenses for construction projects (reversal)	24,232	24,864	(49,570)	(45,747)	(47,739)	(52,543)
Provision for long-term employee benefits	7,574	7,574	48,847	48,847	8,644	8,644
Gain from changes in fair value of investment properties	-	-	(30,723)	(30,723)	(67,754)	(67,754)
Unrealised loss (gain) on exchange	(726)	(726)	234	234	16	16
Finance income	(7,052)	(7,051)	(8,567)	(8,174)	(10,576)	(10,246)
Finance cost	20,313	20,230	18,332	19,073	17,501	16,965
Profit from operating activities before changes in operating assets and liabilities	322,594	327,505	220,357	242,781	8,094	(14,395)

(Unit : Thousand Baht)

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries
Cash flow statements (continued)

Comparison of the past 3 years

Description	2020		2019		2018 (Restated)	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Operating assets (increase) decrease						
Trade and other receivables	(613,071)	(613,644)	252,745	241,961	294,535	299,061
Contract assets	789,177	829,727	(539,163)	(546,263)	(533,442)	(524,640)
Inventories	20,108	20,201	34,021	35,045	7,285	7,285
Advance payments to subcontractors	(53,196)	(50,366)	(234,363)	(234,871)	68,349	69,388
Other current assets	36,091	36,029	(47,994)	(48,535)	50	485
Operating liabilities increase (decrease)						
Trade and other payables	69,040	45,881	(64,386)	(52,454)	(236,726)	(246,503)
Contract liabilities	(29,709)	(29,488)	144,944	142,853	686,005	686,005
Other current liabilities	40,211	40,194	(29,318)	(29,273)	22,500	22,715
Provision for long-term employee benefits	(9,741)	(9,741)	(10,925)	(10,925)	(3,011)	(3,011)
Cash from (used in) operating activities						
Interest income	571,505	596,298	(274,081)	(259,681)	313,638	296,391
Cash paid for interest expense	7,234	7,318	8,500	8,021	10,760	10,430
Refund of withholding tax deducted at source	(12,186)	(12,431)	(9,610)	(10,352)	(6,900)	(6,364)
Cash paid for income tax	190,806	190,635	382,053	381,520	254,170	213,431
	(122,773)	(122,217)	(183,666)	(183,885)	(192,927)	(191,309)
Net cash from (used in) operating activities	634,586	659,604	(76,804)	(64,377)	378,740	322,579

(Unit : Thousand Baht)

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries
Cash flow statements (continued)

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2020		2019		2018 (Restated)	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Cash flows from investing activities						
Increase in short-term loan to related party	-	(11,500)	-	(7,000)	-	-
(Increase) decrease in long-term loans to related parties	764	-	(764)	-	-	-
Decrease in restricted bank deposits and investments	13,269	13,269	11,509	11,509	9,686	9,686
Increase in investment in subsidiary	-	-	-	(11,544)	-	(3,312)
Increase in other long-term investment	-	-	-	-	(103,950)	(103,950)
Cash paid for acquisitions of property, plant and equipment	(21,673)	(23,535)	(90,330)	(88,937)	(66,281)	(63,555)
Proceeds from disposals of plant and equipment	23,217	21,808	4,835	4,835	4,305	5,538
Proceeds from disposals of investment properties	-	-	162	162	-	-
Cash paid for intangible assets	(1,691)	(1,691)	(7,991)	(7,952)	(2,922)	(2,922)
Net cash from (used in) investing activities	13,885	(1,650)	(82,578)	(98,926)	(159,161)	(158,514)
Cash flows from financing activities						
Increase (decrease) in bank overdraft and short-term loans from financial institutions	(361,175)	(400,000)	401,454	400,000	-	-
Increase in short-term loans from related party	4,500	-	-	-	-	-
Cash paid for liabilities under lease/financial lease agreements	(155,551)	(154,143)	(138,422)	(138,422)	(125,846)	(125,846)
Cash paid for long-term loans	(38,400)	(38,400)	(29,560)	(29,560)	(58,800)	(58,800)
Dividend paid	(41,115)	(41,115)	-	-	(50,253)	(50,253)
Cash received from non-controlling interest of subsidiary	0	-	1,500	-	-	-
Net cash from (used in) financing activities	(591,741)	(633,658)	234,972	232,018	(234,899)	(234,899)
Increase (decrease) in translation adjustments	506	-	(1,234)	-	(210)	-
Net increase in cash and cash equivalents	57,236	24,296	74,356	68,715	(15,530)	(70,834)
Cash and cash equivalents at beginning of year	181,906	101,327	107,550	32,612	123,080	103,446
Cash and cash equivalents at end of year	239,142	125,623	181,906	101,327	107,550	32,612

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

Financial Ratios

Comparison of the past 3 years

Description	2020		2019		2018 (Restated)	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Liquidity Ratios						
Current Ratio	1.09	1.08	1.07	1.05	1.06	1.04
Quick Ratio	0.44	0.42	0.26	0.24	0.32	0.30
Cash Flow Liquidity Ratio	0.15	0.16	(0.02)	(0.02)	0.10	0.09
Activity Ratios						
Account Receivable Turnover	6.20	6.15	6.38	6.41	4.81	4.74
Average collection period	58.87	59.35	57.21	56.94	75.88	77.00
Account Payable Turnover	3.68	3.70	3.56	3.59	3.35	3.31
Average Payment Period	99.18	98.65	102.53	101.67	108.96	110.27
Fixed Asset Turnover	4.80	4.77	4.81	4.82	5.51	5.39
Inventory Turnover	103.19	104.18	71.35	71.62	58.57	57.37
Average Sale (Inventory) Period	3.54	3.50	5.12	5.10	6.23	6.36
Cash Cycle	(36.77)	(35.80)	(40.20)	(39.63)	(26.85)	(26.91)
Profitability Ratios						
Gross Profit Margin	4.96	4.73	4.54	4.42	2.45	2.06
Operation Profit (Loss) Margin	1.31	1.27	1.36	1.64	(4.53)	(4.89)
Quality of Earnings (%)	644.68	694.03	(78.19)	(54.40)	(117.33)	(94.89)
Net Profit (Loss) Margin	1.01	0.98	0.96	1.22	(5.13)	(5.41)
Return on Equity	3.63	3.50	3.86	4.93	(20.79)	(21.71)
Efficiency Ratios						
Return on Asset	1.16	1.13	1.13	1.43	(6.34)	(6.58)
Return on Fixed Asset	12.65	12.39	18.68	19.84	(11.12)	(12.08)
Total Asset Turnover	1.15	1.15	1.17	1.18	1.24	1.22
Financial Policy Ratios						
Debt to Equity Ratio	2.02	2.00	2.22	2.22	2.69	2.72
Interest Coverage Ratio	8.08	7.65	10.22	11.43	(46.78)	(53.42)
Dividend payout ratio	-	70	-	46	-	-

DETAIL OF THE COMPANY

Christiani & Nielsen (Thai) Public Company Limited

Business type	Construction
Registration number	0107535000281
ISIN Local	TH0216010Z02
ISIN Foreign	TH0216010Z10
ISIN NVDR	TH0216010R10
Registered capital	1,102,904,144 Baht (1,102,904,144 ordinary shares of 1 Baht each)
Issued and fully paid-up	1,027,904,144 Baht (1,027,904,144 ordinary shares of 1 Baht each)
Registered Office Address	727 La Salle Road, Bangna-Tai Subdistrict, Bangna, Bangkok 10260
Telephone	+66 2 338 8000
	Facsimile : +66 2 338 8090
Homepage	http://www.cn-thai.co.th

Branch No. 1 (Plant & Equipment Yard)	494 Moo 4 Tambol Nongkham Sri Racha District, Chonburi 20110
Telephone	+66 38 066 424-7
	Facsimile : +66 38 066 428
Branch No. 2 (Training Center)	39 Nimitr Mai 64, East Sam Wah Sub-district Klong Sam Wah District, Bangkok 10510

Company Secretary	Mr. Surasak Osathanugraha
	Telephone +66 2 338 8100
	E-mail: surasakos@cn-thai.co.th
Investor Relation	Mrs. Phanee Charoencharoenchai
	Telephone +66 2 338 8077
	E-mail: phaneech@cn-thai.co.th

Subsidiary companies

1. CNT Holdings Limited

Business type	Construction and Holding Company
Registered capital	50,000,000 Baht (5,000,000 ordinary shares of 10 Baht each)
Issued and fully paid-up	50,000,000 Baht (5,000,000 ordinary shares of 10 Baht each)
Registered Office Address	727 La Salle Road, Bangna-Tai Subdistrict, Bangna, Bangkok 10260
Telephone	+66 2 338 8000
	Facsimile : +66 2 338 8090

2. Christiani & Nielsen (Myanmar) Limited

Business type	Construction, engineering and related services
Registered capital	500,000 USD (500,000 ordinary shares of 1 USD each)
Issued and fully paid-up	400,000 USD (400,000 ordinary shares of 1 USD each)
Registered Office Address	No. 22(C), Lane of Kabaraye Pagoda Road, Ko Min Ko Chin Ward, Bahan Township, Yangon, The Republic of the Union of Myanmar

3. Christiani & Nielsen (Cambodia) Co., Ltd.

Business type	Construction, engineering and related services
Registered capital	100,000 USD (100,000 ordinary shares of 1 USD each)
Issued and fully paid-up	100,000 USD (100,000 ordinary shares of 1 USD each)
Registered Office Address	No. 20, 181 St., Sangkat Tumnub Teuk, Khan Boeung Keng Kang, Phnom Penh, Kingdom of Cambodia

4. Christiani & Nielsen Energy Solutions Company Limited

Business type	Providing energy solutions in Solar, Wind and other renewable energy sectors
Registered capital	10,000,000 Baht (1,000,000 ordinary shares of 10 Baht each)
Issued and fully paid-up	10,000,000 Baht (1,000,000 ordinary shares of 10 Baht each)
Registered office Address	727 La Salle Road, Bangna-Tai Subdistrict, Bangna, Bangkok 10260
Telephone / Facsimile	+66 2 004 9199
E-mail	cnes@cn-es.co.th

CNES D1 Co., Ltd

Business type	Developing renewable energy based power producing facilities
Registered capital	2,000,000 Baht (20,000 ordinary shares of 100 Baht each)
Issued and fully paid-up	500,000 Baht (5,000 ordinary shares of 100 Baht each)
Registered Office Address	727 La Salle Road, Bangna-Tai Subdistrict, Bangna, Bangkok 10260
Telephone / Facsimile	+66 2 004 9199
Email address	cnes@cn-es.co.th

References

Auditor	Ms. Kamontip Lertwitworat CP (Thailand) – Licence no. 4377 and/or Ms. Siriwan Suratepin CP (Thailand) – Licence no. 4604 and/or Mr. Wichart Lokatekrawee CP (Thailand) – Licence no. 4451 EY Office Limited 33rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel: +66 2 264 9090 Fax: +66 2 264 0789-90
Registrar	Thailand Securities Depository Company Limited No. 93, 14th Floor, Ratchadapisek Road Dindaeng, Bangkok 10400 Tel: +66 2 009 9690-91 Fax: +66 2 009 9992
Main Bank	Bangkok Bank Public Company Limited (Head Office) 333 Silom Road, Bangrak, Bangkok 10500 Tel: + 66 2 626 4413 Fax: +66 2 353 5726 Website: http://www.bangkokbank.com Bank of Ayudhya Public Company Limited (Head Office) 1222 Rama 3 Road, Bangphongphang Yannawa, Bangkok 10120 Tel: +66 2 296 4604 Fax: +66 2 208 2962 Website: http://www.krungsri.com Kasikorn Bank Public Company Limited (Phahonyothin Branch) 400/22 Phahonyothin Road, Samsaen-nai Pahyathai, Bangkok 10400 Tel: +66 2 470 2710 Fax: +66 2 470 2881 Website: http://www.kasikornbank.com TMB Bank Public Company Limited (Head Office) 3000 Phahonyothin Road, Chom Phon Chatuchak, Bangkok 10900 Tel: +66 2 299 2469 Fax: +66 2 299 1354 Website: http://www.tmbbank.com



LEGAL DISPUTES

As of 31 December 2020, there are no material Legal Disputes which the Company and/or its Subsidiaries are involved in.



CORPORATE GOVERNANCE

Definition

Corporate Governance is a set of structures of relationships between Company's management, its board and its shareholders to enhance the business competitiveness towards prosperity and long term shareholder value taking into consideration the interest of other stakeholders.

The above definition is as recommended by the Securities and Exchange Commission ("SEC") and the Company has endeavored to follow the same completely in letter and spirit.

Corporate Governance Policy

The Board of Directors recognized the roles and responsibilities of managing the Company's business with good corporate governance, upholding equality, transparency, and accountability as key principles that strengthen the organization and personnel's development to accomplish sustainable business growth, create confidence among all stakeholders, and optimize benefits to the organization as a whole.

The Board had set up a Corporate Governance Policy Manual, a Business Ethics and Code of Conduct Manual and Anti-Corruption Policy Manual which have been circulated to all the Company's employees via corporate e-mail and disclosed on the corporate internal web and Company's website under the subject of "Corporate Governance". The Company reviews and updates these Manuals regularly in order to ensure that these Manuals meet the present requirements and are suitable for the current circumstances.

The Company had adopted the suitable terms of the latest Corporate Governance Code for listed companies 2017, which consisted of the followings:

Rights and Equitable Treatment of Shareholders and Stakeholders
Structure, Rules, Duties, Responsibilities, and Independence of the Board of Directors
Information Disclosure and Transparency
Monitoring and Risk Management
Business Ethics

The Board of Directors, through the Audit and Corporate Governance Committee annually reviews and provide their opinions to the Board of Directors regarding the implementation of the CG Code within the Company, in order to ensure that good corporate governance is followed within the Company for the sustainable of the Company. In the Board of Directors' meeting held on 14 December 2020, the Board reviewed the CG code issued by the SEC and the CG guideline issued by the Stock Exchange of Thailand, and also conducted a corporate governance self-assessment through a questionnaire following the SET and IOD guidelines. The scores of corporate governance self-assessment fall in the "Excellent". The Board of Directors intends to use this result to further improve its corporate governance. The Company intends that the corporate governance self-assessment be done every year in order to comply with Good Corporate Governance practice and accordingly, this exercise will be conducted again in year 2021.

The Company's administration has been complying with the principles of good corporate governance, focusing on the significance of and responsibilities towards shareholders and stakeholders of the Company. Consequently, the company continued to receive a very good rating in the assessment of the corporate governance, and in 2020, the Company received assessment by the regulatory units as below.

- The Company achieved 100% in quality assessment despite intense criteria made by the Thai Investors Association in the Annual General Meeting of Shareholders.
- The Company received an "Excellent" rating by Thai Institute of Directors Association for Thai listed companies.

The Company's implementation of Good Corporate Governance Principles is outlined in 7 sections hereunder:

1. Rights of the Shareholders

The Company recognizes the rights and equitable treatment of shareholders and maintains a smooth working relationship to safeguard the best interests of all the shareholders. The basic legal rights comprise the rights to receive share certificates, the rights to buy/sell or to

transfer securities held, the rights to share in profits of the Company, the rights to receive dividends, the rights to receive sufficient Company information in a timely manner, the rights to attend the shareholders' meeting, the rights to propose agenda in the shareholders' meeting, the rights to nominate suitable candidates for membership of the Board of Directors, the rights to vote for the appointment or revoke the Directors, the rights to approve the Director's remunerations, the rights to vote for the appointment of auditor and fixing of auditor fee and the rights to take part in decision-making of the Company's material issues, including the rights to give the proxy to another person to attend and cast the vote in the Meeting. Apart from the basic rights, the shareholders have the rights to receive information on the operating performance of the Company, the newsletter from the Management and other key information via the Company's website. In accordance with Good Corporate Governance Guidelines,

The Company has conducted its affairs with a view to protecting shareholders' rights and also encourages all shareholders to exercise their rights. The policy for maintaining rights of shareholders is part of the Company's Corporate Governance Policy Manual which is disclosed on the Company's website.

The Company is responsible to the shareholders in terms of information disclosure, accounting methods, internal information usage and conflict of interests. The Board of Directors and Management are expected to be honest and any decision must be based on honesty and fairness to both major and minor shareholders, and for the collective benefit of all. Some of the policies and procedures followed to protect the rights of the Company's shareholders are follows:

Appointment of Board members

The Company has continuously improved the documents required for the appointment of each Board member individually to give additional information in the nominees/ existing Directors' profile in the Company's Annual Report and also to present to the Company's shareholders in the Annual General Meeting ("AGM"). The aforesaid information is provided so that the Company's shareholders can get

correct and complete information, which is relevant and required for the appointment of Board members, including details as follows:

- Nominee's/Director's profile: name, position, age, education, relevant knowledge, occupation, working experience and illegal acts (if any).
- Nominee's/Director's positions in any materially connected business.
- Directors' previous performance as Director in terms of meeting attendance
- Nomination procedures (in case of the Directors who retire by rotation).

Consideration of the policy on Director's remuneration

The Company seeks the approval of the shareholders on the policy on Directors' remuneration at the AGM, and has also disclosed guidelines/procedures for determining Directors' remuneration in 5.1 hereunder.

Appointment of auditors

The Company seeks the approval of the shareholders on the appointment of the auditors of the Company at the AGM, and has improved the information disclosure for the correctness and completeness of the information required, such as their experience, independence and fees for the decision on the appointment of auditors, includes details as follows:

- Auditor's firm and Auditor's name.
- Auditor's remuneration for approval including separate disclosure for audit and non-audit related remuneration.
- Auditor's remuneration for the previous year.
- Relationship with the Company such as being the Company's advisor.
- Number of years as the Company's auditor (in case of reappointment of the present auditor).
- Auditor's performance.
- The reasons for changing the Auditor (in case the Company appoints a new auditor).

Consideration of the dividend policy

Presently, the Company's dividend policy remains unchanged. However, any future changes will be subject to approval from the shareholders.

Shareholders' Meetings

In 2020, the Company held one shareholders' meeting, which was the AGM No. 87 on 15 July 2020 at 10.30 a.m. The Board of Directors had earlier resolved to change the 2020 Annual General Meeting of the Shareholders from a physical meeting to an electronic meeting due to the Company's concern over its shareholders' safety and health during the COVID-19 pandemic situation. The company held the AGM by electronic means (E-AGM) which was broadcast from the Company's office located at No. 727 La Salle Road, Bangna Tai, Bangna, Bangkok 10240 Thailand. This E-AGM was held in accordance with relevant laws and regulations concerning electronic meetings such as the Emergency Decree on Electronic Meetings, B.E. 2563 (2020), the Announcement of Ministry of Digital Economy and Society on the Security Standard for the Meeting through Electronic mean B.E. 2563 (2020), and the Security Standard of the Monitoring System of the Meeting. In order to facilitate and encourage all shareholders to attend this E-AGM, the Company had send the User's Manual for E-Meeting and Voting System which explained the practice in attending the meeting, vote casting and questions in each Agenda to all shareholders in advance. The manual was also disclosed on Company's website.

The Company has followed the recommended practices of Stock Exchange of Thailand ("SET")/SEC for holding shareholders' meeting as follows:

Before the date of 2020 Annual General Meeting of Shareholders (AGM)

- For the AGM of shareholders as of year 2020, the Company provided an opportunity to the shareholders to propose agenda items for the AGM and an opportunity to the shareholders to nominate suitable candidates for membership of the Board of Directors of the Company. In practice, shareholders with a combined holding of at least 2,000,000 shares could propose agenda items or nominate qualified Directors from 1 October 2019 until 31 December 2019, which exceeds the privileges provided by law to shareholders. The Company has set up this policy, as well as made communication channels through the Company's website and announcements through the SET, based on which, a shareholder or a group of shareholders

could propose an agenda item and nominate candidates to be Director for consideration at the AGM.

- Providing complete and correct notice with full information when calling shareholders' meetings is the normal policy of the Company. Such notice includes the objective and reasons for each agenda item, apart from the Board of Directors' comments/opinion thereon, which has always been included. It is made certain that the Company does not amend the agenda of the shareholders' meetings without giving notice to shareholders.
- For the AGM 2020, the Company disclosed the AGM schedule and the AGM Agenda through the SET and Company's website from 12 June 2020 (33 days before the AGM date) for shareholders to plan their schedule for the meeting.
- The Company disclosed the notice of shareholders' AGM 2020 on the Company website from 12 June 2020 (33 days before the AGM date). The Company also assigned the Thailand Securities Depository Co., Ltd., which is the Company's Registrar, to send the AGM 2020 notice to each of the shareholders on 24 June 2020 (21 days in advance of the AGM). Shareholders can get more information from our Investor Relations by calling phone number +66 2 338 8079 or at the Company's website at www.cn-thai.co.th | ir@cn-thai.co.th
- The Company publishes the notices of AGM 2020 in both Thai and English newspapers for 3 consecutive days from 30 June 2020 to 2 July 2020 (16 days before the AGM date).
- Facilitating proxy voting: clearly specifying the documents required to give proxy and by sending out Notice to the extent possible, to the Company's shareholders at least 4 weeks prior to the meeting date. For shareholders who are unable to attend in the meeting, the Company has designated Independent Director to attend and to vote on their behalf in the meeting. Full details for this purposes are provided in the Notice of Shareholders' meeting. Moreover, the Notice, including Proxy (Form B) was disclosed on the Company's website to facilitate its download by shareholders.
- The proxy form including supportive documents could also be submitted by facsimile or e-mail for checking in advance.

- Provided detailed guidelines for attending the E-AGM which was held on 15 July 2020.
- The Company sent E-AGM registration Form together with a list of required documents for shareholders who wish to attend the E-AGM by themselves and for shareholders who wish to appoint a proxy to attend the E-AGM.
- After the Company received the requisite documents, the Company sent an e-mail containing Username and Password along with the Weblink to attend E-AGM.

On the date of the AGM

On the meeting date, the Company allowed for shareholders to access the system 60 minutes before the meeting.

- In the Meeting, the Agenda will be considered chronologically as it appeared in the notice submitted to the shareholders. The information will be presented for each agenda and will allow shareholders to ask questions before voting on that agenda. In case of shareholders/proxies wishing to ask questions or express opinion, please type questions or express opinions with name-surname before asking questions or making comments (in case of being proxy holder, please type in chat screen or sending a voice message the name of the proxy to the meeting for additional information). Any shareholders who have questions which do not correspond to the current Agenda item that is being considered, please wait for the final part of the meeting instead.
- In each Agenda item, Chairman will propose to the meeting to consider and vote on each agenda item, which will ask the meeting whether any shareholders disagree or have other opinions or abstain. If any shareholders disagree or have other opinions or abstain, please type the name-surname and number of shares showing intention to disagree or abstain and send them via Quidlab E-Meeting and Voting System for staff to deduct the ballots in the said agenda item. In this regard, shareholders, who do not submit their requests, will be considered to have approved the said agenda item.
- To facilitate convenient ballot counting, the Company prepared separate ballots for each agenda item. This was taken a step further for the agenda item in relation to the nomination of Directors whereby the Company provided separate ballots for the selection of each director in order to increase transparency for the voting process.

- To enable shareholders to make decision, the Company provide adequate information in the Notice to the meeting on the agenda items.
- The registration continued even after the meeting started in order to ensure the participation of all shareholders who join the meeting.
- At the meeting, the Company provided simultaneous English and Thai translation of the questions, replies and comments for the benefit of all attendees.
- The Company arranges a video recording of the entire meeting and posts this on the Company website.

The participants of Chairman of Board of Directors, Chairman of Sub-committees, Directors and Company's top management.

All 12 directors (representing 100% of total directors) inclusive of Chairman of the Board of Directors, Chairman of Audit and Corporate Governance Committee, Chairman of Remuneration Committee, Chairman of Nomination Committee, Chairperson of Risk Management Committee and Managing Director. Moreover, the Company's external auditors also attended the meeting to answer any questions relating to Company's financial statements or the auditing, the legal advisor also attended the meeting as a witness in vote counting.

Procedure for voting, vote casting and counting, query and comment

Before commencing the meeting, the Chairman informed all attendees about the voting procedure, vote casting and counting, the use of ballot and disclosed of votes counting in each agenda item for transparency, including the shareholders' rights to express their opinion or raise questions in each agenda item. The Meeting was in order, there were shareholders present at the Meeting in person and by proxy, holding shares in aggregate of 749,860,940 shares equal to 72.9505 percent of the paid-up shares. The Company had provided the witness in counting the votes during the Meeting.

The agenda of this AGM of Shareholders was considered chronologically as it appeared in the notice submitted to shareholders prior to the AGM, without any changes or request for the AGM to consider any agenda item other than

those specified in the notice. All agenda items were voted on and approved in conformance with the relevant laws. During the 2 hours of the AGM, shareholders were allowed to freely express their opinions, give suggestions, and raise questions on any agenda items. The Directors, Audit and Corporate Governance Committee members and/or Executive Directors gave clear information to the shareholders in each agenda item.

Record of the Minutes

The Company records that it has informed the Shareholders of AGM's quorum, voting method, vote counting and the use of ballot prior to the meeting. The Company also informed the name and position of Directors present at the meeting, the external auditor and legal advisor. All questions, answers and comments, resolution in each agenda items were also recorded. Voting records are divided into agree, disagree, abstain and void. These were recorded in writing in the minutes of meeting in detail so as to enable Shareholders who did not attend the meeting to review and recheck.

The Company prepares the minutes of shareholders' meetings, which are clear and complete and include the names of the Board members' who attended the meeting. The minutes also include a correct and complete record of questions/answers, voting method, vote counting procedure and voting results.

Disclosure of Shareholders' Meeting's resolutions

The Company disclosed the resolutions of the Meeting together with voting results in the Meeting date by way of letter to SET and on the Company's Website under "Investors Relation".

After the Meeting, the minutes were prepared with all substantive issues, including voting results, for submission to the SET, and posted on Company's website under "Investors Relation" within 14 days after the Meeting.

2. Equitable treatment of Shareholders

The Company ensures the equitable and fair treatment of shareholders in terms of calling and holding shareholders meetings and for protecting the basic rights of shareholders

for other matters by taking the following steps:

- Ascertaining that the date, time, venue of the meeting is convenient to attend.
- Offering one-share-one-vote to ensure equitable treatment towards the shareholders.
- Registration period commences at least 2 hours in advance to ensure adequate time for completion of registration.
- Arranging Quidlab E-meeting and Voting System for registration, vote casting, vote counting and vote results for shareholders' convenience and accuracy of the vote-count.
- Providing an opportunity to the minority shareholders to propose agenda items and to nominate candidates for Directorship in advance for the AGM of Shareholders through various channels including the Company's website.
- Providing an opportunity for shareholders to elect Directors for each of the Directors separately via Quidlab E-meeting and Voting System.
- Not adding new agenda items required the meeting's resolution without notice to the shareholders in advance, which is deemed to be unfair treatment towards shareholders absent from the meeting.
- The Company provides full opportunity for shareholders to participate in the meeting and encourages the shareholders to ask relevant questions which are answered by the Management and/or related persons.
- The Company has always followed practices and policies for the protection of shareholders rights and has always complied with all laws pertaining to the protection of the rights of shareholders, including obtaining shareholders' approval for any major event and in case of any serious situation that affects the Company's operations from an Extra-ordinary General Meeting. This year there is only 1 shareholders meeting called Annual General meeting of Shareholders.
- The Company regularly reviews the outstanding unpaid dividends and tries to contact all the shareholders who may have, for some reason, not received their dividends. Thereafter, the Company helps shareholders in terms of reminding and advising them on the required procedures to collect the dividends
- Directors disclosing their interests and those of their related parties to the Board.

- Directors reporting their ownership of Company's shares to the Board regularly.
- Directors and Executives disclose and report their conflict of interests, including dealings with their relatives, if any, to the Company for the Company's use in complying with the regulation about connected transactions. Such reports on interest are also useful in monitoring their adherence to their duties, by the following practices:
 - A new Director/Executive submits the form "Report on Conflict of Interest Transactions" within 30 days after appointment.
 - Thereafter, when there is a change, said Director/Executive submits the updated form "Report on Conflict of Interest Transactions" immediately or no later than 7 working days from the transaction date.
 - The Company Secretary submits a copy of the report on interest to the Chairman of the Board of Directors and the Chairman of Audit and Corporate Governance Committee within 7 working days from the date on which the Company has received such a report.
- The Board of Directors has established a guideline to prohibit a Director/Executive, who has a conflict of interest on an issue, to participate in the decision-making process related to that issue. Normally, a Director/Executive who has a conflict of interest on an issue, will leave the meeting and rejoin once the issue has been discussed and a decision is made.
- Providing detailed explanations of related-party transactions, characterizing names, relationship, policy, and value of each transaction as explained under the "Connected Transactions" section of this Annual Report. No non-compliance cases involving related-party transactions have been detected.
- Following an appropriate policy and laying down procedures for monitoring the use of insider information as explained under the "Insider Trading Controls" in this report. No cases of insider trading involving the Directors and/or the Management have been detected.

3. Recognition of Role of Stakeholders

The Company recognizes the importance of the rights of all stakeholder groups, whether it is the internal stakeholders such as director, employees and management of the

Company and/or its subsidiaries, or external stakeholders such as shareholders, creditors, suppliers, customers, communities, government agencies and other related organizations. The Company is aware that the support from each stakeholder would help establish the Company's competitive advantages and profitability, which would contribute greatly to the Company's long term success and prosperity. The Company has also amended its website to include under the subject of "Stakeholder Activities", the policy and code of conduct towards stakeholders in Business Ethics and Code of Conduct Manual and included therein a way whereby the website can be used as one of the channels for any stakeholder to express his/her opinion and contact the Audit and Corporate Governance Committee in case they wish to do so directly without going through the Management. The Committee will treat such information seriously and will maintain utmost confidentiality. If the complaints are not unfounded, the Board would take all remedial action that may be necessary. "Stakeholders Engagement" are disclosed in "Sustainability Report" in this Annual Report

Shareholders:

The Company ensures the equitable treatment of shareholders in terms of the participation in an important decision making issue. The Company allows the shareholders to express their opinion and suggestions for the improvement of Company's business operations in order to achieve the long term growth and contribute to the optimum return to the Shareholders. The Company discloses the significant information to Shareholder completely, accurately and transparently. The Company facilitates all shareholders to fully exercise their rights.

Management:

The Company recognizes that Management is one of the key factors of success for the Company's operations, and accordingly, Management remuneration is appropriately structured and comparable with the Industry norms and other equivalent listed companies in Thailand. The Management is also allowed to work independently without interference as defined in their duties and responsibilities, which are approved by the Board of Directors.

Employees:

The Company recognizes that Employees are another key factor of success for the Company's operations. The Company aims to build commitment and a long and sustainable relationship with all its Employees. The employment policy is set out to provide transparent, justified and equal treatment for all Employees without prejudice to gender, age, race, nationality, religion, political or other belief. Human resource policies conform to local labour law and regulations and promote the employment of disabled persons. The Company intends to enhance their abilities and capabilities by using their knowledge, competency and experience for their future career development and for the benefit of the Company. The policy is as follows:

Employment Policy

The Company provides fair and equal opportunities in employment, job security, and career advancement, as well as adhering to other good principles related to employees and employment.

Remuneration Policy

The Company provides fair compensation commensurate with ability and performance, which is related to Company's performance both in short and long term. The compensation must be able to compete in the same industry by considering Company's ability to make profit as well as individual's Key Performance Indicator (KPI) and Competency. Benefits to Employees including some of which are not required by laws are as follows:

Salary is based on duties and responsibilities and individual's performance appraisal by KPI and Competency.

Increments/bonus is based on financial status/performance and future plans of the Company, which depends on many factors beyond the Employees' direct control. Therefore, the Company has allocated a certain budget from its operation as an annual bonus based on the individual performance against performance of the Company and individual assessment with specified quantitative targets.

Other benefits (some are not required by law) to promote employee's quality of life and well-being such as some financial aids, and activities to promote the good relationship among employer and employee and management. As to

promote employee's financial sustainability, the Company had set up the Provident Fund, on voluntary basis, whereby the contributions are from Employees and the Company. The contribution rate from the Company is increased in connection with number of Employees' years of services to promote good morale and serve as a long term incentive to Employees who have many years of service.

Training Policy

The Company also ensures that Employees are adequately knowledgeable and skillful to perform their jobs for the Company's business, and understand the relevant codes of conduct and practices, and are encouraged to gain knowledge and abilities and keep them updated by following Industry trends and Company future growth as well as for their career advancement. The Company provides in-house and external training for staff, both in the office and at worksites. The costs of such training are borne by the Company. Moreover, the Company allows special leave and flexible working hours for employees who are undergoing longer term professional or degree courses. Moreover, the Company supports good relationship between all employees including the Management.

The annual development programme (Career Path Development) is set up on a continuing basis from year to year. The objective is for employees to realize and understand the opportunities for their career development which is the Company's mission to create "quality employees, quality productivity". According to Company's sustainability development, the 2 focus groups are 1. Top Management and staff at management level, 2. Operation staff at worksite.

Separate detailed reports are provided under the subject of "Sustainability Report" in the Annual Report.

Occupational Safety and Health Policy

The Company has policies and practices relating to occupational safety and health which is now improving from OHSAS 18001:2007 to ISO 45001:2008 for staff at work place to promote safety, prevent accident, sickness and reduce the loss from operations, as well as to promote good physical and mental health of employees.

Separate detailed reports are provided under the subject of “Sustainability Report” in the Annual Report.

Creditors: The Company recognizes Financial Creditors as one more important factors of success, who provide funds which are essential for the Company's highly capital intensive business. The Company complies with all terms in borrowings, including compliance with the objectives of using the borrowed funds, repayment, collateral, and other conditions as may be agreed. Moreover, if at all there is any covenant in any of the loan agreements with which the Company is not be able to comply, the Company proactively approaches the lenders to seek a waiver or achieve other mutually acceptable solutions.

Suppliers: The Company recognizes the importance of satisfied Suppliers, and the Company always ensures that terms and conditions for Suppliers are based on Industry norms and practices and thereafter, agreed terms and conditions are strictly followed by the Company. The Company does not request any benefit from suppliers.

Customers: The Company recognizes the importance of Customers, who support the Company's business, and the Company always provides the highest quality of work and services, with quality work guaranteed, within agreed construction periods, and in compliance with the Customer's specifications. The Company also solicits client satisfaction feedback for improving and developing operation to maximize Customer's satisfaction. The Customers' confidential information is used exclusively for the concerned business, without revealing it unless required by laws, regulations, or with consent from the information owners, including issues related to marketing, market power exercises, price setting, and details of services, quality and safety. The Company has provided a separate detailed report under the subject of “Responsibility for products and services” section in “Sustainability Report” of the Annual Report.

Competitors: The Company acts within the rules of fair trade, neither attacking trade competitors' reputations with false allegations, nor does the Company access competitors' confidential information or use dishonest or inappropriate means for any purpose.

Social Responsibility to the Community: The Company recognizes its responsibility to the Community and is often involved in supporting Community activities and being attentive to the consequences of the Company's conduct, including making efforts to absorb social accountability, going beyond what the relevant laws require. The Company has provided a separate detailed report under the subject of “Sustainability Report” of the Annual Report.

Environment: The Company recognizes that the construction business, if conducted irresponsibly, may affect the environment by both noise and air pollution. For the protection of the environment, the Company has applied to be certified for Occupational Health and Safety Assessment Series: OHSAS 18001:2007, for all worksites as explained under the “Sustainability Report” in this Annual Report.

Regulators: In the construction business, the Company's is governed by many laws and regulations. The Company recognizes the significance of compliance with related laws and regulations and has included its review of compliance as one of the duties of the Internal Audit Department headed by a qualified Internal Auditor. The Internal Audit Manager provides an annual compliance review report of related laws and regulations and reports directly to the Audit & Corporate Governance Committee, as explained under the “Audit & Corporate Governance Committee Report” of this Annual Report.

Respect for International Human Rights Principles: The Company requires that all of its directors, the management and staff should strictly respect International Human Rights Principles as part of the operations, including the use of enforced labour or child labour. The Company shall not support any activity which may lead to the violation of human rights. Every stakeholder shall be treated equally with full respect regardless of their race, ethnicity, and color of the skin, family background, religion, social status, gender, age, characters, physical appearance, financial status, or any other status. The Company also promotes the monitoring of human rights compliance within the Company and encourages its subsidiaries, investors, suppliers and all stakeholders to observe the international human rights principles.

The Company also encourages the improvement of the quality of life of disabled people, by employing them under the same terms and conditions as other Staff. Moreover, the Company also provides facilities for the disabled i.e. elevator, toilet etc. in its new Head Office. Separate detailed report is provided under the subject of "Sustainability Report" of the Annual Report.

Ethics for Intellectual Property Rights: The Company requires that all of its Directors, the Management and Staff strictly respect the intellectual property rights of others, whether in relation to trademarks, patents, copyrights, classified commercial information, or other stipulated categories of intellectual property, and encourages our staff to ensure that the application of research findings or other data in their work does not constitute a violation of other people's intellectual property rights.

Policy on preventing corruption and offering bribes:

The Company is committed to conduct its business according to good governance, transparency and fair treatment. The Company has a policy to prohibit all forms of fraudulent and/or corruption, either directly and indirectly with both public and private sectors, along with raising consciousness to ensure that all of its personnel have at all times adhered to the codes of conduct, ethics and morally in business operations.

The Company has a zero tolerance policy for fraudulent and/or corrupt behavior and takes corruption and bribery transactions, if any, very seriously. The policy was written in the Corporate Governance Policy, Code of Conduct including Anti-corruption Policy which is always followed by the Company. Any violation of the Policy is regarded as a serious matter by the Company and will result in disciplinary action, including termination, consistent with local law.

The Company has guidelines for preventing corruption and offering bribes as follows:

- All company employees must show a commitment to anti-corruption efforts and engage in building awareness and a culture that values honesty and transparency.
- All Company employees must not accept any gift of any kind, regardless of value. In cases where unavoidable must strictly followed the "No Gift Policy".
- The Company shall take immediate action both in terms of the Company's regulations and legal if any employee is found and proved to be dishonest in their duties and responsibilities.
- Procurement is to be conducted according to the Company's guidelines and should be fair to all involved. The procurement's decisions are to be made on the basis of reasonable prices, quality and services, and should stand scrutiny if an investigation occurs.
- To ensure transparency and to prevent any circumstances which may lead to corruption, transactions with the Government must strictly follow the "Anti-Corruption Policy".

The Company has placed great importance on anti-corruption while encouraging its personnel to be aware of corruption in all forms. For personnel to continuously learn to follow and promote anti-corruption as part of its culture. Last year, the action taken was as follows:

- The Anti-Corruption policy was made known for the employees and third parties to acknowledge and adhere to the same guidelines through the following channels.
 - Published it through the internal website and Company's website.
 - Adopted it as one of the topics for new employee orientation.
 - Promoted it through internal E-Mail communication.
 - Being a compulsory training course in the E-Learning system. All employees must learn and pass the test to meet the required criteria.
 - Added it to one of the conditions in the subcontract agreement.

- No-Gift Policy was announced to all staff as well as asking for the collaboration from all business partners not to give any gifts either in cash or in kind for any occasion to any of our personnel but to change the gifts into the greeting card.
- The Company had reviewed and announced its Anti-Corruption Policy which is in accordance with the guidelines provided by the Private Sector Collective Action Coalition Against Corruption Committee (CAC) and National Anti-Corruption Commission (NACC) on the Website.
- Conduct corruption risk analysis and ensure corruption-risk awareness in the design of internal systems, especially in purchasing and contracts, human resources, record keeping, expense claims with high risk of corruption and transactions that involve government institutions.
- Established the whistleblowing/complaints channel for reporting in case of any corruption or violation was found. The punishment for any misconduct or violation and the protections of the whistler-blower/complainant are specified in the policy manual.
- Conduct internal audits to ensure that anti-corruption guidelines are being followed and provide regular reports to related committees, and immediately escalate emergency corruption-related findings to senior management and the Board of Directors.
- The Company determined to declare declared an intention to join CAC and with the target to be certified by CAC that the Company's internal control for anti-corruption policy is appropriate, effective and efficient. This is to ensure all stakeholders that the Company is doing its business with transparency, integrity and without corruption for equal benefits to all stakeholders.

Moreover, the Company has established channels for reporting any misconduct, fraudulent act or corruption and provides protection and remedies for any person who files a complaint or cooperates in the investigation of the charge.

Communication with the Board of Directors and whistleblowing Policy

The Company has a policy and guidelines on anti-corruption and does not engage in any form of bribery. This policy is clearly stipulated in the Corporate Governance Policy Manual and the Business Ethics and code of Conduct Manual which has always been strictly complied with. To ensure fair treatment of all stakeholders under this Code of Conduct, the Company has set up a channel for any business suggestions, complaints, or recommendations. The whistle blowing channel has been created for the purpose of informing the company about the impact of company's business, director's, management's, staff's performances, wrongful and unjust actions, code of conduct violation, corruption, or suspicion. To protect the right of complainers, the whistle-blower and complaint protection all information received will be treated confidentially.

The Company has set up channels for communication where every stakeholder can suggest, file a complaint, and file a report in regards to corruption activities or unfair treatment, or disorderly acts of our employee. All information will be kept confidential according to whistleblowers protection policy.

Whistleblowing/complaints

The Company's Board of Directors assigned the Audit and Corporate Governance committee to be in charge of the complaints or suggestions as above. The whistleblower or the complainants can send a message by email or mail a letter to Secretary of Audit and Corporate Governance Committee at the following address:

By mail:

Mr. Ponpisith Charoenthai (Internal Audit Department)
Secretary of Audit and Corporate Governance Committee
Christiani & Nielsen (Thai) Public Company Limited
727 La Salle Road, Bangna-Tai Subdistrict, Bangna District,
Bangkok 10260, Thailand

By e-mail: ponpisch@cn-thai.co.th

Other communication channels:

Hotline 66 2 338 8121

And/or other related departments as under:

Legal	66 2 338 8139	E-mail	sittiksu@cn-thai.co.th
Human Resources Management	66 2 338 8002	E-mail	alisani@cn-thai.co.th
Internal audit	66 2 338 8161	E-mail	ponpisch@cn-thai.co.th
Company Secretary	66 2 338 8121	E-mail	sophidpa@cn-thai.co.th
Investor Relations	66 2 338 8077	E-mail	phaneech@ch-thai.co.th
Whistleblowing on website	www.cn-thai.co.th		
Complaint Box within the Company			

The Complaint handling procedure

- When the whistle is blown or complaint is filed, the Secretary of Audit and Corporate Governance Committee or whistleblowing/complaints' receiver will collect the factual evidence of the corruption, breaching or violation of Code of Conduct. Then report it to Audit and Corporate Governance Committee or Executive Directors or Management Executives.
- Audit and Corporate Governance committee or Executive Director or Management Executives will assign Legal section, Human Resources Management Department and Internal Audit to jointly investigate all factual evidence and contact the whistleblower/complainants for more information. As such all information will be kept confidential.
- Whistleblowing/complainant receiver/designated person shall evaluate and review all evidence within 30 days. The assigned person shall categorize evidence i.e. management issue, truth finding issue, and so on.
- If the whistleblowing/complaint has solid proof that there's corruption, violation, or misconducts, the designated person shall come up with procedures to stop such violation or legal non-compliance acts. The company shall impose disciplinary punishment against any person who violates or fails to comply with the policy on anti-corruption, business ethics and company's rules and regulations deemed appropriate. The Company shall proceed to alleviate the trouble for the inflicted person and mitigate damages that occurred.
- Appointed person is responsible for collecting all complaints, following up, and reporting the result of investigation to Audit and Corporate Governance

Committee and/or to all relevant directors, managements respectively, depending on each case.

- Complaint receiver is responsible for notifying the whistleblower/complainant about the result provided that the whistleblower/complainant's identity is known.
- If there is any complaint lodged against the supervisor, the audit committee will be responsible for protecting the whistler-blower, the complainant, and the witness. The audit committee must ensure that no harm shall be done to them. If the complainant is harmed or being treated unfairly in any way, please inform the audit committee directly.
- Managing director is responsible for giving orders as seen appropriate to protect the whistle-blower, complainant, and the witness. Managing director must ensure that no harm shall be done to them as a result of informing the truth.
- Managing Director can assign one of the executives to give orders to protect the whistle-blower, the complainant, and the witness on his behalf. However, the assigned executive himself must not be involved with the case either directly or indirectly. (The executive must not be one of the accused person by his subordinate.) The person who receives the complaint is responsible for keeping the information and evidence confidential. He must not reveal information to anyone unless required to do so by law.

Whistle-blower and Complainant Protection

In order to protect the rights of the whistleblower, the complainant and the informant, or those who participated

in the investigation, the Company will conceal name, address, and any information that can possibly identify them. In addition, the Company will keep all information confidential. Only responsible person who conducts the investigation will be able to access such information.

Confidentiality

The Company realized that the informer wishes to keep information confidential. In principle, the Company will keep all reports confidential. The Company hopes that the informer will do the same. Therefore, informer's identity will be classified.

However, in certain circumstances, the informer may be required to give statement or evidence to Company's representative. If such circumstance occurs, the Company cannot guarantee that all information can be kept confidential. However, the Company will make sure that only necessary information can be revealed. Moreover, name of the informer will not be revealed without prior consent.

Informer Protection

No member of the Board, Executive or Staff who in good faith reports a violation of the Code of Conduct or reports a complaint or concern involving matters covered by this Whistleblowing Policy shall suffer harassment, retaliation or adverse employment as a result of such a report. An employee who retaliates against someone who has reported a violation, complaint or concern in good faith is subject to disciplinary punishment which includes termination of employment.

4. Disclosure and Transparency

The Company has tightened procedures to take care of important information to be disclosed, including both financial and non-financial statements and reports. The information is disclosed correctly, accurately, on a timely basis and transparently, through the proper channels that users can fairly and trustfully access. This is to ensure that shareholders and all stakeholders are equally receiving information as specified by laws, organization and other related government parties.

4.1 Board of Directors' Report

The Board of Directors is responsible for the Company and its subsidiaries' financial statements and financial information presented in this Annual Report. The report on the Board of Directors' Responsibilities for Financial Statements is presented along with the Report of Independent Auditor and Audited Financial Statements in this Annual Report.

4.2 Directors and Management Remuneration

On 20th February 2013, the Board appointed and assigned the Remuneration Committee to set procedures for consideration of the remuneration of the Directors, Sub-committee Members and Senior Management. The remuneration of directors and sub-committee members will propose to the Board of Directors. The Board of Directors is not empowered to fix the remuneration of the Directors and Sub-committee Members but is required to place their recommendations on the same to the shareholders for their approval. The composition, role and duties and qualifications of Remuneration Committee and Remuneration Criteria are disclosed on Company's website.

The remuneration for Executive Directors who are working full time in the Company or in the subsidiary companies, Managing Director and Senior Management will be fixed in accordance with the principles and policies set by the Remuneration Committee. The Board of Directors directly and specifically approves the remuneration which is appropriate and at a sufficient level to attract and retain qualified high-ranking executives to work with the company based on the remuneration in the Industry for equivalent positions, financial status/performance of the Company for both short term and long term and their respective individual performances.

In the years 2020 and 2019 the Company proposed the remuneration, meeting allowance and bonus pay, with no other numerations to the Board of Directors to the shareholders for their approval. The Directors' remunerations approved by the shareholders' meetings are as follows:

Director's Remuneration 2020

POSITIN	Meeting Allowance				Remuneration		Bonus	
	Director		Audit & CG Committees					
	Baht/ Attendance/ Person		Baht/ Attendance/ Person		Baht/ Month/Person			
	2020	2019	2020	2019	2020	2019	2020	2019
1. Chairman of the Board of Directors	60,000	60,000	-	-	20,000	20,000	2% of total cash dividend payment of prior year	2% of total cash dividend payment of prior year
2. Director	30,000	30,000	-	-	10,000	10,000		
3. Chairman of Audit & CG Committee	30,000	30,000	60,000	60,000	30,000	30,000		
4. Audit & CG Committee	30,000	30,000	45,000	45,000	25,000	25,000		
5. Chairman of other Sub-committees	-	-	-	-	-	-		
6. Member of other Sub-committees	-	-	-	-	-	-		

At present the Company's Board of Directors consist of 12 Directors including 4 Audit & CG Committee Members.

A comparison of the regular remuneration paid to the Chairman of the Board, each Director, the Chairman of Audit and Corporate Governance Committee, each Audit and Corporate Governance Committee member among the Company and other listed companies and other construction listed companies is as follows:

Comparison for regular remuneration

Unit Thousand Baht/person/year

POSITION	*CNT		Other Listed Companies**								
			Listed Companies Property and Construction			Listed Companies with Revenue 5,001-10,000MB			All Listed Companies		
	2020	2019	Mean	Min	Max	Mean	Min	Max	Mean	Min	Max
Chairman of the Board of Directors	240	240	929	240	3,840	772	201	2,880	837	40	8,280
Executive Directors	120	120	500	120	2,160	376	120	2,160	402	40	3,000
Non-Executive Directors	120	120	488	120	2,160	425	120	2,160	408	40	3,000
Chairman of Audit & CG Committee***	360	360	377	60	840	384	120	1,500	400	60	3,600
Audit & CG Committee Members ***	300	300	270	60	600	259	72	840	286	40	2,400

* CNT figures are actuals of respective years

** From IOD's Thai Directors Companies Survey 2018

*** Additional remuneration as Chairman of Audit & CG Committee / Audit & CG Committee Member

A comparison of the regular remuneration, meeting allowance and bonus paid to the Chairman of the Board, each Director, the Chairman of Audit and Corporate Governance Committee, each Audit and Corporate Governance Committee member among the Company and other listed companies and other construction listed companies is as follows:

Comparison for regular remuneration, meeting allowance and bonus

Unit Thousand Baht/person/year

Positin	* CNT		Other Listed Companies**								
			Listed Companies Property and Constrction			Listed Companies with Revenue 5,001–10,000MB			All Listed Companies		
	2020	2019	Mean	Min	Max	Mean	Min	Max	Mean	Min	Max
	Monthly Remuneration, Meeting Allowance and Bonus		Monthly Remuneration, Meeting Allowance and Bonus			Monthly Remuneration, Meeting Allowance and Bonus			Monthly Remuneration, Meeting Allowance and Bonus		
Chairman of the Board of Directors	787	600	2,125	400	12,240	1,647	239	6,115	1,993	78	17,640
Executive Directors	393	300	1,330	322	7,560	988	158	4,037	1,187	78	8,880
Non-Executive Directors	393	300	1,244	206	7,560	1,034	181	3,856	1,197	86	8,880
Chairman of Audit & CG Committee***	873	600	963	415	1,940	834	348	2,375	890	211	4,730
Audit & CG Committee Members ***	753	480	720	380	1,370	648	192	1,730	678	148	3,435

* CNT figures are actuals of respective years

** From IOD's Thai Directors Companies Survery 2018

*** Additional remuneration, meeting allowance as Chairman of Adudit & CG Committee / Audit & CG Committee Member

Directors Remuneration

In the past year, the Company's directors received remuneration in term of monthly remuneration, meeting allowance and bonus as follows:

Name	Monthly Remuneration Baht	Meeting Allowance Baht	Bonus Year 2019 Baht
<u>Period 1 January — 31 December 2020</u>			
1. Mr. Santi Grachangnetara Chairman of the Board of Directors	240,000.-	420,000.-	126,511
2. Mr. Kirit Shah Vice-chairman of the Board of Directors Executive Director	120,000.-	210,000.-	63,256
3. Mr. Surasak Osathanugraha Assistant to Managing Directors (Finance & Accounting)	120,000.-	210,000.-	63,256
4. Mr. Khushroo Kali Wadia Managing Director	120,000.-	180,000.-	63,256
5. Mr. Kasemsit Pathomsak Chairman of Audit & CG Committee Independent Director	360,000.-	450,000.-	63,256
6. Mr. Ishaan Shah Executive Director	120,000.-	180,000.-	63,256
7. Mr. Kris Thirakaosal Audit & CG Committee Member Independent Director	300,000.-	255,000.-	63,256
8. Mr. John Scott Heinecke Director	120,000.-	210,000.-	63,256
9. Ms. Nampung Wongsmith Audit & CG Committee Member Independent Director	300,000.-	315,000.-	63,256
10. Mr. Suphon Tubtimcharoon Independent Director	120,000.-	180,000.-	63,256
11. Mr. Vites Ratanakorn Executive Director	120,000.-	210,000.-	63,256
12. Mr. Suriyon Tuchinda Audit & CG Committee Member Independent Director	270,000.-	345,000.-	43,752 (22/Apr—31/Dec/19))
13. Mr. Maxwell Federbush Director	-	-	19,504 (1/Jan-22/Apr/19))

4.3 Relations with investors

The Board of Directors recognizes the importance of accurate, complete and transparent disclosure of financial information and general information, which may affect the Company's share price. The Company provides

information through the SET and the Company's website. While the Company undertakes investor relations at the top Management level, the Company has also designated persons as the contact points in the Company to service investors, shareholders, analysts and public as under.

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Company Secretary

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Senior Manager Group Finance and Accounts

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The Company participates in the investor relations activities held by SET called "Opportunity Day" quarterly, including interaction with press, which are attended by the Managing Director, Assistant to Managing Director and Operations Director.

During the past year, the Company had joined 4 Opportunity Days and also took part in a number of press interviews.

Year /No. of time	Meeting with Analysts	Meeting with Investors	Presentations	Interview with newspapers/TV	Total
2020	5	6	5	8	24
2019	5	6	5	2	18
2018	8	6	5	11	27
2017	5	6	5	6	25
2016	5	6	5	6	22

5. Responsibilities of the Board

5.1 Board Structure

The numbers of members on the Board of Directors is commensurate with the size and complexity of the Company's business. Currently, there are 12 Directors on the Board of Directors of the Company which consists of:

- 5 Executives Directors (3 Directors as full time employees of the Company)
- 7 Non-Executive Directors, comprising 6* Independent

Directors which the number is 50% of the Board of Directors).

- There are 11 males and 1 female. The age of directors who are 30-50 years old is 4 persons and more than 50 years old is 8 persons.

*Chairman of the Board of Director was redesignated as an Independent Director in the Board of Directors Meeting held on 25 February 2021.

Board Diversity

The Company considered increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. The Board members represent diversity from a range of perspectives including gender, age, educational background, skills, knowledge and professional experience. And for the selection of new directors, the Board of Directors will consider candidate's qualifications, having regard to the mix of skills, diversity and in line with the Company's strategic direction.

Term of Directors

Board of Directors: At every AGM, one-third of the Directors shall retire. The Director who has held office longest shall retire. If the number of Directors cannot be divided into three parts, the number of Directors closest to one-third shall retire. The retiring Directors may be re-elected. In addition, the tenure of a director normally should not be longer than three consecutive terms but this requirement may be waived by the Board of Directors after due consideration.

Sub-Committee Members: Each member of the Sub-committees holds office during the same term as that of his/her Board membership. The tenure of a Sub-committee member normally should not be longer than three consecutive terms but this requirement may be waived by the Board of Directors after due consideration.

Independent Directors: The Independent Directors of the Company shall normally hold office for a term not exceeding 9 years from the first date of appointment as Independent Director. However, depending on the reasonable needs of the business and ease or difficulty in finding suitably qualified candidates as Independent Directors.

Directors' Nomination

The Nomination Committee shall recommend candidates to the Board of Directors to replace retiring Directors or to fill any other vacancy. The Nomination Committee shall review the structure and composition of the Board of Directors, set nomination criteria and search for candidates

with qualifications appropriate for the Company's situation and needs.

Directors' Nomination Criteria, Selection, Appointment and Re-election of Directors

The Company recognises that diversity at the Board level is an essential element in supporting the attainment of its strategic objectives and its sustainable development. All Board appointments are based on meritocracy, and candidates are considered against appropriate criteria which are as follows;

- Consideration is based on a range of diversity perspectives, including gender, age and education background, skills, knowledge, and professional experience, and devotion of potential candidates expected to add value to the Board.
- Consideration of the qualities of leadership, vision, ethics, and honesty to uphold the highest principles of Good Corporate Governance including the dedication and the ability to fully devote the time for the administration of the Company.
- The candidate should not be a person prohibited under the Public Companies Act, the Securities and Exchange Act, announcement of the Securities and Exchange Commission or any other laws relating to the qualification and scope of work of the Board of Directors; or a person blacklisted by any organisation (including the SEC) or convicted of any crime.
- The candidate as an Independent Director must be qualified in accordance with the independent director's qualifications.
- Having no conflict of interests with the Company
 - Engaging, having been a partner in an ordinary partnership, an unlimited liabilities partnership in a limited partnership or having been an executive, director in a company or other listed company in the business similar to or compete with the Company and its subsidiaries.
 - Having been a partner in a contract, a concession contract or having been the Company's stakeholder in such manner or having been a partner in an ordinary partnership, an unlimited liabilities partnership in a limited partnership or having been an executive, director in a company or other listed company operating in such manner.

- Any other cases under the Public Companies Act and/or as specified by laws.
- Consider other qualifications as may be advisable such as the lack of necessary skills required on the Board of Directors of the Company.

Procedure for selection and appointment of new directors

The procedure when selecting and appointing new directors varies depending upon the circumstances of the Company at the particular time. In general, when the Board of Directors intends to appoint a new director (as a vacancy occurs or as an additional member on the Board), the following procedure is followed in selecting and appointing a new director to the Board of Directors:

- The Nomination Committee evaluates the range of skills, experience, expertise and diversity of the existing Directors, and identifies other appropriate qualifications giving consideration in line with the Company's strategic direction, and gaps which need to be filled. Consideration is given to the balance of Independent Directors on the Board and the best practice recommendations as set out in the SET Corporate Governance Principles.
- For seeking suitable candidates, the Nomination Committee may utilize the personal network of the Board members and Senior Management of the Company and may consider the proposals from the Shareholders or may engage an external search firm or may use Director Poll information from the Thai Institute of Directors (IOD).
- The Nomination Committee screens the Director candidates, and then interviews each interested preferred candidate to identify those individuals who best fit the target candidate profile. Once the Nomination Committee has identified an appropriate candidate for the Board to consider, it may also arrange the Board members to meet with the candidate.
- The Nomination Committee submits its recommendations to the Board of Directors, which is proposed for the shareholders' approval at the shareholder's meeting or which is proposed for the Board's approval as a temporary replacement if a director resigns during his or her term in office and a casual vacancy is created.

Procedure for Re-election of Directors who retire by rotation

In accordance with Section 71 of the Public Limited

Companies Act B.E. 2535 and Article No. 16 of the Articles of Association of the Company, at every Annual General Meeting, at least one-third of the Directors, or, if their number is not a multiple of three, then the number nearest to one-third, must retire from office. In every subsequent year, the Director who has been longest in office shall retire. A retiring Director is eligible for re-election. The procedure for re-election of a director who retires by rotation are as follows:

- The Nomination Committee considers the past performance of the retiring directors e.g. attendance, participation in meetings and other contributions to the activities undertaken by the Board of Directors.
- After reviewing, the Nomination Committee submits its recommendations to the Board of Directors, which is proposed for the shareholder's approval at the shareholders' meeting.

Criteria to nominate/appoint Top Management including Managing Director

The Nomination Committee considers the following criteria below when determining whether to nominate/appoint a top management, including the Managing Director

- Skills, knowledge, relevant qualification and professional experience in business operations.
- Leadership potential, integrity and vision.
- No Blacklisting by any organization (including the SEC) or criminal conviction.
- After review, the Nomination Committee submits its recommendations to the Board of Directors for consideration and approval.

Directors and Management Remuneration

Directors Remuneration

The Board of Directors has designated a Remuneration Committee to recommend guidelines for setting Directors and Management remuneration should be comparable with other listed companies in general and should also be comparable with other listed companies in the same sector and their respective individual performance.

Remuneration Criteria

- The remuneration for Directors and members of sub-committee must be agreed by Board of Director and recommended to the shareholders for their approval.
- The remuneration for Directors and members of sub-committees shall be paid as fixed monthly amount in addition to meeting attendance fess and bonuses, which are approved at the Shareholders' meeting.
- The remuneration criterion shall include consideration of financial status and performance of the Company and should be comparable with other listed companies in general and should also be comparable with other listed companies in the same sector. The remuneration is structured based on the appropriate levels and the duties and responsibilities, and is further linked to the Company's performance both in the short-term and long-term including individual performance appraisal against KPI's under transparent guidelines, applied fairly and in accordance with relevant laws and regulations.

Remuneration for Senior Management

- The remuneration of the Senior Management included their salary, bonus and other remuneration e.g. provident fund contribution (voluntary basis). In addition, remuneration shall be considered or evaluated by others who supervise the given person and shall not be done by the one who receives the remuneration. The remuneration of Management has been disclosed hereinabove the subject "Organization Structure".

Executive Director

An Executive Director is a Director who is involved in the Management of the Company on a full-time basis and receives regular monthly remuneration from the Company in the form of salary or its equivalent.

Independent Director

The Independent Directors are independent from the Management and have no business or activities with the Company and must not be involved in the day-to-day management of the Company or an affiliated company which may compromise the Interests of the Company and/or the Shareholders.

The qualifications of the Independent Directors of the Company comply with the rules and regulations of the SET and the SEC, Thailand but some have higher qualifications.

Qualifications of Independent Directors of the Company

- Holding shares not exceeding 0.50 per cent of the total number of shares with voting rights of the Company, its parent company, subsidiaries, associate companies, major shareholder or controlling person, including shares held by related persons of such Independent Director.
- Neither is nor used to be (at any time during the period of two years prior to the date of appointment) an Executive Director, Employee, Staff, Advisor who receives salary or other kind of compensation from the Company, its parent company, subsidiaries, associate companies, major shareholder or controlling persons or other juristic persons that may have conflicts of interests
- He/She must not be a blood relative, legal relative, related person or close relative of any Executive Director, top Executive, major shareholder or controlling person in/ of the Company.
- Neither having nor used to have a business relationship pursuant to the regulations of the SEC and also must be free of any present, direct or indirect, financial or other interest in the management and business of the Company, its subsidiaries, associated companies, or its major shareholders.
 - o The term "business relationship" under the above paragraph, such as any normal business transaction, rental, or lease of immovable properties, transaction relating to assets or services, or grant or receipt of financial support through receiving of extending loans, guarantee, providing assets as collateral, including any other similar action whose value exceeds Baht 20 million or more than 3% of the net tangible assets, whichever is lower.
- Neither being nor used to be an auditor or a provider of any professional services including those as legal advisor or financial advisor of the Company, its parent company, subsidiaries, associate companies, major shareholder or controlling person and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relations have ended not less than 2 years prior to the date of appointment.

- They must not be acting as a nominee or representative of any Director, major shareholder or shareholders, who are a relative of any major shareholders of the Company).
- Not undertaking any business of same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner, or being an Executive Director, Employee, Staff, Advisor who receives salary or controlling person or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business of the same nature and in competition to the business of the Company or its subsidiary company.

Independent Directors' Roles and Duties

- Independent Directors should gain access to financial and other business information adequately for them to perform their duties effectively.
- They are expected to regularly attend every Board meeting, including committee meetings, and raise good questions to ensure the interests of the Company's shareholders' and the protection of rights of other stakeholders', and ensure that the Company complies with best practices.
- Independent Directors are expected to possess abilities and display willingness to learn about the Company's business and are also expected to express their views independently, as well as dedicate time and attention to the Company as needed.
- Independent Directors are expected to regularly hold meetings among themselves, and try in every way possible to look for opportunities in which they can discuss business management issues with the Management.
- Independent Directors are expected to submit a confirmation letter to the Company verifying their independence in accordance with the Company's definition; on the date they accept the appointment and every subsequent year if required.
- There should be specific terms given to Independent Directors, and no Director must stay on beyond a certain time limit. Nonetheless, the difficulties of searching an appropriate replacement and the benefits of the working relationship built up over the years with the Independent Directors and their understanding of the business must

also be taken into account. Accordingly, at present no specific time limit has been set up for the Independent Directors apart from the statutory limits placed under applicable law.

Segregation of Positions between the board of Directors and the Management

The Board of Directors plays an important role in corporate governance for the maximum benefit of the Company and the shareholders. The role of Chairman is distinct from the role of the Managing Director in that the Chairman is the chief representative of the shareholders whereas the Managing Director is the leader of the managers. Combining the two roles creates an inherent conflict of interest. To avoid this conflict of interest, the Company ensures that the Chairman of the Board of Directors and the Managing Director are not the same individual. The Chairman of the Board of Directors is an Independent Director, as defined by the SET and does not have any relationship with the management. The Chairman shall not be Chairman or member of the other subcommittees. The Board of Directors will evaluate the performance of the Managing Director annually, whilst the Managing Director will evaluate the performance of executive officers who report to him. Evaluation will be based on targets relating to the Company's strategic and annual plan, to help appropriately determine remuneration and other fringe benefits.

The power, roles and responsibilities of the Chairman of the Board of Directors and Managing Director are provided hereunder "Organization Structure" of the Annual Report.

Other Committee

The Board of Directors appointed several committees as part of the good corporate governance policy of the Company viz, Executive Board of Directors, Audit and Corporate Governance Committee, Remuneration Committee, Nomination Committee and Risk Management Committee

The Composition, Role and Duties and Qualifications of each Committee are disclosed on Company's website and under "Organization Structure" in this annual report.

5.2 Roles, Duties and Responsibilities

Leadership and Vision

The Board of Directors is the main driver in defining the direction of the Company's performance, achieving its goals and objectives and to define the Company Mission, Vision, Core Values, Strategic Business Plan, appointment of competent and effective Management and managing the Company's affairs with good corporate governance in order to reach the objectives in accordance with Company's policy and in accordance with the law. The Board of Directors is comprised of persons who have the knowledge, expertise, business experience and background which qualify them to perform their duties and responsibilities in accordance with the highest standards of business ethics.

Explicit responsibilities of the Board of Directors

The Board of Directors performs its duties and carries on the business of the Company in conformity with applicable laws, the Company's objectives and the memorandum and articles of association, as well as the resolutions of the shareholders' meetings. The Board shall be involved in any matters that may have a significant impact on the Company's business. The following matters require decision or approval from the Board:

- Designation of the authorized Directors to bind the Company.
- Appointment of Executive Directors and members of the Sub Committees, in the manner prescribed by law.
- Authorizing the sale or mortgage any of the Company's immovable properties, to let any of the Company's immovable properties for the period more than three years, to make a gift, to compromise, to file complaints to the Court and to submit the dispute to the Arbitration.
- Approval of annual and quarterly financial results.
- Approval of the Mission Statement, Core Values and Code of Business Conduct.
- Approval of major decisions in respect of the Company's business direction and policies.
- Decision on major investments and contracts with significant impact to the Company.
- Any matters and/or transactions within the ambit of the Board pursuant to the memorandum and articles of association of the Company, the Public Limited Companies Act B.E. 2535, and other relevant laws and regulations.

The Board of Directors has clearly defined and demarcated powers, duties and responsibilities between each committee as mentioned under the "Organization Structure" section of this Annual Report.

Succession Plan

The Company forms succession plans with the objectives of making human resources ready in advance, both in terms of quality and quantity, ensuring continuity of appropriate management, and selecting suitable Employees for the Company's key jobs, which consist of the top Executives in the Company's divisions, the key positions in the Company's Management structure or business operations, or the positions for which specific expertise is required and replacements are difficult to find, such as the Managing Director, Assistant to Managing Director, the Head of Operations and the Head of Business Development etc.

The persons who are responsible to nominate successors and to grant approval on the successors to key job positions are classified according to level of position. The person or group of persons responsible for nominations is the Nomination Committee, or others as specifically appointed by the Board, such as the Chairman of the Nomination Committee, members of the Board, the Managing Director, or the top Management at the group-head or division-head level, while the person or group of persons responsible for granting approval can be either the Board, the Nomination Committee, the Chairman of the Executive Committee, the Managing Director, or the top Management at the group-head level, depending on the level of each key position needing a successor.

Operating Guidelines (In case the Managing Director or the Executive is unable to perform their duty).

The Board of Directors specifies authorized signatories to sign on behalf of the Company in case the Managing Director or the Executive Directors are unable to perform their duty due to temporary absence for any reason like sickness, travel, etc.

Supervision of Company's subsidiary's operation

Previously, the nomination of candidates and the voting for the appointment of Directors in the subsidiaries was

done by the Management. Starting from year 2013, the Company set a policy for the said nomination and voting to be approved by a resolution of the Board of Directors. In case of a conflict which could not be avoided, the candidate who was nominated should act in the best interests of the subsidiary and not the Company.

The Company has also set an outline for an authorized person to ensure that as per the policy for related transactions, acquiring/selling of assets, or other important transactions, such transactions are correctly and completely disclosed, in compliance with the rules set out by the Company, including the proper record of all information and accounting records which can be investigated and submitted to the Company for consolidation of accounts on time.

Business Ethics

The Company has set up a Business Ethics and Code of Conducts for its directors, management and staff as a guideline to carry out their respective work for the Company in a transparent, honest, faithful and justifiable manner. The Business Ethics and Code of Conduct Manual of the Company are disclosed on Company's website.

Guideline and enforcement of the Corporate Governance Policy and Business Ethics and Code of Conduct

The Board of Directors defines the duties and responsibilities for the Directors, Executives, and all staff to acknowledge and comply with the policies and terms indicated in the Company's Corporate Governance Policy and Business Ethics and code of Conduct. Moreover, the Company put in place a whistleblowing policy and the internal audit processes as mechanisms to monitor compliance to assure that all operations abide by such policy and principles. If the Directors, Executives, and staff violate these principles, they will face strict disciplinary punishment.

Conflict of Interest

In order to prevent conflict of interest transactions, the Board of Directors, through the Audit and Corporate Governance Committee has carefully supervised such potential transactions by setting out a written policy and procedure of approval of transactions involving any potential conflict of interests, as follows:

Potential conflict of interest transactions

Any transaction which could lead to a potential conflict of interest and/or a related party transaction is considered very carefully by the Board of Directors with a view to full compliance with the relevant rules and regulations of the SET and the SEC, Thailand, apart from compliance with the internal policies and guidelines set up by the Company. Moreover, such transactions are entered into strictly on an "Arms-Length" basis. The terms and conditions of such transactions are always in compliance with generally acceptable, standard commercial terms and conditions and appropriate disclosure regarding the details of the transactions viz. value, counter-party, reason and necessity of the transaction is made in this Annual Report and also in Form 56-1.

The Audit and Corporate Governance Committee and Internal Audit Department have planned for the audit of potential conflict of interest transactions by recording these transactions in the audit plan every year. In 2019, the Auditor has audited all transactions and reported accordingly to the Audit and Corporate Governance Committee. In the Audit and Corporate Governance Committee Meeting, the Committee will revise transactions that have potential conflict of interest, to ensure that each such transaction that the Company carried out was important to the Company's business, according to standard commercial competition, generally based on price list as a priority and in the best of interests of the Company, as well as whether it is disclosed in the Annual Report.

Moreover, the Internal Audit Department has reviewed the compliance of the Company with respect to the Notifications of the SET Re: The Disclosure of Information and Acts of Listed Companies Concerning Connected Transactions 2003 as amended from time to time and Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 Re: Rules on Connected Transactions as amended from time to time including the circular letter of the SEC about the recommended practice to be followed under section 89/12 (1) of the Securities and Exchange Act (No.4) B.E.2551. The details of the connected transactions have been explained under the topic "Connected Transactions" of this Annual Report. The results of the review have been reported to the Board of

Directors of the Company. The Board of Directors of the Company is of the opinion that such transactions are fair and for the full benefit of the Company.

Reporting changes in Company share ownership

To prevent abuse of inside information, all Directors and Senior Management must report any changes in their (including their Relevant Persons) holding of the Company's shares and/or other securities (as the case may be) to the Company and the Office of the SEC within 3 business days from the date of trading/transfer of the Company's shares and/or other securities (as the case may be). The changes in Company's shares and warrants of the Directors are reported to the Board of Directors meeting every quarter.

Supervision of the use of Insider Information

Christiani & Nielsen (Thai) Public Company Limited has the policy to ensure correct and adequate disclosure of information such as financial statements and other significant data or information related to the business, on a transparent and timely basis to shareholders, investors and general public.

The Board is committed to comply with rules and regulations with regard to the disclosure of information in a timely manner with full transparency. The monitoring of the use of insider information of the Company is considered the responsibility of the Directors, executives and senior staff who are obliged to strictly monitor and prevent any leaks of the Company's confidential and privileged information including information not yet revealed to the public or any data that might affect the Company's operations or share price. This includes the prohibition on use of Company's information obtained from directorships or employment for personal benefit or conducting business or other activities in competition with the Company. The Company has determined it as policy and guideline in the Business Ethics and Code of Conduct Manual which is disclosed on the website of the Company under the subject of Corporate Governance.

Pursuant to section 59 of the Securities and Exchange Act B.E. 2535, all Directors and Management Team members are required to report the changes in their shareholding to the Office of the Securities and Exchange Commission within 3 business days from the date of trading/transfer of the Company's shares and/or other securities (as the case

may be). Such reporting shall extend to any change in shareholding of any Director/Management Team member's: (i) spouse, (ii) cohabiting partner, (iii) minor children, and (iv) any juristic person in which such Director/Management Team member holds more than 30% of the total voting rights of such juristic person (including that of his/her spouse, cohabiting partner and minor children), ((i) to (iv) referred to as "Relevant Persons").

In accordance with the Company's Corporate Governance policy, the Company does not allow the following persons to trade/transfer the Company's shares/other securities (as the case may be) during the period of 30 days before considering the quarterly reviewed results and annual audited results are announced and also within 2 days after any notifications and also at least 5 days before the Company makes any significant announcement:

- All Directors and Management Team members (including their Relevant Persons); and
- The Company's personnel in the Finance & Accounts Department, and the Investor Relations Department who are close to the relevant inside information of the Company.

During the year, the above policy has been fully complied and no non-compliance cases have been observed.

Furthermore, according to the Company's Corporate Governance Policy, all Directors and Management Team members are encouraged to inform the Company their intention (including that of their Relevant Persons) to trade/transfer the Company shares/other securities (as the case may be) at least a day in advance.

Controlling System and Risk Management

The Company recognizes the importance of internal control systems at an operational level to ensure that the operations are conducted efficiently. The powers and duties of Operations and Management level personnel are clearly laid down. There is a proper level of control maintained on the utilization of the Company's property/assets for the highest benefit of the Company and there is clear segregation between operations units, control units and assessment units for the purpose of maintaining appropriate checks and balances. Moreover, an internal control system for the financial and accounting functions of the Company is clearly set up which allows adequate reporting to the relevant Management.

The Company has an Internal Audit Department in order to ensure that the key operations and financial activities are conducted efficiently, under the relevant guidelines and laws. Moreover, to ensure that the Company has complied with laws and regulations relating to the business of the Company, the Internal Audit Department conducts regular checks thereof. Internal auditors report directly to the Audit & Corporate Governance Committee on all matters, in order to make the Internal Audit Department completely independent of the Management.

Internal control systems for the financial and accounting functions of the Company are clearly set up which allows adequate reporting to the relevant Managers to achieve the following objectives:

1. Efficient and effective operations, including skillful use of resources for the best benefit of the Company.
2. Accurate, reliable and prompt financial reporting.
3. Full compliance with the Company's policies, laws and regulations.

The Board of Directors recognizes the importance of risk management and is responsible directly for the risk management to be implemented by staff at all level in the organization with the objectives to support the work performance of the Management of the Company to be efficient and effective and to achieve the business objectives. The Board of Directors has specified the Company's policy on risk management and internal control on the website of the Company and under the subject of Corporate Governance Policy and "Internal Control and Internal Audit" in this Annual Report.

5.3 Board of Directors' and sub-committees' Meeting

The Board of Directors' meetings are required at least 6 times per year and held quarterly on a regular basis, but extraordinary or special meetings, if required, may be called at any time during the year. Each meeting has a specific agenda, which would include a review of the Company's operations and following up of outstanding issues. In 2020, the Board of Directors held 7 meetings.

The Company Secretary sends the notice of each meeting and the relevant documents to all Directors, at least 7 days prior to the meeting date, so as to allow sufficient time for

them to review the information before joining the meeting, unless there is an overriding necessity or urgent matter.

The Company Secretary will prepare the meeting schedule in advance and distribute to all board members, so as to allow them to arrange the time to attend the meeting. Moreover at every Board of Director Meeting, Company Secretary will regularly inform the schedule of the next meeting to all board members.

Board of Directors' meetings are held after the Audit & Corporate Governance Committee meeting so that the minutes of the Audit & Corporate Governance Committee meeting can be sent to the Board of Directors for their consideration and discussion during the Board meeting. However, in case a Director either feels suspicious or has any questions, the Director can seek answers or clarifications directly from the Executive Directors at all times.

Quorum

The quorum for the Board of Directors meeting is at least two-thirds of Board size. However, in emergency cases, this can be waived and the quorum required by the Articles and Law will be followed.

During the year 2020, all resolutions of the Board of Directors were passed by the vote of the Directors present at the Board of director's meeting with a quorum of more than two-thirds of all the Board members.

Normally, Board meetings will take 2-3 hours. The Company Secretary records the minutes, and after each meeting, the draft minutes are proposed to all Directors for their consideration. Such drafts are generally distributed to Board members before the minutes are adopted at the next meeting, and are kept for scrutiny by Board members and other concerned parties.

On 13 November 2020, the non-executive directors held a meeting among themselves to discuss business management issues and performance of the Executive Directors.

The attendance of the Directors in Board of Directors meetings, Sub-committee meetings and shareholders' meetings in the year 2020 was as followings:

	Company Board of Directors	% of attendance	Executive Board	Sub-committee				Annual General Meeting
				Audit and Corporate Governance Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	
Mr. Santi Grachangnetara	7/7	100%	-	-	-	-	-	1/1
Mr. Kirit Shah	7/7	100%	8/8	-	2/2	2/2	-	1/1
Mr. Surasak Osathanugraha	7/7	100%	8/8	-	-	-	4/4	1/1
Mr. Khushroo Kali Wadia	7/7	100%	8/8	-	-	-	4/4	1/1
Mr. Kasemslit Pathomsak	7/7	100%	-	5/5	2/2	2/2	-	1/1
Mr. Ishaan Shah	6/7	86%	8/8	-	-	-	-	1/1
Mr. Krit Thirakaosal	6/7	86%	-	4/5	2/2	2/2	-	1/1
Mr. John Scott Hinecke	7/7	100%	-	-	-	-	-	1/1
Ms. Nampung Wongsmith	6/7	86%	-	4/5	-	-	4/4	1/1
Mr. Suphon Tumtimcharoon	6/7	86%	-	-	-	-	-	1/1
Mr. Vites Ratanakorn	7/7	100%	8/8	-	-	-	-	1/1
Mr. Suriyon* Tuchinda	7/7	100%	-	4/4	-	-	-	1/1

*Mr. Suriyon was appointed as Audit and CE committee on 27 Feb. 20 (Board of Director meeting No.448)

5.4 Board Self-Assessment

Assessment of the Board is divided into 2 parts:

- Assessment of the Board and Sub-Committees as a whole.
- Assessment of each Board member and each Sub-Committee member

Currently, the Assessment of the Board was conducted for Board of Directors and Sub-Committee as a whole and the assessment of each Board member and each Sub-Committee member. Board self-assessment is conducted each year on a regular basis. The Board of Directors has jointly defined criteria, assessment processes in the evaluation, as well as the norms of performance comparison. The Company Secretary shall distribute the assessment forms to each member of the Board, then collect the completed forms and submit them to the Chairman of the Board, for performance evaluation. Thereafter, the evaluation results will be used for discussion in a meeting of the Board where the recommendations

given by Board members will be adopted for improvement of the Board's performance, for the optimal benefit of the Company in terms of corporate governance.

Assessment of the Board of Directors

In 2020, the Company's Board of Directors meeting had considered the Self-Assessment of Board Directors and Sub-committee and Self-Assessment of the Board of Directors and of Committee Member on an individual basis was considered, with the major items for assessment was (in line with the guidance of the SET) as follows:

- Structure and quality of Director;
- Duty and Responsibility of Director;
- Board of Directors meeting;
- The performance of the Director;
- The relationship with Management;
- Self-development of Director and Executive.

The overall performance of the Board of Directors was excellent.

5.5 The Sub-Committees' Self-Assessment

The Company has 5 Board Committees i.e., the Executive Board of Directors, the Audit & Corporate Governance Committee, the Nomination Committee, the Remuneration Committee and the Risk Management Committee. In year 2019, the Board of Directors acknowledged the results of each board committee self-assessment conducted by members of each board committee through a questionnaire

following the SET guidelines which covered the subjects as follows:

- Structure and characteristics of the Board Committees
- Board Committees Meeting
- Roles and responsibilities of the Board Committees in each particular committee

The scores of each board committee self-assessment are summarized as follows

Sub-Committee	2020 Results of self-assessment
The Executive Board of Directors	Very Good
Audit and Corporate Governance Committee	Excellent
Nomination Committee	Very Good
Remuneration Committee	Very Good
Risk Management Committee	Excellent

Assessment of Board member and each Sub-committee member on individual basis

The assessment was (in line with the guidance of the SET) as follows:

- Structure and characteristics of the Board Committees
- Board Committees Meeting
- Roles and responsibilities of the Board Committees in each particular committee

The scores of Board member and each Sub-committee member fall in the level of "Excellent". Overall performance of the Board is enough and appropriate, the Board of Directors can perform their duty efficiently as can be seen from the ability to monitor the Company's business operation to achieve its strategy goal and policy.

The Board of Directors will use this assessment to further improve their performance. The Company will conduct this assessment every year which is in accordance with good corporate governance policy. The next assessment of the Board of Directors will be conducted in 2020.

5.6 Assessment of Senior Management

Assessment of the Managing Director is conducted by the Remuneration Committee on an annual basis. The Remuneration Committee has the duty to review the targets

and performance criteria and assess the performance. However, it shall consider to apply the Managing Director's assessment criteria which is in line with the guidance of SET for the assessment of Managing Director in the future.

Assessment of the Senior Management is conducted by the Managing Director by considering from key performance indicators (KPI) following the goals and strategies for each year, and monitor and assess the performance.

5.7 Directors and Management Training

Board of Directors continues to try and enhance their value by participation in activities, courses and events which add to their knowledge base in the continually changing business environment to ensure that they are updated and possess full knowledge. All the Company's Directors have attended important training courses, such as the Director Certification Program (DCP) or at least the Director Accreditation Program (DAP) held by the Thai Institute of Directors Association (IOD).

Year 2020

Mr. Surasak Osathanugraha

TFRS Course 9 (for Non-Financial Institutions) - 7 hrs.
 TFRS Course 16 Lease Agreement - 7 hrs.
 NYC Management Co., Ltd.
 Tax Course for Accountants and Systematic Taxation - 6 hrs.
 Dharmniti Training and Seminar Co., Ltd.
 Basic employee benefit, Class 2/20 - 6 hrs.
 Federation of Accounting Professions
 The Thai Patronage of His Majesty the King
 Advanced Audit committee Program (AACP)
 Thai Institute of Directors

Mr. Suriyon Tuchinda

Director Orientation

The Company Secretary provides any newly appointed director with the background of the Company's business, profile and industry along with all the relevant documents. Material documents are also provided to new Directors, including the Directors' Manual, the Memorandum and Articles of Association of the Company, and the Company's latest Annual Report. The main areas of focus are roles and responsibilities of Directors, policy statements on corporate governance, approval authorities, prohibitions

under applicable laws, and roles and responsibilities of the Sub-committees of the Board.

5.8 Compliance with the Principles of Good Corporate Governance in Other Matters

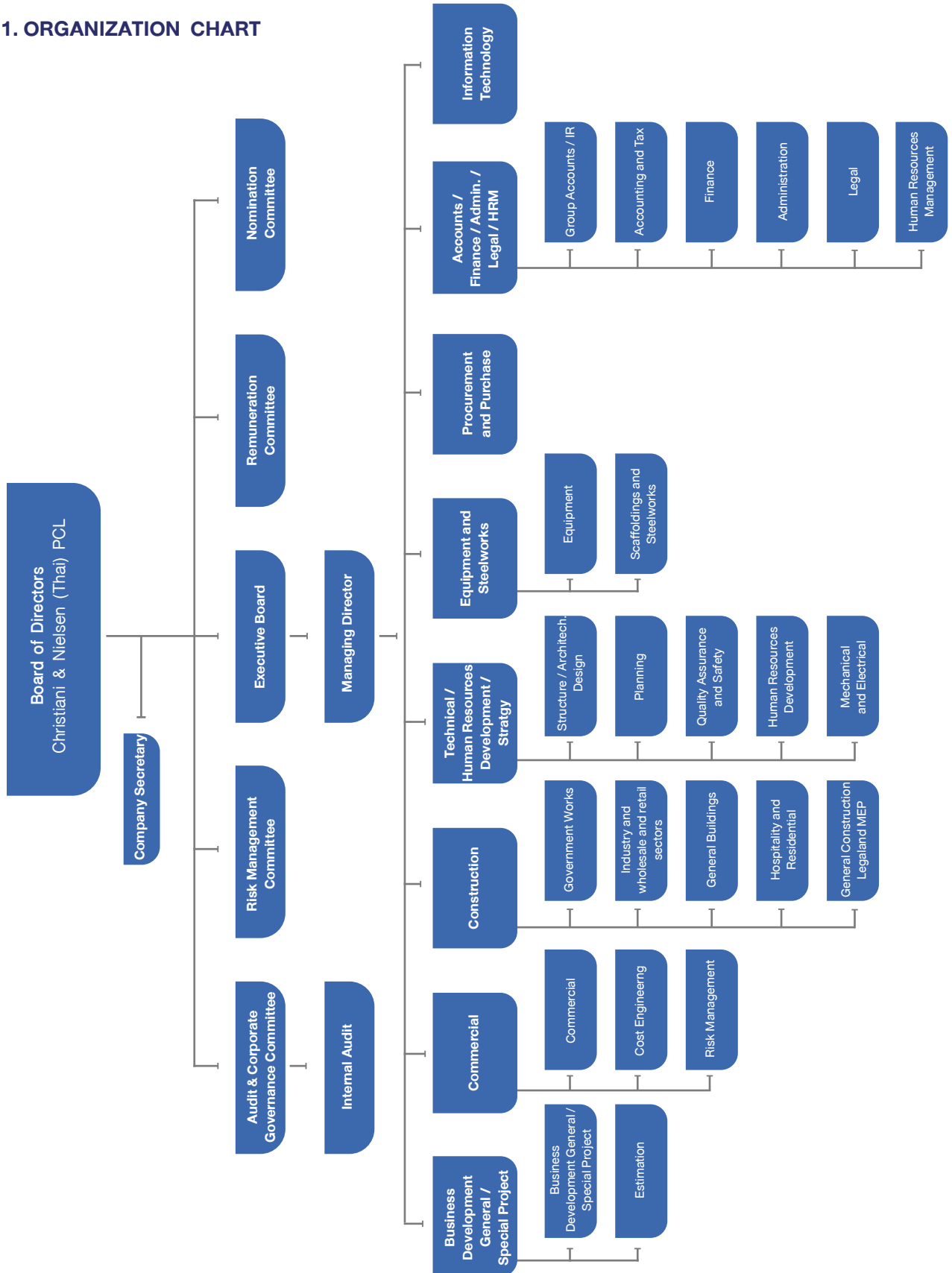
The Company has fully complied with the Principles of Good Corporate Governance for Listed Companies 2020, except the following matters:

Principles of Corporate Governance	The opinion from the Board of Directors
Determination of the number of terms of holding of office as directors and independent directors of not exceeding 9 years from the first date of appointment. However, depending on the reasonable needs of the business and ease or difficulty in finding suitably qualified candidates as Independent Directors	The Board of Directors considers and deems that the consecutive holding of such directors will be useful for the Company and Shareholders since Directors holding consecutive office will have knowledge and experience in the Company's business operations and can maximize value to shareholders.
Declare an intention to join with Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)	The Board of Directors acknowledges the signing for anti-corruption campaign by participating in the private concerted efforts against corruption. The anti-corruption policy in accordance with the guideline set out by CAC was announced and put on Company's website including No gift Policy signed by Managing Director was send to employee and all business partners.
The Company should provide an appropriate compensation policy for the Board and the Management.	The Company may consider making this policy by arranging advice from an outside expert, but it cannot be prepared in this year.



ORGANIZATION STRUCTURE

1. ORGANIZATION CHART





ORGANIZATION STRUCTURE (Continued)

The Company has 6 Boards / Committees

1. The Board of Directors
2. The Executive Board of Directors
3. The Audit and Corporate Governance Committee
4. The Remuneration Committee
5. The Nomination Committee
6. The Risk Management Committee

Election of the Board of Directors

The election of Directors is conducted by the meeting of shareholders. Each shareholder has one vote per share and each shareholder exercises all votes applicable in appointing one or more persons to a Director. The candidates are ranked in descending order from the highest number of votes to the lowest, and are appointed as Directors in that order until the Director positions are filled. Where the votes for candidates are tied, which would otherwise cause the number of directors to be exceeded, the Chairman has the casting vote.

2. THE BOARD OF DIRECTORS

2.1 BOARD COMPOSITION

According to the Company Articles of Association, the Board of Directors is composed of at least 5 Directors out of which at least one-third are Independent Directors, which shall not be less than 3 Directors as required by The Stock Exchange of Thailand in relation to number of Independent Director. The numbers of members on the Board of Directors is commensurate with the size and complexity of the Company's business. Currently, there are 12 Directors on the Board of Directors of the Company which consists of:

- 5 Executives Directors (3 Directors as full time employees of the Company)
- 7 Non-Executive Directors, comprising 6* Independent Directors which the number is 50% of the Board of Directors).
- There are 11 male and 1 female. The age of directors who are 30-50 years old is 4 persons and more than 50 years old is 8 persons.

* Chairman of the Board of Director was redesignated as an Independent Director in the Board of Directors Meeting held on 25 February 2021.

The Board of Directors' members as of 31st December 2020 are as follows:

Director's Name	Position	The latest Appointment Date
1. Mr. Santi Grachangnetara	*Chairman of the Board of Directors	15 July 2020
2. Mr. Kirit Shah	Vice-Chairman of the Board of Directors Executive Director	24 April 2018
3. Mr. Khushroo Kali Wadia	Executive Director Managing Director	22 April 2019
4. Mr. Surasak Osathanugraha	Executive Director Assistant Managing Director and Company Secretary (Finance and Accounting)	15 July 2020
5. Mr. Ishaan Shah	Executive Director	24 April 2018
6. Mr. Kasemsit Pathomsak	Chairman of Audit and Corporate Governance Committee Chairman of Nomination Committee Chairman of Remuneration Committee Independent Director	24 April 2018
7. Mr. Kris Thirakaosal	Independent Director	24 April 2018
8. Ms. Nampung Wongsmith	Chairperson of Risk Management Committee Independent Director	22 April 2019
9. Mr. Suphon Tubtimcharoon	Independent Director	15 July 2020
10. Mr. John Scott Heinecke	Director	22 April 2019
11. Mr. Vites Ratanakorn	Executive Director Operations Director	15 July 2020
12. Mr. Suriyon Tuchinda	Independent Director	22 April 2019

Details of Directors are disclosed in "Directors and Management Detail" in page 123 and details of Directors in subsidiary please refer to "Connected Transaction" in page 134 - 135 of this Annual Report.

THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Chairman of the Board of Directors is Independent Director as specified by SET and has no relationship with the Management as well as not the same person as the Managing Director of the Company nor is he related in any way to the Managing Director of the Company in order to segregate the duties between the policy maker and the policy manager.

The Chairman of the Board is the leader of the Board of Directors and serves as the Chairman of the Board of Directors meetings and the shareholders' meetings including promoting the good governance, and effective operations systems. He engages directly with the Managing Director to monitor performance and oversees the implementation of the Company strategies.

Powers, roles and duties of the Chairman of the Board of Directors

1. Provides leadership to the Board of Directors.
2. Presides over the Board of Directors meetings, Non-Executive Directors meetings and Shareholders meetings.
3. Facilitates open and constructive communication between members of the Board and encourages their contribution to Board deliberations.
4. Promotes the highest standards of corporate governance, ethics and corporate social responsibilities.
5. Consults with the Managing Director and Company Secretary to arrange the schedule and agendas of the Board of Directors' meetings.
6. Ensures that the Company has effective communication with its shareholders and relevant stakeholders.

The Managing Director is appointed by the Board of Directors. The Managing Director is an Executive Director by position and empowered to sign on behalf of the Company as specified by the Board of Directors. The Managing Director is the leader of the Management team and operates the business and has the duty to apply good governance principles across the organization to achieve the objectives as outlined.

Powers, roles and duties of Managing Director

1. The day-to-day management of the Company and its business is the responsibility of the Managing Director, supported by the executive team.
2. Develops and recommends the Company's vision, mission, strategy and business plan for the Board's approval.
3. Manages the Company in accordance with strategy, business plans and policies approved by the Board of Directors.
4. Reports on the Company's operation results to the Board of Directors as well as other work in progress to achieve the Company's objectives.
5. Ensures that all Directors are properly informed and that sufficient information is provided to enable the Directors to form appropriate judgments.
6. Builds and maintains an effective top management team capable of delivering the Company's strategy and objectives, and identifies and recruits new talent to ensure effective succession to top management positions.
7. Ensures communication with shareholders and relevant stakeholders.
8. Undertakes any other roles and duties assigned by the Board of Directors.

AUTHORIZED DIRECTORS BINDING THE COMPANY

The Company's present authorized signatories are:

- (a) Mr. Kirit Shah and Mr. Ishaan Shah jointly sign with Company's seal affixed or
- (b) Mr. Kirit Shah and Mr. Khushroo Kali Wadia jointly sign with Company's seal affixed or
- (c) any one of Mr. Kirit Shah or Mr. Khushroo Kali Wadia jointly sign with Mr. Surasak Osathanugraha or Mr. Vites Ratanakorn with the Company's seal affixed.

Powers, duties and responsibilities of the Board of Directors are as follows:

1. The Board of Directors perform its duties in conformity with applicable laws and carry on the business of the Company in accordance with the laws, the Company's objectives and the Articles of Association as well as the resolutions of the shareholders' meetings. It is authorized to carry on any activities as prescribed in the Memorandum of Association or those related thereto under the Public

Limited Companies Act B.E. 2535. The Board of Directors is responsible to the Company's shareholders. Each Director represents all shareholders and takes part in supervisory and regulatory functions in the Company's operations, in an independent and impartial manner, for the benefit of all shareholders and other stakeholders.

2. The Directors, in their business conduct, are expected to generally act with care and exercise their duty of care to preserve the interests of the Company.

3. The Board of Directors or the Shareholders at their meetings are entitled to give authority to the executive directors to operate the Company's business and designate the authorized Directors to bind the Company.

4. The Board of Directors are authorized to sell or mortgage any of the Company's immovable properties, to let any of the Company's immovable properties for a period of more than three years, to make a gift, to compromise, to file complaints to the Court and to submit disputes to Arbitration.

5. Annual review and approval of the Mission Statement, Vision, Values and Code of Business Conduct.

6. Review and discuss Management's proposed strategies and options and approve major decisions in respect of the Company's business direction and policies. The Board of Directors also reviews and approves the Business and performance goals proposed by the Management. The Board should also support the use of innovation and technology to add value to the Company.

7. Monitor the implementation of the Company's strategies including monitoring the Company's performance and progress towards achieving set objectives as well as compliance with the laws, regulations and related policies as well as the governing on Information Technology.

8. Ensure the establishment and communication of the policy and program related to anti-corruption.

9. Ensure the existence of an effective internal control system and appropriate risk management framework.

10. Ensure an effective audit system executed by both internal and external auditors.

11. Approve quarterly and annual financial reports to ensure that the reports are prepared under generally accepted applicable accounting standards.

12. Ensure that the Company has a proper system in place to communicate effectively with all stakeholders and the public by providing policy on Confidentiality of Information, Insider Information and market sensitive information.

13. Define policy and guidelines for risk management and monitor the management to ensure the efficiency of risk management system.

14. Define policy and guidelines for good corporate governance and ensure that the duties and responsibilities of Directors and the management comply with Corporate Governance principles.

15. Maintain the adequacy of financial liquidity and ability to pay off debt and the mechanism that is able to restore the operational status in the event that the company faces financial problems. Also ensure that employees have knowledge and understanding of concept of finance and the importance of savings.

16. Define policy and guidelines to implement Corporate Social Responsibility.

17. Attend the meeting of shareholders to report results of operations, answer questions and listen to suggestions and comments from shareholders.

3. SUB-COMMITTEE

THE BOARD HAD APPOINTED THE FOLLOWING FIVE SUB-COMMITTEES

3.1 THE EXECUTIVE BOARD OF DIRECTORS

The Executive Board of Directors consists of 5 Directors and is appointed by the Board of Directors. The members of the Executive Board are as follows:

Name	Position
1. Mr. Khushroo Kali Wadia*	Managing Director
2. Mr. Surasak Osathanugraha	Assistant Managing Director (Finance & Accounting)
3. Mr. Vites Ratanakorn	Executive Director (Operations Director)
4. Mr. Ishaan Shah	Executive Director
5. Mr. Kirit Shah	Executive Director

At the Board of Directors Meeting No. 448 held on 27 February 2020, it was resolved to re-appoint *Mr. Surasak Osathanugraha as Executive Director for another term.

Powers, duties and responsibilities of the Executive Board of Directors are summarized hereunder:

1. To manage the Company's business under the resolutions/regulations of the Board of Directors. With the resolution of the Board of Directors Meeting No. 414, the authority of Executive Board extends to the following:

- To purchase and sell Plant, Equipment and other Assets, to provide security to lenders, including mortgage on the Assets and to maintain the Assets of the Company and its subsidiaries in accordance with the programme set out by the Board of Directors.

- To borrow money from Banks, Financial Institutions and other organizations and to execute agreements pursuant thereto and to fix interest rates. To give guarantees, provide security on behalf of the Company and its subsidiaries.

- To make advances, deposits and loans as may be required in the interest of the Company and its subsidiaries.

- To open and operate the bank accounts of the Company, appoint authorized signatories to operate the bank accounts, buy and sell currencies as may be required for the operations of the Company and its subsidiaries.

2. To execute any agreements/contracts including bidding for various jobs and tenders, enter into contracts with customers for the provision of construction services, including the supply of materials and other services and goods as may be required with terms and conditions under the scope of authority vested by the Board of Directors. Such agreements/contracts must be affixed with signatures of any two Executive Directors together with the Company's seal.

3. To generally act on behalf of and in the interests of the Company and its subsidiaries as may be required to carry on the business.

4. The Executive Board of Directors shall report on the business operations conducted by the Executive Board to the Board of Directors for acknowledgement and discussions. However, policy-related issues, or issues likely to have significant and major impact on the Company's business, or issues requiring action by the Board of Directors in compliance with laws or the Company's Articles of Association, must be approved by the Board of Directors.

This also includes issues for which the Executive Board of Directors considers it appropriate to seek the approval of the Board of Directors on a case-by-case basis, or per the criteria designated by the Board of Directors.

5. Prepare and review strategic objectives, financial plans and key policies of the Company, to be submitted to the Board of Directors for approval.

6. Review management authority in various aspects stipulated in the approval authority hierarchy, to be submitted for approval to the Board of Directors.

7. Appoint, monitor and evaluate the performance of employees from the level of Department Director down to senior managers.

8. Monitor and report on the Company's operating results to the Board of Directors as well as on other work in progress to achieve the Company's objectives.

9. Communicate with external stakeholders, as per designated authority, and as deemed appropriate.

10. Prepare and review policy and guidelines for risk management and monitor the management to ensure the efficiency of risk management system.

11. Prepare and review policy and guidelines for good Corporate Governance and guidelines to implement Corporate Social Responsibility.

12. Develop and implement anti-corruption systems, as well as encourage employees at all levels and related parties to follow the anti-corruption policy to create an anti-corruption culture.

3.2 THE AUDIT AND CORPORATE GOVERNANCE COMMITTEE

The Audit and Corporate Governance Committee was appointed by Board of Directors with the objective of having a mechanism to assist the Board independently in accordance with the regulations and the recommendations in respect of Good Corporate Governance, to give opinion of company's financial report's correctness, credibility and transparency, to encourage the good corporate governance including coordination with the Board of Directors for risk management and internal control systems in the Company. This is expected to create efficiencies in operations and also provide for an independent check on the functioning

of the Management of the Company including checks on conflict of interest issues and connected party transactions, if any.

The Board appointed Independent Directors as the Audit Committee on 16 November 2000 according to the resolutions of the Board of Directors' meeting No. 340. Thereafter on 20 February 2013 the Board of Directors meeting No. 404 has resolved to amend the name of

the Audit Committee from Audit Committee to Audit and Corporate Governance Committee since the existing roles and responsibilities of Audit Committee of the Company includes Corporate Governance also and in order that the Audit and Corporate Governance Committee emphasize consistently on the compliance of relevant regulations and continue the development of Corporate Governance of the Company.

The Committee is presently comprised of 4 Independent Directors, each of them to hold their position on the Committee for a period of 3 years from the date of their respective appointment.

Name	Position	Duration on the Committee
1. Mr. Kasemsit Pathomsak*	Chairman of Audit & Corporate Governance Committee	2 months
2. Ms. Nampung Wongsmith	Audit & Corporate Governance Committee Member	1 years 2 months
3. Mr. Kris Thirakaosal	Audit & Corporate Governance Committee Member	2 months
4. Mr. Suriyon Tuchinda**	Audit & Corporate Governance Committee Member	2 years 2 months
Mr. Ponpisit Charoenthai***	Secretary to Audit & Corporate Governance Committee	

* Audit & Corporate Governance Committee member has knowledge and experience in accounting and financial field and details of the experience have been presented in the "Directors and Managements Details" in this Annual Report

** At the Board of Directors Meeting No. 448 held on 27 February 2020, it was resolved to appoint Mr. Suriyon Tuchinda, Independent Director as Audit & CG Committee Member

*** Secretary to the Audit & Corporate Governance Committee was appointed by the Committee to assist the operation of the Committee.

ROLES AND DUTIES OF THE AUDIT AND CORPORATE GOVERNANCE COMMITTEE

The Audit and Corporate Governance Committee is responsible for reviewing and reporting the following matters to the Board of Directors.

1. To review the company's financial reporting process to ensure accuracy with adequate and complete disclosure.
2. To ensure that the Company has an appropriate and efficient internal control system subject to internal audit and to also ensure that there is an efficient internal audit system in place and to ensure the independence of internal audit department, including approval of the selection, promotion, and rotation or termination process of the internal audit head.
3. Review risk management system of the Company and recommend improvements on a regular basis.

4. Review guidelines for the Company's good corporate governance and make recommendations to the Board of Directors.
5. To review the performance of the Company to ensure compliance with the securities and exchange law, regulations of the exchange and other laws relating to the business of the Company.
6. To select and nominate for the shareholders' approval or discharge, the external auditor of the Company, including recommendation of remuneration of the external auditor after considering the independence of the external auditor and to freely discuss significant matters, the Audit and Corporate Governance Committee shall meet privately

with the external auditor at least once a year, without the management team being present.

7. To review connected party transactions that may lead to conflict of interest to comply with all related rules and to ensure the transactions are reasonable and for the full benefit in the company and to ensure accurate and complete disclosure of the same.

8. Monitor and receive complaints or information from stakeholders submitted to the Board of Directors. If the Committee receives any information regarding suspicious behaviours that Director, Managers or person in charge of the operations of the business of the Company have committed and offences against the law in accordance with Section 89/25 of the Securities and Exchange act No. 4 B.E. 2551. The Audit and Corporate Governance Committee shall report the preliminary findings to the SEC and External Auditor within 30 days from the date of receiving complaints.

9. Annual review of Audit and Corporate Governance Committee's charter to ensure that it is up to date and suitable for the Company's environment.

10. To prepare a report on the monitoring activities of the Audit

and Corporate Governance Committee, in accordance with the required details of SET's regulations and disclose it in the annual report, such report to be signed by the Chairman of the Audit and Corporate Governance Committee.

11. To perform any other acts as delegated by the Board of Directors and accepted by the Audit and Corporate Governance Committee.

3.3 THE REMUNERATION COMMITTEE

The Remuneration Committee has been appointed by the Board of Directors as a mechanism to assist the Board in independently proposing the criteria of and setting guidelines for the remuneration of directors, sub-committee members, managing director and senior management and to propose the remuneration to the Board of Directors who will then act (accept fully, partially or reject totally) in accordance with the regulations and good governance practices based on the proposals made by the Remuneration Committee. The Board of Directors are not empowered to fix the remuneration of the directors and sub-committee members but are required to place their recommendations on the same to the shareholders for their approval.

The Board appointed the Remuneration Committee on 20 February 2013, which consists of 3 Directors with a term of 3 years.

Name	Position	Status	Duration on the Committee
1. Mr. Kasemsit Pathomsak	Chairman of Remuneration Committee	Independent Director	2 months
2. Mr. Kirit Shah	Remuneration Committee Member	Executive Director	2 months
3. Mr. Kris Thirakaosal	Remuneration Committee Member	Independent Director	2 months

ROLES AND DUTIES OF THE REMUNERATION COMMITTEE

The Remuneration Committee is responsible for duties assigned by the Board of Directors as follows:

1. Set out compensation guidelines for Directors, Sub-committee Members, Managing Director and senior management and propose the same to the Board of Directors.
2. Propose the Directors' Remuneration including sub-committee members for the Board to make its recommendations and express its opinion for approval in shareholders' meeting.
3. Update to the Board of Directors about compensation norms being followed by companies in Thailand and abroad.
4. Other specific jobs assigned by the Board of Directors.

3.4 THE NOMINATION COMMITTEE

The Nomination Committee has been appointed by the Board of Directors in order to set up a mechanism to assist the Board to independently propose the criteria and set guidelines for nomination of new Directors and recruitment and selection of top executives, and thereafter propose to the Board of Directors who could then consider the proposal and decide to accept or reject the same or amend it for further approval by shareholders if required (for the appointment of Directors).

The Board of Directors approved to appoint the Nomination Committee on 20 February 2013 and which currently consists of 3 Directors with the term of 3 years.

Name	Position	Status	Duration on the Committee
1. Mr. Kasemsit Pathomsak	Chairman of Nomination Committee	Independent Director	1 years 2 months
2. Mr. Kirit Shah	Nomination Committee Member	Executive Director	1 years 2 months
3. Mr. Kris Thirakaosal	Nomination Committee Member	Independent Director	1 years 2 months

ROLES AND DUTIES OF THE NOMINATION COMMITTEE

The Nomination Committee is responsible for duties assigned by the Board of Directors as follows:

1. Set out selection and nomination guidelines of appropriate persons and propose the same to the Board of Directors.
2. Review the Board structure and propose a succession plan for Directors and Senior Management.
3. Propose to the Board, names of potential candidates for appointment as Directors.
4. If requested by the Board of Directors, assist in the process of review of performance of Directors.
5. Prepare specific reports on latest trends and practices in the appointment of the Directors and Senior Management for consideration by the Board of Directors.
6. Other jobs assigned by the Board of Directors.

3.5 THE RISK MANAGEMENT COMMITTEE

The Board of Directors has appointed a Risk Management Committee to prescribe risk management policies that cover the entire organization and to ensure that risk management procedures or systems are in place to appropriately mitigate impact of the risks on the businesses of the Company. Composition, authority, duties and responsibilities of the Risk Management Committee are prescribed to ensure their efficient performance as assigned by the Board of Directors

The Board of Directors approved to appoint the Risk Management Committee on 20 February 2013 and which currently consists of 3 Directors with the terms of 3 years.

Name	Position	Status	Duration on the Committee
1. Ms. Nampung Wongsmith	Chairperson of Risk Management Committee	Independent Director	1 years 2 months
2. Mr. Khushroo Kali Wadia	Risk Management Committee Member	Executive Director	1 years 2 months
3. Mr. Surasak Osathanugraha*	Risk Management Committee Member	Executive Director	2 years 2 months

At the Board of Directors Meeting No. 448 held on 27 February 2020, it was resolved to re-appoint Mr. Surasak Osathanugraha as a Risk Management Committee Member for another term.

ROLES AND DUTIES OF THE RISK MANAGEMENT COMMITTEE

The Risk Management Committee is responsible for duties assigned by the Board of Directors as follows:

1. Identify the various risks the Company is exposed to in the business environment.
2. Prescribe policies and suggest measures for the appropriate and efficient management of the risks associated and identified of the Company.

3. Prescribe risk management policies and procedures to cover the entire organization.

4. Follow up on and evaluate the performance in accordance with the organization-wide risk management framework including recommendation of a framework for Internal Controls.

5. Report the Company's major risks, status, progress of measures-taken to mitigate these risks and performance to the Board of Directors every quarter.

6. Communicate, collaborate and share information with Audit and Corporate Governance Committee on risk management and internal control.

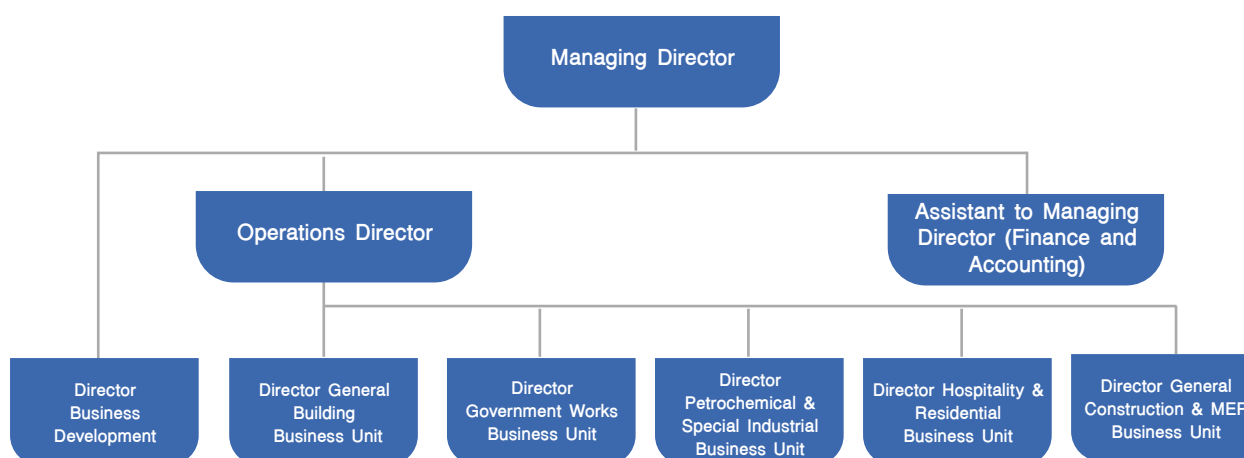
7. Perform any other acts as delegated by the Board of Directors.

Controlling persons of the Company and subsidiaries (As at 31 December 2020)

Name	Company	CNT Holdings	Christiani and Nielsen (Myanmar)	Christiani & Nielsen (Cambodia)	Christiani & Nielsen Energy Solutions	CNES D1
Mr. Khushroo Kali Wadia	Managing Director Director Executive Director	Director	Managing Director Director Director	Chairman of the Board Director	Director	Director
Mr. Surasak Osathanugraha	Director Executive Director	Director	Director	Director	-	-
Mr. Vites Ratanakorn	Director Executive Director	-	-	Director	Director	Director
Mr. Ishaan Shah	Director Executive Director	-	Director	-	-	Director
Mr. Kirit Shah	Director Executive Director	-	-	-	-	-

4. MANAGEMENT

4.1 SENIOR MANAGEMENT



Name and position of the Company's executives (as on 31 December 2020)

Name		Position
1. Mr. Khushroo Kali Wadia		Managing Director
2. Mr. Surasak	Osathanugraha	Assistant to Managing Director (Finance & Accounting)
3. Mr. Vites	Ratanakorn	Operations Director and acting Director, Hospitality and Residential Business Unit
4. Mr. Pichet	Nimpanich	Business Development Director
5. Mr. Manu	Benjamanee	Director, General Buildings Business Unit
6. Mr. Pongsak	Dittapongpakdee	Director, Government Works Business Unit
7. Mr. Watchara	Promkhunthong	Director, Petrochemical and Special Industry Business Unit
8. Mr. Pongsak	Sutthapreeda	Director, General Constructions and MEP Business Unit

ADVISOR

1. Mr. David Greenbank, Commercial Advisor

Note:

- Detail of Company's executives are described in "Directors and Management Details" in this Annual Report.
- Violation records - None

4.2 MANAGEMENT REMUNERATION

In 2013, the Board of Directors has designated a Remuneration Committee to recommend guidelines for setting Directors and Management remuneration in accordance with financial status and performance of the Company and should be comparable with other listed companies in general and should also be comparable with other listed companies in the construction business.

The remuneration criterion for Management shall be according to guidelines set out by the Remuneration Committee which will be paid as salary and bonus including other benefits with the same criteria as other employees. The remuneration shall in accordance with financial status and performance of the Company and should be comparable with other listed companies in general and should also be comparable with other listed companies in the same sector. The remuneration is structured based on the appropriate levels and the duties and responsibilities, and is further linked to the Company's performance both in the short-term

and long-term including individual performance appraisal against KPI's under transparent guidelines, applied fairly and in accordance with relevant laws and regulations.

Remuneration for Management

In the year 2020 and 2019, the Company paid remuneration, including salary, bonus, and other benefits like provident fund on voluntary basis, to directors and executives (including Managing Director) for 2020 = 18 persons (2019 = 19 persons) totaling Baht 56 million (2019 = Baht 50 million).

The total remuneration to the Managing Director for 2020 was Baht 11.27 million (2019 = Baht 8.68 million which comprised of salary of Baht 10.88 million (2019 = Baht 8.38 million, director remuneration of Baht 0.39 million (2019 = Baht 0.30 million) with no other remuneration.

CONTRIBUTION TO PROVIDENT FUND FOR EXECUTIVES

The Company provided the Provident Fund for all Staff including Executives with contribution rate of 5-9 percent (depending on each Executive's years of service and on voluntary basis). In the year 2020 the total contribution from the Company for 8 persons is Baht 1.74 million (2019 = Baht 1.8 million).

Other remuneration for directors - None —

4.3 EMPLOYEE INFORMATION

Information for employees of the Company including its subsidiary, i.e. Christiani & Nielsen Energy Solutions Co., Ltd.

As of 31 December 2020, total staff of the Company was 1,032 person. Total remuneration paid to staff was Baht 647 million, including salary, overtime, bonus and other benefits. Total staff of Company's subsidiary was 11 persons with total remuneration of the same being paid at Baht 11 million.

5. OTHER IMPORTANT INFORMATION

5.1 INFORMATION ON RELEVANT PERSONS IN THE COMPANY

The names, biographies, experiences and numbers of shares of the Board of directors and Management including Company Secretary, the person taking the

highest responsibility in finance and accounting, the person supervising accounting and Head of Internal Audit and Compliance are provided in Enclosure 1 "Information on the relevant persons in the Company" of this Annual Report as well on the Company website.

5.2 INVESTOR RELATIONS

The Board of Directors recognizes the importance of accurate, complete and transparent disclosure of financial information and general information, which may affect the Company's share price. The Company provides information through the SET and the Company's website. While the Company undertakes investor relations at the top Management level, the Company has also designated persons as the contact points in the Company to service investors, shareholders, analysts and public as under.

Mr. Khushroo Kali Wadia

Managing Director

Telephone: +66 2 338 8111 | E-mail: khushroowa@cn-thai.co.th

Mr. Surasak Osathanugraha

Assistant to Managing Director (Finance & Accounting)

Company Secretary

Telephone: +66 2 338 8100 | E-mail: surasakos@cn-thai.co.th

Mrs. Phanee Charoencharoenchai

Senior Manager Group Finance and Accounts

Telephone: +66 2 338 8077 | E-mail: phaneech@cn-thai.co.th

5.3 COMPANY SECRETARY

In keeping with good Corporate Governance, the Company designated a Company Secretary viz. Mr. Surasak Osathanugraha, having duties and responsibilities in accordance with section 89/15 and section 89/16 of the Securities and Exchange Act (no. 4) B.E. 2551 enforced on 31 August 2008. The Company Secretary shall be responsible with care and integrity to comply with applicable laws, Company's Articles of Association, Board and Shareholders' resolutions.

The detailed profile of the Company Secretary, Mr. Surasak Osathanugraha, has been disclosed under the subject "Directors and Management Detail" of this Annual Report.

5.4 AUDIT FEE

Remuneration of the auditor

A. The remuneration of the auditor (audit fee)

Companies and subsidiaries paid audit fee to Earns and Young Office Limited

The remuneration of the auditors

- Auditors of the company. In the past fiscal year, the total amount - Baht

- Office of the Auditor's Office audit. Parties related to the auditor and audit firm of auditors under. In the past financial year amounted to 3,390,000 Baht. (2019 = 3,500,000 Baht)

B. The other services (non-audit fee)

Companies and subsidiaries

Remuneration for other services including — None - for the — None -

- Auditors of the company. The total amount — Baht

- Auditing the auditor under or related to the auditor and audit firm said. In the past fiscal year, the total amount — Baht and the future payments arising from the agreement that has not been completed in the past financial the total amount — Baht.



AUDIT AND CORPORATE GOVERNANCE COMMITTEE'S REPORT

To Shareholders

The Audit and Corporate Governance Committee of Christiani and Nielsen (Thai) PCL, by the appointment of the Company's Board of Directors, comprises four qualified independent directors, namely, Mr.Kasemsit Pathomsak, Chairman of the Audit and Corporate Governance Committee, Ms.Nampung Wongsmith, Mr.Kris Thirakaosal and Mr.Suriyon Tuchinda serving as members with internal audit manager as secretary to the Audit and Corporate Governance Committee.

The Audit and Corporate Governance Committee has carried out the scope, duties and responsibilities assigned by the Company Board of Directors, in accordance with the regulation of the Securities and Exchange Commission Thailand, as well as relevant suggestions on various matters, which were fully cooperated by the Company's Management, internal auditor and auditor. In 2020, the Audit and Corporate Governance Committee held four meetings with the executives, internal auditors and External auditor as appropriate, including a meeting with the external auditor without the Management for independent discussion on materials information in preparation of financial statements and sharing of opinions, which may be summarized as follows:

Review the Financial Reports

The Audit and Corporate Governance Committee reviewed the quarterly financial statements and the Company's financial statements for the year 2020 to ensure that the financial report and connected transactions between the Company and any related parties have disclosed important information correctly and credibility. The report was proposed to the Board of Directors for approval. The Audit and Corporate Governance Committee invited certified auditors and relevant executives to attend the meeting on the relevant agenda items in order to inquire about significant issues regarding the preparation of the financial reporting that was in accordance with the financial reporting standards. This included interpretations and accounting practice guidelines issued by the Federation of Accounting Professions. The Audit and Corporate Governance Committee found that the Company's financial statements

were prepared in accordance with the generally accepted accounting principles and the information was disclosed sufficiently, completely and reliably.

Review of Company's internal Control and Internal Audit System

The Audit and Corporate Governance Committee has jointly reviewed the internal control system with the auditor and Audit Committee secretary. Such a review has been conducted to assess the sufficiency and suitability of the internal control system in accordance with the internal audit standards and the guidelines prescribed by the Securities and Exchange Commission, Thailand and the Stock Exchange of Thailand in order to cover the security of the information systems. It also considered the audit results according to the approved audit plan and reported the audit results, whereby the management of the Company has monitored and ensured that there were correction and improvement in accordance with the recommendations of the Audit and Corporate Governance Committee on a continual basis. It shall adjust and improve the internal control system to be in line with changing circumstances. From the internal audit results, there is no weakness or defect in the internal control system which may materially impact business operations of the Company. The Audit and Corporate Governance Committee is of the opinion that the Company has sufficient internal control system and risk oversight for business efficiency, also found no significant defect which may have impact on the Company's financial statements.

Review of Company's Risk Management

The Audit and Corporate Governance Committee reviewed effectiveness and reasonableness of the Company's risk management system which may be triggered from inside or outside the Company. Also reviewing the risk management policy, plan and its actions to mitigate significant risk that affect to the company's operation on a quarterly basis as well as giving suggestions on the improvement of the work. The Audit and Corporate Governance Committee is of the opinion that the company has adequate and effective risk management system in place.

Review of Good Corporate Governance, Comply with relevant Laws & Regulations

The Audit and Corporate Governance Committee reviewed the compliance with the corporate governance policy, the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as laws applicable to the business operations. The Company has put in place channels for lodging complaints and whistleblowing whereby the Audit Committee assigned the Internal Audit Department to handle the complaints to compile and present to the Audit and Corporate Governance Committee for further consideration of appropriate action.

Review of Connected Transactions or Transaction which might contain conflicts of interest

The Audit and Corporate Governance Committee audited connected transactions or related transactions or transactions which may cause conflict of interest of the Company and its subsidiaries to ensure that the Company strictly complied with the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission with transparent operations and reasonably as per conditions defined by the Stock Exchange of Thailand by taking into account the stakeholder's benefit. The Audit and Corporate Governance Committee is of the opinion that the related transactions incurred during the year were normal course of business and made for the benefit of the company, also the information was appropriately disclosed.

Selection and Proposal for appointment of the Company's external Auditor

The Audit and Corporate Governance Committee considered and selected the auditors of the Company based on the qualifications and independence of the auditor, including their expertise, experience, performance, scope of audit as well as the appropriateness of the quoted audit fee. In 2020, the Audit and Corporate Governance Committee has selected the auditors of EY Office Limited and considered the auditors remuneration and propose to the Board of Directors. The auditors had good understanding of the

Company's Businesses and practiced in a neutral manner. The Board of Directors has proposed to the Annual General Meeting of Shareholders 2020 to appoint EY office Limited as the Company's auditor for another period.

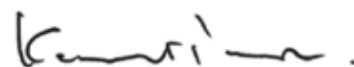
Annual review of Audit and Corporate Governance committee's charter

The Audit and Corporate Governance Committee reviewed the Audit Committee Charter on an annual basis and conducted self-assessment in accordance with the good practices defined by the Stock Exchange of Thailand. The results concluded that the Audit and Corporate Governance Committee performed their duties carefully and independently in accordance with the good practices.

In conclusion, the Audit and Corporate Governance Committee performed its duties specified in the Board-approved charter with caliber, prudence, and adequate independence in equitable interests of stakeholders. In its opinion, Company's financial reports were accurate and reliable, and met Financial Reporting Standards. The Company possessed adequate risk management control, appropriate and effective internal control and internal audit systems, in compliance with good corporate governance, regulation, law, requirements, and obligations relevant to its businesses.

07 January 2021

On behalf of the Audit and Corporate
Governance Committee



(Mr. Kasemsit Pathomsak)

Chairman of Audit and Corporate Governance Committee



NOMINATION COMMITTEE'S REPORT

TO THE SHAREHOLDERS

The Nomination Committee of Christiani & Nielsen (Thai) Public Company Limited comprises three members, two of whom are Independent Directors. The members of the committee are Mr. Kasemsit Pathomsak, Independent Director as Chairman of the Committee, Mr. Kris Thirakaosal, Independent Director and Mr. Kirit Shah as a member of the Committee.

During 2020, the Nomination Committee held two meetings with 100% attendance by all three members. The nomination Committee put in its best efforts with due care, prudence, independence and thoroughness in compliance with its mandate to perform its role as assigned by the Board, which is summarized as follows;

For the Annual General Meeting (AGM) in 2020, the Company offered minority shareholders the opportunity to nominate a qualified individual to be elected as a Director through the Company's website. The nomination period was from 1 October 2019 to 31 December 2019

and the same was extended from 20 April 2020 to 11 May 2020. Since there were no candidates proposed to the Nomination Committee, the Nomination Committee reviewed the Directors whose terms expired by rotation in accordance with the Company's Articles of Association. The Nomination Committee considered a range of diverse perspectives which are aligned with the Company's strategic directions, including gender, age, education background, skill, knowledge and experience (including past performance as Director) of those nominated Directors. At the Annual General Meeting of Shareholders No.87 held on 15 July 2020, the shareholders approved the reappointment of the Directors whose terms expired by rotation as proposed by the Board of Directors, on the recommendation of the Nomination Committee.

The Nomination Committee conducted a self-assessment for 2020 as per SET guidelines, the score of which fell within the "Very Good" level. The Nomination Committee intends to use this result as an indicator to further improve its performance.

For and on behalf of the Nomination Committee of
Christiani & Nielsen (Thai) Public Company Limited

Mr. Kasemsit Pathomsak
Chairman of the Nomination Committee



REMUNERATION COMMITTEE'S REPORT

TO THE SHAREHOLDERS

The Remuneration Committee of Christiani & Nielsen (Thai) Public Company Limited comprises three members, two of whom are Independent Directors. The members of the committees are Mr. Kasemsit Pathomsak, Independent Director as Chairman of the Committee, Mr. Kris Thirakaosal, Independent Director and Mr. Kirit Shah as a member of the Committee.

The Remuneration Committee held two meetings in 2020 with 100% attendance by all three members. The Remuneration Committee put in its best efforts with due care, prudence, independence and thoroughness in compliance with its mandate to perform its roles as assigned by the Board, which is summarized as follows;

The Remuneration Committee considered the 2020 remuneration of Directors and Senior Management in

accordance with International Standards, along with the financial status and performance of the Company and also compared it with other equivalent listed companies including other listed companies in the same industry and individual duties and responsibilities. At the Annual General Meeting of Shareholders No. 87 held on 15 July 2020, the shareholders approved the remuneration of the Directors for the year 2020 as proposed by the Board of Directors, on the recommendation of the Remuneration Committee.

The Remuneration Committee conducted a self-assessment for 2020 as per the SET guidelines, the score of which fell within the "Very Good" level. The Remuneration Committee intends to use this result as an indicator to further improve its performance.

For and on behalf of the Remuneration Committee of
Christiani & Nielsen (Thai) Public Company Limited

Mr. Kasemsit Pathomsak
Chairman of the Remuneration Committee



RISK MANAGEMENT COMMITTEE'S REPORT

To shareholders:

Christiani & Nielsen (Thai) Public Company Limited has realized the importance of risk management and thus appointed Risk Management Committee. The committee comprises of three members including Ms. Nampung Wongsmith, Independent Director as a Chairperson of the Committee, Mr. Khushroo Kali Wadia and Mr. Surasak Osathanugraha being a member of the Committee.

In 2020, the Risk Management Committee held four meetings with 100% attendance by three members to carry out duties and responsibilities, as summarized below.

- Reviewed the Risk Management Committee Charter. The Committee shall ensure that the charter enables the Company to manage risks effectively and efficiently.
- Defined and reviewed the risk management framework throughout the organization. The committee shall ensure that the framework is appropriate and consistent with the Company's strategy and operation despite the shifting circumstances.
- Commented on issues and scope of the corporate's risks from the operation, IT system, fraud, corruption (consistent with the anti-corruption policy), and external factors such as currency fluctuation, finance, the impact from competitors, etc.
- Monitored and reviewed the implementation of the risk management plan under the established risk management policy and framework. The committee shall

ensure that the Company has systematic and effective risk management, and that they have achieved the objectives.

- Conducted a self-assessment as per the SET guidelines. As a result, the overall performance of the Risk Management Committee is at the "very good" level.
- Reported operation result to the Board of Directors regularly.

Due to the tasks mentioned above, the Risk Management Committee is confident that the Company has managed risks efficiently, in line with changing circumstances and good corporate governance principle. The Company has demonstrated sufficient internal control and has fully complied with the law and regulations related to the Company's business.

For and on behalf of the Risk Management Committee of
Christiani & Nielsen (Thai) Public Company Limited

Ms. Nampung Wongsmith
Chairperson of the Risk Management Committee



INTERNAL CONTROL AND INTERNAL AUDIT

The Company recognizes the importance of internal control and internal audit and, accordingly, has set up an Internal Audit Department which reports to the Audit and Governance Committee to ensure that there is an appropriate and effective control system and to have reasonable assurance that the Company can achieve the following main objectives in this area:

1. Operation: Efficient and effective operations, including safety of assets, skillful use of resources for the best benefit of the Company, detection or mitigation of mistakes and wastage, including fraud in the operation units. Assessment procedures have been set up for reviewing the following matters:

- Company policies, regulations and authorization;
- Company Procedures;
- Follow up process of operations;
- Reporting and monitoring;
- Laws and regulations, Occupational Safety Health and Environment;
- IT and communication systems;
- Internal controls.

2. Financial Reporting: Should be timely, accurate and reliable, including effective performance evaluation.

3. Compliance: Full compliance with the Company's policies, procedures, laws and regulations.

The Company has set up an appropriate and sufficient Internal Control System for its operations. The Company's internal control is comprised of five different dimensions as follows:

1. Control Environment

- Set policy and goals of the operations, including effective monitoring;
- Organize, set duties & responsibilities, clearly distinguish the authorization of operations and management and define job descriptions;
- Establish discipline, competency and training programs to develop staff and help them achieve higher capabilities;
- Review and revise procedures to ensure that all functions are carried out efficiently.

- Prescribe ethical codes and prohibitions as part of its corporate governance policy, and require its directors, executives and other staff to comply with such conduct codes in order to avoid an occurrence of any conflicts of interest. Such ethical codes and prohibitions are disseminated via a printed handbook, the Company's website and regularly communicated to its entire staff.

- Our staff have to perform the job in the best effort, be honest, and fair-minded. The management and employee shall not use the Company's confidential information to gain the benefit to oneself.

- There are Anti-corruption policy and No gift Policy which clearly specified the principle of Anti-corruption, conflict of interest, internal control, whistleblowing, protection measures, disciplinary action and require its directors, executives and other staff to comply.

- There is a clear disciplinary action if the rules and regulations are violated.

2. Risk Management

The Company established the Risk Management Department which is overviewed by the Risk Management Committee to evaluate risk, implement risk management systems, and also advise all functions to mitigate risk to an acceptable level.

3. Control Activities

The Company established relevant controls for all scope of work processes. Reporting of operational outcomes is regularly required in order to provide the management with relevant information required for decision-making and problem solving. Segregation of duties in each business unit is clearly set to provide check and balance features. Authority and authorization limits are prescribed in writing for all decision making levels. Safeguarding procedure for corporate assets are exercised to protect against possible damage and inappropriate use. Budgeting system for controlling and monitoring cost at various construction sites are also put in place to ensure that the appropriate and sufficient controls are in place, all levels and functions have to operate their work to achieve their targets in accordance with the Company's established procedures, Code of Conduct, laws and regulations, rules and regulations of the Stock Exchange of Thailand, etc.

4. Information and Communication

The Company provides sufficient information and reports to all levels and all functions to ensure their efficient operation. For the Accounts & Finance data, the Company specially developed the ERP-JDE E1 system, for the transfer of data between construction sites and the head office in close to real time. This data & information includes not only internally generated data but also information on external events, activities and conditions necessary to inform business decision-making and external reporting.

It is the Company's policy to maintain strict security measures on application of its information, data base and Information Technology Systems, which all staff are obliged to promptly comply with. The Information Technology Department is assigned to oversee system security and efficiency of the Company's computer and information systems, which are well monitored and continually updated by the Information Technology Department, in collaboration with the Internal Audit Department and other relevant departments. Contingent and back up plans are established for emergency purposes and against loss of data. The Company's accounting policy and records comply with the generally accepted accounting standards as well as appropriate practices of the industry. There is no comment from the external auditor about deficiency of the data base for support the account.

The Investor Relationship unit has been set up to provide general information, financial information and any other information as may be required from investors and other stakeholders. The Company also set up the channel for complaints, whistleblowers and other information from both internal and external stakeholders.

5. Monitoring

In addition to monitoring and evaluating from the line of command, the Internal Audit Department is also responsible for auditing and assessing internal control in each function. The Audit Report is sent to Management and the Audit and Corporate Governance Committee for their review and inputs. Any deficiencies will be monitored and recommended for improvement. The internal auditor will follow up on these corrective measures and also report to

the Management and the Audit and Corporate Governance Committee regularly.

The above mentioned internal control system is to ensure that overall Company's business operations will achieve the objectives for efficiency in internal control system, resource consumption, stewardship of properties including the prevention or reduction of errors, damage, losses, and waste and the credibility of financial accounting, and other reports, compliance with laws, regulations, Cabinet resolutions, and Company's policies and regulations. As well as assessing the operations according to Good Corporate Governance (GCG) and anti-corruption measures according to the principles of the Collective Action Coalition against Corruption (CAC).

In year 2020, the Audit and Corporate Governance Committee, which comprises Independent Directors with qualifications that meet the requirements advised by the Office of the Securities and Exchange Commission, gave an independent opinion on the Company's financial reports, effectiveness in operations, credibility and transparency, adequacy of its disclosure of information for related transactions, with conflict of interest, risk management procedures, internal control and internal audit. The Committee further encouraged good corporate governance, as well as monitored the Company's compliance with laws and regulations.

The Audit and Corporate Governance Committee has monitored that the Internal Audit Department has built assurance and given consulting advice independently and fairly about examining and assessing the sufficiency of the internal control system covering the processes of the performance, conformity to the law, rules, regulations, and the accuracy of information of the Company and its subsidiaries, submitting a report to the Audit Committee regularly, monitoring results of the improvement of operational processes to be more appropriate - particularly, issues that are important or related to high risks - and being reported of abnormal incidents such as corruption and malpractice in order to find causes and measures to prevent damage or reoccurrence so that it can ensure that the Company's performance has the sufficient, appropriate,

and efficient internal control system as well as the risk management at a level accepted by the Company. The Company's Good Corporate Governance is also monitored in order to achieve the organization's goals of its operation. The Audit Committee and the Internal Audit Department are independent. They are assigned to perform like one of channels to receive notification of clues, complaints, or other information. Their duty assures that the Company has the process of receiving notification of clues, complaints, or other information and handles them transparently and equitably according to the good governance principle.

The Internal Audit Department has developed the internal audit system to accord with the International Standards for the Professional Practice of Internal Auditing (IIA) by utilizing the Information Technology System to help the audits and satisfaction assessment made by auditees' executives. Moreover, Self-evaluation is imposed to assess the performance quality of internal auditors in order to continuously improve

efficiency and effectiveness of the Internal Audit Department and recognize actual conditions and work performance so that problems, obstacles and working limitations related to work performance can be properly analyzed. Also, the internal auditors are developed so that their knowledge, skills, and competency meet an international standard and they can conduct the auditing more efficiently by means of encouraging them to receive training such as professional practice of internal audits, knowledge of other professionalism, and taking examinations to get professional certificates, for example.

The Audit and Corporate Governance committee reviewed the Company's internal control with the internal auditor and was of the opinion that the internal control system is appropriate and efficient in terms of organization, control of environment, risk management, control activities, information and communication monitoring to achieve the Company's goals. The operations of the Company are in compliance with all applicable laws, rules and regulations.



CONNECTED TRANSACTIONS

Company	Relations	Transactions	Value of Transactions in 2020 (MB)	The Necessity and Reasons	Policy on future connected transactions
Maxwin Builders Limited.	<ul style="list-style-type: none"> - Mr. Ishaan Shah, Director of the Company, is a Director and shareholder of Maxwin Builders Limited. - Mr. Kirit Shah and Mr. Khushroo Kali Wadia, Directors of the Company, are Directors of Maxwin Builders Limited. - Ms. Nishita Shah who is a Director and shareholder of Globex Corporation Limited, Major shareholder of the Company, is also a Director and shareholder of Maxwin Builders Limited. 	The Company paid for the meeting venue.	0.02	Normal business operation.	Price and services will be compared according to standard market competition for the utmost benefit of the Company.
Maestro Controls Limited.	<ul style="list-style-type: none"> - Mr. Ishaan Shah, Director of the Company, is a Director and Shareholder of Maestro Controls Limited - Mr. Kirit Shah, Director of the Company, is a Director of Maestro Controls Limited. - Ms. Nishita Shah who is a Director and shareholder of Globex Corporation Limited, Major shareholder of the Company, is also a Director and shareholder of Maestro Controls Limited. 	The Company employed Maestro Controls Limited as a subcontractor for air-conditioning and ventilation system.	0.05	The Company provided construction services for civil works and M&E works. Therefore, the Company was in need of hiring experienced M&E subcontractor.	Selection of subcontractors will be based on past experience, capability and price.
Precious Shipping Public Company Limited.	<ul style="list-style-type: none"> - Mr. Ishaan Shah, Mr. Kirit Shah and Mr. Khushroo Kali Wadia, Directors of the Company, are Directors of Precious Shipping Public Company Limited. - Ms. Nishita Shah, Director and shareholder of Globex Corporation Limited, is also a Director and shareholder of Precious Shipping Public Company Limited. - Globex Corporation Limited is a major shareholder of the Company and Precious Shipping Public Company Limited. 	The Company received for the meeting venue.	0.02	Normal business operation.	Normal business support as the meeting venue is necessary for the company's operations.



REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL REPORT

The Company's Board of Directors is responsible for the separate financial statements and the consolidated financial statements of the Company and its subsidiaries as well as financial information presented in the Annual Reports. The said financial statements were prepared in accordance with the financial reporting standards, where an appropriate accounting policy has been selected and implemented on a regular basis and that important information is adequately disclosed in notes to the financial statements.

The Board of Directors has appointed an Audit and Corporate Governance Committee consisting of independent directors to take responsibility for the quality of financial statements and assessment of the internal control system to ensure

that the record of accounting is sufficiently accurate, complete and timely, and also to prevent the occurrence of corruption or irregular operations. The Audit and Corporate Governance Committee's opinion on these matters has been stated in the Audit and Corporate Governance Committee's report published in this Annual Report.

The Board of Directors is of the opinion that the Company's internal control system on the whole is satisfactory and able to ensure that Christiani & Nielsen (Thai) Public Company Limited and its separate financial statements and the consolidated financial statements as of 31 December 2020 present fairly, in all material aspects, the financial positions, the results of operations and cash flows.

(Mr. Santi Grachangnetara)
Chairman of the Board of Directors

(Mr. Khushroo Kali Wadia)
Managing Director

REPORT AND **CONSOLIDATED FINANCIAL STATEMENTS**



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CHRISTIANI & NIELSEN (THAI) PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated financial statements of Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Christiani & Nielsen (Thai) Public Company Limited ("the Company") for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries and of Christiani & Nielsen (Thai) Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Revenue recognition and estimation of loss relating to construction contracts

Revenue from construction contract works is recognised as income on the basis of percentage of completion which is estimated by project engineers. The Company has disclosed its policies on revenue recognition for services provided under construction contracts and provision for loss on projects under construction contracts in Note 5.1 and Note 6 to the financial statements. Revenue from construction contract works is significant accounting transaction as the amount recognised in each period forms a significant portion of the Group's total revenues, and directly affects profit or loss of the Group. In addition, the processes to assess the percentage of completion and the probability of loss for determination of revenue and estimation of possible losses to be recognised are areas requiring the knowledge, expertise and experience of project engineers and management. I therefore consider revenue recognition and estimation of loss relating to construction contracts as key audit matter.

I examined the revenue recognition and estimation of possible loss relating to construction contracts by accessing and testing the internal controls relating to the method that the management used in estimation of the percentage of completion, recognition of revenue and cost of construction and estimation of possible loss by making enquires of responsible executives, gaining an understanding of the controls and selecting construction contracts that the Company made with customers to test the operation of the designed controls. I also read the contracts to consider the conditions relating to revenue recognition and inquired of the management about the terms and risks associated with these contracts. In addition, I selected construction contracts to review the assessment of the percentage of completion and the probability of loss by making inquiry of the management and project engineers with respect to the status of projects and had site visit of the significant projects under construction together with the Company's project engineers. I compared the percentage of completion evaluated by the project engineers with cost-to-cost method and investigated the variance of these two methods, and obtained written representation letter from the project engineers regarding the percentage of completion. I also performed analytical review of the gross margin of the construction projects to detect possible irregularities.

Deferred tax assets

The Group has disclosed its accounting policy and details relating to deferred tax in Note 5.16 and Note 30 to the financial statements. A deferred tax asset is recognised when it is highly probable that the Group's taxable profit will be sufficient to allow utilisation of the deferred tax assets in the future. The determination whether there will be sufficient future taxable profit to utilise temporary differences or taxable losses requires significant management judgement with respect to preparation of business plans and projections of future taxable profit based on approved business plans. Therefore, there is risk with respect to the amount of deferred tax assets.

I gained an understanding of and tested the key related controls over the preparation and approval of the estimates of future taxable profit for the purposes of deferred tax asset recognition by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I assessed the estimates of future taxable profit by checking the required information and key economic assumptions used in the projections against information from both internal and external sources, with particular consideration given to information and assumptions that directly affect revenue growth and gross profit margin and compared past profit projections with actual taxable profits to assess the exercise of management judgement in estimating taxable profits. I also tested the calculation of future taxable profit based on the above information and assumptions, and considered the effects of changes to key assumptions on the projected future taxable profits, especially in respect of long-term revenue growth. In addition, I reviewed the disclosure of information regarding temporary differences and unused tax losses for which deferred tax assets were not recognised by the Group.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 25 February 2021



STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets					
Current assets					
Cash and cash equivalents	8	239,141,812	181,905,921	125,623,241	101,326,861
Trade and other receivables	7, 9	1,488,611,819	928,733,692	1,488,777,036	928,410,801
Contract assets	10	1,751,489,092	2,540,666,346	1,709,237,549	2,538,964,241
Inventories	11	59,552,846	79,072,032	58,436,227	78,048,177
Short-term loan to related party	7	-	-	18,500,000	7,000,000
Current portion of long-term loans to related parties	7	-	763,583	-	-
Advance payments to subcontractors		439,328,697	386,132,475	434,453,968	384,088,020
Withholding tax deducted at source		306,688,713	374,914,475	306,082,114	374,500,477
Other current assets	12	22,471,933	57,825,449	22,059,805	57,351,772
Total current assets		4,307,284,912	4,550,013,973	4,163,169,940	4,469,690,349
Non-current assets					
Restricted bank deposits and investments	13	1,546,000	14,815,017	1,546,000	14,815,017
Investments in subsidiaries	14	-	-	48,883,866	58,723,866
Other long-term investments	15	-	104,950,000	-	104,950,000
Other non-current financial assets	16	106,676,916	-	106,676,916	-
Investment properties	17	287,476,400	237,476,400	287,476,400	237,476,400
Property, plant and equipment	18	1,352,202,413	1,788,489,771	1,352,867,323	1,784,849,462
Right-of-use assets	22	281,723,360	-	277,127,986	-
Intangible assets	19	23,950,071	25,700,721	23,917,916	25,656,231
Total non-current assets		2,053,575,160	2,171,431,909	2,098,496,407	2,226,470,976
Total assets		6,360,860,072	6,721,445,882	6,261,666,347	6,696,161,325

The accompanying notes are an integral part of the financial statements.



STATEMENTS OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Liabilities and shareholders' equity					
Current liabilities					
Bank overdraft and short-term loans from					
financial institutions	20	40,279,113	401,454,024	-	400,000,000
Trade and other payables	7, 21	1,977,270,388	1,908,387,504	1,942,717,522	1,897,118,384
Short-term loan from related party	7	4,500,000	-	-	-
Current portion of liabilities under					
finance lease agreements	22	-	136,301,915	-	136,301,915
Current portion of lease liabilities	22	111,909,005	-	110,607,153	-
Current portion of long-term loans	23	-	38,400,000	-	38,400,000
Contract liabilities	10	1,516,965,853	1,546,674,546	1,515,095,342	1,544,583,822
Short-term provisions		218,363,000	194,131,485	217,847,000	192,983,000
Other current liabilities		79,916,997	39,828,317	79,770,852	39,699,007
Total current liabilities		3,949,204,356	4,265,177,791	3,866,037,869	4,249,086,128
Non-current liabilities					
Liabilities under finance lease agreements -					
net of current portion	22	-	159,231,366	-	159,231,366
Lease liabilities - net of current portion	22	73,841,785	-	70,548,263	-
Provision for long-term employee benefits	24	185,823,296	162,165,445	185,823,296	162,165,445
Deferred tax liabilities	30	49,052,174	48,093,530	49,052,174	48,093,530
Total non-current liabilities		308,717,255	369,490,341	305,423,733	369,490,341
Total liabilities		4,257,921,611	4,634,668,132	4,171,461,602	4,618,576,469

The accompanying notes are an integral part of the financial statements.



STATEMENTS OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2020	2019	2020	2019
Shareholders' equity					
Share capital	25				
Registered					
1,102,904,144 ordinary shares of Baht 1 each		<u>1,102,904,144</u>	<u>1,102,904,144</u>	<u>1,102,904,144</u>	<u>1,102,904,144</u>
Issued and fully paid up					
1,027,904,144 ordinary shares of Baht 1 each		1,027,904,144	1,027,904,144	1,027,904,144	1,027,904,144
Share premium		100,000,000	100,000,000	100,000,000	100,000,000
Retained earnings					
Appropriated - statutory reserve	27	98,986,400	95,286,400	97,426,400	93,726,400
Unappropriated		294,571,964	282,465,997	393,776,294	384,129,318
Other components of shareholders' equity		469,409,254	469,595,424	471,097,907	471,824,994
Premium on sales of investment in subsidiary		21,431,362	21,431,362	-	-
Premium on sales of own shares held by subsidiary		<u>68,924,184</u>	<u>68,924,184</u>	<u>-</u>	<u>-</u>
Equity attributable to owners of the Company		<u>2,081,227,308</u>	<u>2,065,607,511</u>	<u>2,090,204,745</u>	<u>2,077,584,856</u>
Non-controlling interests of the subsidiaries		<u>21,711,153</u>	<u>21,170,239</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>2,102,938,461</u>	<u>2,086,777,750</u>	<u>2,090,204,745</u>	<u>2,077,584,856</u>
Total liabilities and shareholders' equity		<u>6,360,860,072</u>	<u>6,721,445,882</u>	<u>6,261,666,347</u>	<u>6,696,161,325</u>

The accompanying notes are an integral part of the financial statements.



INCOME STATEMENTS

For the year ended 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Revenues					
Construction income		7,462,158,265	7,239,527,154	7,462,158,265	7,220,219,332
Revenue from sales and services		63,404,609	730,000	-	-
Reversal of allowance for doubtful accounts	35	-	64,222,530	-	64,222,530
Gain from change in fair value of investment properties	17	-	30,723,342	-	30,723,342
Other income		13,998,287	4,088,406	17,601,537	10,092,528
Total revenues		7,539,561,161	7,339,291,432	7,479,759,802	7,325,257,732
Expenses	28				
Costs of construction		7,102,384,796	6,911,142,173	7,109,292,360	6,901,356,501
Cost of sales and services		49,726,699	574,344	-	-
Administrative expenses		286,015,559	329,341,284	262,587,330	305,553,755
Expected credit losses	9	3,000,000	-	3,000,000	-
Other expenses	14	-	-	9,840,000	-
Total expenses		7,441,127,054	7,241,057,801	7,384,719,690	7,206,910,256
Operating profit		98,434,107	98,233,631	95,040,112	118,347,476
Finance income		7,052,214	8,567,168	7,051,492	8,173,658
Finance cost	29	(23,501,782)	(21,505,021)	(23,299,926)	(22,209,671)
Profit before income tax expenses		81,984,539	85,295,778	78,791,678	104,311,463
Income tax expenses	30	(5,971,284)	(14,849,665)	(5,778,253)	(15,306,110)
Profit for the year		76,013,255	70,446,113	73,013,425	89,005,353
Profit attributable to:					
Equity holders of the Company		75,472,416	73,094,702	73,013,425	89,005,353
Non-controlling interests of the subsidiaries		540,839	(2,648,589)	-	-
		76,013,255	70,446,113		
Earnings per share	31				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.07	0.07	0.07	0.09
Weighted average number of ordinary shares (shares)		1,027,904,144	1,027,904,144	1,027,904,144	1,027,904,144

The accompanying notes are an integral part of the financial statements.



STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2020	2019	2020	2019
Profit for the year		<u>76,013,255</u>	<u>70,446,113</u>	<u>73,013,425</u>	<u>89,005,353</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		<u>540,917</u>	<u>(1,430,447)</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods		<u>540,917</u>	<u>(1,430,447)</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Revaluation surplus on assets	26	-	565,705,591	-	565,705,591
Loss on changes in value of equity investments designated at fair value through other comprehensive income	37	(12,946,398)	-	(12,946,398)	-
Actuarial loss	24	(25,824,958)	-	(25,824,958)	-
Less: Income tax effect	30	<u>7,754,271</u>	<u>(113,141,118)</u>	<u>7,754,271</u>	<u>(113,141,118)</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(31,017,085)</u>	<u>452,564,473</u>	<u>(31,017,085)</u>	<u>452,564,473</u>
Other comprehensive income for the year		<u>(30,476,168)</u>	<u>451,134,026</u>	<u>(31,017,085)</u>	<u>452,564,473</u>
Total comprehensive income for the year		<u><u>45,537,087</u></u>	<u><u>521,580,139</u></u>	<u><u>41,996,340</u></u>	<u><u>541,569,826</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		44,996,248	524,228,728	<u>41,996,340</u>	<u>541,569,826</u>
Non-controlling interests of the subsidiaries		<u>540,839</u>	<u>(2,648,589)</u>		
		<u><u>45,537,087</u></u>	<u><u>521,580,139</u></u>		

The accompanying notes are an integral part of the financial statements.



STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2020
Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

Consolidated financial statements													(Unit: Baht)
	Note	Equity attributable to owners of the Company											
		Other components of shareholders' equity											
		Other comprehensive income											
		Exchange											
		Issued and paid-up share capital	Share premium	Retained earnings	Appropriated - statutory reserve	Unappropriated	In foreign currency	Revaluation surplus on assets	Total other components of shareholders' equity	Premium on sales of investment in subsidiary	Premium on sales of own shares held by subsidiary	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries
1,027,904,144	100,000,000		90,786,400	212,811,224	(799,123)	20,320,592	19,521,469	21,431,362	68,924,184	1,541,378,783	22,318,828	1,563,697,611	
-	-	-	-	73,094,702	-	-	-	-	-	-	73,094,702	(2,648,589)	70,446,113
-	-	-	-	-	(1,430,447)	452,564,473	451,134,026	451,134,026	-	-	451,134,028	-	451,134,026
-	-	-	-	73,094,702	(1,430,447)	452,564,473	451,134,026	451,134,026	-	-	524,228,728	(2,648,589)	521,580,139
27		-	-	4,500,000	(4,500,000)	-	-	-	-	-	-	-	-
		-	-	-	1,060,071	-	(1,060,071)	(1,060,071)	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	1,500,000	1,500,000
Balance as at 31 December 2019													
		1,027,904,144	100,000,000	95,286,400	282,465,997	(2,229,570)	471,824,994	469,595,424	21,431,362	68,924,184	2,065,607,511	21,170,239	2,086,777,750

The accompanying notes are an integral part of the financial statements.



STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 December 2020
Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
Other components of shareholders' equity													
Other comprehensive income													
	Issued and paid-up share capital	Share premium	Retained earnings	Exchange differences on financial statements in foreign currency	Fair value reserve of financial assets at FVOCI	Revaluation surplus on assets	Total other components of shareholders' equity	Premium on sales of investment in subsidiary	Premium on sales of own shares held by subsidiary	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
Note			Appropriated - statutory reserve	Unappropriated									
	1,027,904,144	100,000,000	95,286,400	282,465,997	(2,229,570)	-	471,824,994	469,595,424	21,431,362	68,924,184	2,065,607,511	21,170,239	2,086,777,750
4	-	-	-	-	-	11,738,652	-	11,738,652	-	-	11,738,652	-	11,738,652
	1,027,904,144	100,000,000	95,286,400	282,465,997	(2,229,570)	11,738,652	471,824,994	481,334,076	21,431,362	68,924,184	2,077,346,163	21,170,239	2,098,516,402
	-	-	-	75,472,416	-	-	-	-	-	-	75,472,416	540,839	76,013,255
	-	-	-	(20,659,966)	540,917	(10,357,119)	-	(9,816,202)	-	-	(30,476,168)	-	(30,476,168)
	-	-	-	54,812,450	540,917	(10,357,119)	-	(9,816,202)	-	-	44,996,248	540,839	45,537,087
27	-	-	3,700,000	(3,700,000)	-	-	-	-	-	-	-	-	-
32	-	-	-	(41,115,103)	-	-	-	-	-	(41,115,103)	-	-	(41,115,103)
	-	-	-	2,108,620	-	-	(2,108,620)	(2,108,620)	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	75	75
	1,027,904,144	100,000,000	98,986,400	294,571,964	(1,688,653)	1,381,533	469,716,374	469,409,254	21,431,362	68,924,184	2,081,227,308	21,711,163	2,102,938,461
				</									

The accompanying notes are an integral part of the financial statements.



STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 December 2020
Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

	Separate financial statements							(Unit: Baht)
	Issued and paid up share capital	Share premium	Retained earnings		Other comprehensive income		Total other components of shareholders' equity	
			Appropriated - statutory reserve	Unappropriated	Revaluation surplus on assets	Total shareholders' equity		
Balance as at 1 January 2019	1,027,904,144	100,000,000	89,226,400	298,563,894	20,320,592	20,320,592	1,536,015,030	
Profit for the year	-	-	-	89,005,353	-	-	89,005,353	
Other comprehensive income for the year	-	-	-	-	452,564,473	452,564,473	452,564,473	
Total comprehensive income for the year	-	-	-	89,005,353	452,564,473	452,564,473	541,569,826	
Unappropriated retained earnings transferred to statutory reserve	-	-	4,500,000	(4,500,000)	-	-	-	
Transferred to retained earnings	-	-	-	1,060,071	(1,060,071)	(1,060,071)	-	
Balance as at 31 December 2019	1,027,904,144	100,000,000	93,726,400	384,129,318	471,824,994	471,824,994	2,077,584,856	

27

The accompanying notes are an integral part of the financial statements.



STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 December 2020
Christiani & Nielsen (Thailand) Public Company Limited and its subsidiaries

	Note	Separate financial statements							(Unit: Baht)
		Other components of shareholders' equity							
		Issued and paid up share capital	Share premium	Retained earnings		Other comprehensive income		Total other components of shareholders' equity	
				Appropriated - statutory reserve	Unappropriated	Fair value reserve of financial assets at FVOCI	Revaluation surplus on assets		
Balance as at 1 January 2020		1,027,904,144	100,000,000	93,726,400	384,129,318	-	471,824,994	471,824,994	2,077,584,856
Cumulative effect of change in accounting policy	4	-	-	-	-	-	-	-	11,738,652
Balance as at 1 January 2020 - as restated		1,027,904,144	100,000,000	93,726,400	384,129,318	-	471,824,994	483,563,646	2,089,323,508
Profit for the year		-	-	-	73,013,425	-	-	-	73,013,425
Other comprehensive income for the year		-	-	-	(20,659,966)	(10,357,119)	-	(10,357,119)	(31,017,085)
Total comprehensive income for the year		-	-	-	52,353,459	(10,357,119)	-	(10,357,119)	41,996,340
Unappropriated retained earnings transferred to statutory reserve	27	-	-	3,700,000	(3,700,000)	-	-	-	-
Dividend paid	32	-	-	-	(41,115,103)	-	-	-	(41,115,103)
Transferred to retained earnings		-	-	-	2,108,620	-	(2,108,620)	(2,108,620)	-
Balance as at 31 December 2020		1,027,904,144	100,000,000	97,426,400	393,776,294	1,381,533	469,716,374	471,097,907	2,090,204,745

The accompanying notes are an integral part of the financial statements.



CASH FLOW STATEMENTS

For the year ended 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Profit before tax	81,984,539	85,295,778	78,791,678	104,311,463
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	204,822,551	216,328,847	202,313,588	214,779,328
Allowance for expected credit losses (reversal allowance for doubtful accounts)	3,000,000	(64,222,530)	3,000,000	(64,222,530)
Allowance for diminution in inventory value (reversal)	(588,968)	1,567,000	(588,968)	1,567,000
Allowance for impairment loss of investment in subsidiary	-	-	9,840,000	-
Allowance for impairment loss of assets (reversal)	(1,654,145)	2,781,149	(1,654,145)	2,781,149
Loss (gain) on disposals/write off of equipment and right-of-use assets	(9,310,419)	217,012	(9,086,943)	217,012
Loss on disposals of intangible assets	-	74,406	-	74,406
Gain on disposals investment properties	-	(236,549)	-	(236,549)
Estimated expenses for construction projects (reversal)	24,231,515	(49,569,735)	24,864,000	(45,747,000)
Provision for long-term employee benefits	7,573,933	48,846,914	7,573,933	48,846,914
Gain from changes in fair value of investment properties	-	(30,723,342)	-	(30,723,342)
Unrealised loss (gain) on exchange	(725,985)	233,886	(725,985)	233,886
Finance income	(7,052,214)	(8,567,168)	(7,051,492)	(8,173,658)
Finance cost	20,313,480	18,331,566	20,229,527	19,072,835
Profit from operating activities before changes in operating assets and liabilities	322,594,287	220,357,234	327,505,193	242,780,914

The accompanying notes are an integral part of the financial statements.



CASH FLOW STATEMENTS (CONTINUED)

For the year ended 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Operating assets (increase) decrease				
Trade and other receivables	(613,070,963)	252,744,731	(613,644,331)	241,961,173
Contract assets	789,177,254	(539,162,592)	829,726,692	(546,263,013)
Inventories	20,108,154	34,021,217	20,200,918	35,045,072
Advance payments to subcontractors	(53,196,222)	(234,363,157)	(50,365,948)	(234,871,401)
Other current assets	36,090,782	(47,993,938)	36,029,233	(48,534,661)
Operating liabilities increase (decrease)				
Trade and other payables	69,040,221	(64,385,548)	45,881,466	(52,453,811)
Contract liabilities	(29,708,693)	144,943,500	(29,488,480)	142,852,776
Other current liabilities	40,211,302	(29,317,601)	40,194,467	(29,273,451)
Provision for long-term employee benefits	(9,741,040)	(10,925,000)	(9,741,040)	(10,925,000)
Cash from (used in) operating activities	571,505,082	(274,081,154)	596,298,170	(259,681,402)
Interest income	7,233,769	8,499,710	7,318,307	8,020,940
Cash paid for interest expense	(12,185,672)	(9,610,255)	(12,430,928)	(10,351,524)
Refund of withholding tax deducted at source	190,805,653	382,053,299	190,635,396	381,520,169
Cash paid for income tax	(122,772,923)	(183,665,927)	(122,217,033)	(183,885,411)
Net cash from (used in) operating activities	634,585,909	(76,804,327)	659,603,912	(64,377,228)
Cash flows from investing activities				
Increase in short-term loan to related party	-	-	(11,500,000)	(7,000,000)
(Increase) decrease in long-term loans to related parties	763,583	(763,583)	-	-
Decrease in restricted bank deposits and investments	13,269,017	11,509,441	13,269,017	11,509,441
Increase in investment in subsidiary	-	-	-	(11,544,000)
Cash paid for acquisitions of property, plant and equipment	(21,673,113)	(90,330,171)	(23,535,080)	(88,936,691)
Proceeds from disposals of plant and equipment	23,216,879	4,835,133	21,807,783	4,835,133
Proceeds from disposals of investment properties	-	162,377	-	162,377
Cash paid for intangible assets	(1,691,400)	(7,990,846)	(1,691,400)	(7,951,846)
Net cash from (used in) investing activities	13,884,966	(82,577,649)	(1,649,680)	(98,925,586)

The accompanying notes are an integral part of the financial statements.



CASH FLOW STATEMENTS (CONTINUED)

For the year ended 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from financing activities				
Increase in bank overdraft and short-term loans				
from financial institutions	3,350,279,113	3,396,454,024	3,310,000,000	3,395,000,000
Decrease in bank overdraft and short-term loans				
from financial institutions	(3,711,454,024)	(2,995,000,000)	(3,710,000,000)	(2,995,000,000)
Increase in short-term loans from related party	4,500,000	-	-	-
Cash paid for liabilities under lease/financial lease agreements	(147,265,904)	(129,767,215)	(146,061,822)	(129,767,215)
Cash paid for long-term loans	(38,400,000)	(29,560,000)	(38,400,000)	(29,560,000)
Cash paid for interest expenses	(8,285,145)	(8,655,251)	(8,080,927)	(8,655,251)
Dividend paid	(41,115,103)	-	(41,115,103)	-
Cash received from non-controlling interest of subsidiary	75	1,500,000	-	-
Net cash from (used in) financing activities	<u>(591,740,988)</u>	<u>234,971,558</u>	<u>(633,657,852)</u>	<u>232,017,534</u>
Increase (decrease) in translation adjustments	<u>506,004</u>	<u>(1,233,987)</u>	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	57,235,891	74,355,595	24,296,380	68,714,720
Cash and cash equivalents at beginning of year	181,905,921	107,550,326	101,326,861	32,612,141
Cash and cash equivalents at end of year (Note 8)	<u>239,141,812</u>	<u>181,905,921</u>	<u>125,623,241</u>	<u>101,326,861</u>
Supplemental disclosure of cash flows information				
Non-cash transactions				
Transfer right-of-use assets to plant and equipment	29,665,336	-	29,665,336	-
Right-of-use assets acquired during the year/				
assets acquired under finance lease agreements	12,945,020	94,206,374	12,945,020	94,206,374
Revaluation surplus on assets	-	565,705,591	-	565,705,591

The accompanying notes are an integral part of the financial statements.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries

1. General information

1.1 Corporate information

Christiani & Nielsen (Thai) Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The major shareholder of the Company is Globex Corporation Limited, which was also incorporated in Thailand. The Company is principally engaged in the provision of construction services. The registered office of the Company is at 727, La Salle Road, Kwaeng Bangna Tai, Khet Bangna, Bangkok.

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments 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

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Christiani & Nielsen (Thai) Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2020</u>	<u>2019</u>
			Percent	Percent
<u>Subsidiaries (held by the Company)</u>				
CNT Holdings Limited	Construction business	Thailand	60	60
Christiani & Nielsen (Myanmar) Limited	Construction business	Myanmar	100	100
Christiani & Nielsen (Cambodia) Co., Ltd.	Construction business	Cambodia	100	100
Christiani & Nielsen Energy Solutions Company Limited (CNES)	Provision of services for energy solutions in solar, wind and other renewable energy sectors	Thailand	85	85
<u>Subsidiary (held by a subsidiary)</u>				
CNES D1 Co. Ltd.	Developing renewable energy based power producing facilities	Thailand	100	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.

- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) 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 within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

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

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial Reporting Standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting Standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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

The adoption of these standards has the impact on the Group's financial statements to result in the following adjustments.

- Classification and measurement of non-listed equity investments - The Group has decided to measure these investments at fair value and classify them as financial assets at fair value through other comprehensive income.
- Recognition of expected credit losses - The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost or fair value through other comprehensive income, and it is no longer necessary for a credit-impaired event to have occurred.

The Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to other components of shareholders' equity as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

TFRS 16 Leases

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

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

The Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

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

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to measurement of expected credit losses using a simplified approach, fair value measurement of other non-current financial assets, land and buildings, and investment properties and reversal of deferred tax assets.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainty of the COVID-19 Pandemic on the valuation of assets, provision and contingent liabilities. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current year, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)				
Consolidated financial statements				
The impacts of				
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Non-current assets				
Other long-term investments	104,950	(104,950)	-	-
Other non-current financial assets	-	119,623	-	119,623
Property, plant and equipment	1,788,490	-	(354,578)	1,433,912
Right-of-use assets	-	-	375,928	375,928
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under finance lease agreements	136,302	-	(136,302)	-
Current portion of lease liabilities	-	-	144,669	144,669
Non-current liabilities				
Liabilities under finance lease agreements - net of current portion	159,231	-	(159,231)	-
Lease liabilities - net of current portion	-	-	172,214	172,214
Deferred tax liabilities	48,093	2,935	-	51,028
Shareholders' equity				
Other components of shareholders' equity	469,596	11,738	-	481,334

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			
	31 December	Financial reporting standards related to financial instruments	TFRS 16	1 January
	2019			2020
Statement of financial position				
Assets				
Non-current assets				
Other long-term investments	104,950	(104,950)	-	-
Other non-current financial assets	-	119,623	-	119,623
Property, plant and equipment	1,784,849	-	(354,578)	1,430,271
Right-of-use assets	-	-	370,128	370,128
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under finance lease agreements	136,302	-	(136,302)	-
Current portion of lease liabilities	-	-	143,391	143,391
Non-current liabilities				
Liabilities under finance lease agreements				
- net of current portion	159,231	-	(159,231)	-
Lease liabilities - net of current portion	-	-	167,692	167,692
Deferred tax liabilities	48,093	2,935	-	51,028
Shareholders' equity				
Other components of shareholders' equity	471,826	11,738	-	483,564

4.1 Financial instruments

- a) Details of the impact on other components of shareholders' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Fair value measurement of investments in equity		
instruments of non-listed companies	14,673	14,673
Less: Deferred tax liabilities	(2,935)	(2,935)
Impacts on other components of shareholders' equity due to the adoption of financial reporting standards related to financial instruments	11,738	11,738

- b) As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:

		(Unit: Thousand Baht)		
		Consolidated financial statements		
		The former carrying amount	Classification and measurement in accordance with TFRS 9	
			Fair value through other comprehensive income	Amortised cost Total
Financial assets as at 1 January 2020				
Cash and cash equivalents	181,906	-	181,906	181,906
Trade and other receivables	928,734	-	928,734	928,734
Short-term loans to related parties	764	-	764	764
Restricted bank deposits and investments	14,815	-	14,815	14,815
Other non-current financial assets	104,950	119,623	-	119,623
Total financial assets	1,231,169	119,623	1,126,219	1,245,842

(Unit: Thousand Baht)

	Separate financial statements			
	The former carrying amount	Classification and measurement in accordance with TFRS 9		
		Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020				
Cash and cash equivalents	101,327	-	101,327	101,327
Trade and other receivables	928,411	-	928,411	928,411
Short-term loan to related party	7,000	-	7,000	7,000
Restricted bank deposits and investments	14,815	-	14,815	14,815
Other non-current financial assets	104,950	119,623	-	119,623
Total financial assets	1,156,503	119,623	1,051,553	1,171,176

- c) As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	21,978	15,309
Less: Short-term leases	(1,756)	(1,756)
Add: Option to extend lease term	2,390	2,728
Less: Deferred interest expenses	(1,262)	(731)
Increase in lease liabilities due to the adoption of IFRS 16	21,350	15,550
Liabilities under finance lease agreements as at 31 December 2019	295,533	295,533
Lease liabilities as at 1 January 2020	316,883	311,083
Weighted average incremental borrowing rate (percent per annum)	3.77	3.76
Comprise:		
Current lease liabilities	144,669	143,391
Non-current lease liabilities	172,214	167,692
	316,883	311,083

5. Significant accounting policies

5.1 Revenue and expenses recognition

Construction income

The Group determines that its construction contracts generally have one performance obligation. The Group recognises construction revenue over time where the stage of completion is measured using an output method, which is based on percentage of completion estimated by project engineers.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Sales of goods

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

Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by the project managers.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cost of construction

Cost of construction comprises the costs of materials, labour, subcontractors' charges, other services and overheads, which are recognised on the percentage of completion method.

5.3 Cash and cash equivalents

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

5.4 Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditional. If the Group transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the right to consideration that is conditional. In the case of the construction contracts, a contract asset is the excess of cumulative revenue earned over the billings to date. A contract asset is stated at cost less accumulated impairment (if any). Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to customer).

A contract liability is the obligation to transfer goods and services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. In the case of the construction contracts, a contract liability is the excess of the billings to date over the cumulative revenue earned. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

5.5 Inventories

Inventories, which comprise construction materials and spare parts, are valued at the lower of average cost and net realisable value.

Construction materials are charged to project costs whenever consumed.

Allowance for diminution in inventory value is made for deteriorated inventories.

5.6 Investments

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

5.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in the income statement when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statement in the period when the asset is derecognised.

5.8 Property, plant and equipment and depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost or revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus on assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company's assets, the decrease is recognised in the income statement. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus on assets" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs or the revalued amounts on the straight-line basis over the following estimated useful lives:

Buildings	-	20 and 50	years
Land improvements	-	5	years
Construction machinery and equipment	-	2 - 10	years
Furniture, fixtures and equipment	-	3 - 6	years
Motor vehicles	-	3 - 6	years

Depreciation is included in determining income. No depreciation is provided on land and assets under construction and installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the income statement when the asset is derecognised.

5.9 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses (if any).

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

Intangible asset with finite useful lives which is computer software has the estimated economic useful lives of 5 years and 10 years.

5.10 Related party transactions

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

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

5.11 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

Accounting policies adopted since 1 January 2020

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

Right-of-use assets

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

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

Machinery and equipment	6 years
Furniture, fixtures and equipment	4 years
Motor vehicles	1 - 5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

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

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

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

Accounting policies adopted before 1 January 2020

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

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

5.12 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

5.13 Impairment of non-financial assets

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

An impairment loss is recognised in the income statement. However, in cases where land and buildings were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

5.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

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

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

Past service costs are recognised in the income statement on the earlier of the date of the plan amendment or curtailment and the date that the restructuring-related costs are recognised.

5.15 Provisions

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

Provision for losses on construction projects is made in the accounts in full when the possibility of loss is ascertained.

5.16 Income tax

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

Current tax

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

Deferred tax

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

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

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

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

5.17 Financial instruments

Accounting policies adopted since 1 January 2020

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in the income statement, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the income statement.

Derecognition of financial instruments

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

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

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

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

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020

Trade accounts receivable

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

Investments

- a) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective interest rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- b) Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in the income statement or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in the income statement.

5.18 Fair value measurement

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

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

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers 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.

6. Significant accounting judgements and estimates

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

Construction contracts

The Group recognises revenue from construction contracts over time taking into account the stage of completion. The management has exercised judgements to measure progress toward satisfaction of the performance obligation by reference to information provided by the project engineers or project managers and relying on their expertise and past experiences.

Estimated construction project costs

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

Estimated expenses for construction projects

In determining estimated expenses for construction projects, the management is required to use judgement and relevant information to estimate losses that may be incurred from warranties and claims on the construction contract works. The estimates are made through a combination of specific reviews of construction projects, analysis of actual claims incurred and historical statistical information, among others. However, the use of different estimates and assumptions could affect the amounts of estimated expenses for construction projects.

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

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

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade receivables and contract assets

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

Impairment of investments in subsidiaries

The Company treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

Property, plant and equipment and depreciation

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

The Company measures land and buildings at revalued amounts. Such amounts are determined by the independent valuer using the sale comparison approach for land and the depreciated replacement cost approach for buildings. The valuation involves certain assumptions and estimates.

In addition, the management is required 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.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

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

Litigation

The Company has contingent liabilities as a result of litigation. The management has used judgement to assess of the results of the litigation and believes that the provision made would be sufficient. However, actual results could differ from the estimates.

7. Related party transactions

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

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
Transactions with subsidiary					
(eliminated from the consolidated financial statements)					
Rental and service income	-	-	3.5	5.9	Market price
Interest income	-	-	0.4	0.1	Interest at the rate of 4.00 percent per annum
Other income	-	-	-	0.1	Cost plus margin
Interest expense	-	-	0.4	0.7	Interest at the rate of 2.61 - 2.85 percent per annum
Cost of construction	-	-	7.1	-	Market price
Purchase construction machinery and equipment	-	-	7.6	-	Market price
Transactions with related companies					
Construction income	15.7	0.2	-	-	Cost plus margin
Cost of construction	0.2	-	0.1	-	Market price
Rental and service expenses	-	0.2	-	0.2	Market price

The balances of the accounts as at 31 December 2020 and 2019 between the Company and those related parties are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
Other receivables - related party (Note 9)				
Subsidiary	-	-	1,148	285
Total other receivables - related party	-	-	1,148	285
Trade and other payables - related parties (Note 21)				
Subsidiary	-	-	2,675	-
Related companies (related by common directors and/or connected person)	-	136	-	136
Common director	500	-	-	-
Total trade and other payables - related parties	500	136	2,675	136

Short-term loan to related party

As at 31 December 2020, the Company had short-term loan to a subsidiary amounting to Baht 18.5 million (2019: Baht 7 million). The loan carries interest at 4.00 percent per annum and is repayable at call.

During the year ended 31 December 2020, movement of short-term loan to related party was as follows:

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Balance as at 31 December 2019	Increase during the year	Balance as at 31 December 2020
Short-term loan to related party			
Subsidiary	7,000	11,500	18,500

(Unit: Thousand Baht)

	Consolidated financial statements
	31 December 2019
Long-term loans to related parties	
Related company (related by common director)	170
Related person	593
Total	763
Less: Current portion	(763)
Long-term loans to related parties - net	-

As at 31 December 2019, a subsidiary had long-term loans to a related company and a director of another subsidiary amounting to Baht 0.2 million and Baht 0.6 million, respectively. The loans carry interest at 3.00 percent per annum and are repayable monthly within January 2021.

During the year ended 31 December 2020, movements of long-term loans to related parties were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Balance as at 31 December 2019	Decrease during the year	Balance as at 31 December 2020
Long-term loans to related parties			
Related company	170	(170)	-
Related person	593	(593)	-
Total	763	(763)	-

Short-term loans from related party

As at 31 December 2020, the subsidiary had short-term loan from related company amounting to Baht 4.5 million. The loans carried interest at 4.95 percent per annum and are repayable at call.

During the year ended 31 December 2020, movements of short-term loans from related party were as follows:

(Unit: Thousand Baht)		
Consolidated financial statements		
Balance as at 31 December 2019	Increase during the year	Balance as at 31 December 2020
Short-term loans from related party		
Related company (related by common director)	-	4,500
		4,500

(Unit: Thousand Baht)			
Separate financial statements			
Balance as at 31 December 2019	During the year		Balance as at 31 December 2020
	Increase	Decrease	
Short-term loans from related party			
Subsidiary	-	197,000	(197,000)
			-

Directors and management's benefits

During the year ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)		
Consolidated and Separate financial statements		
	<u>2020</u>	<u>2019</u>
Short-term employee benefits	54,369	46,663
Post-employment benefits	1,523	2,973
Total	55,892	49,636

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash	1,404	1,093	877	1,088
Bank deposits	237,738	180,813	124,746	100,239
Total cash and cash equivalents	239,142	181,906	125,623	101,327

As at 31 December 2020, bank deposits in savings accounts carried interests between 0.05 and 0.50 percent per annum (2019: between 0.10 and 1.30 percent per annum).

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,267,770	633,021	1,267,770	633,021
Past due				
Up to 1 month	15,577	13,383	15,577	13,383
1 - 3 months	39,073	113,220	39,073	113,220
3 - 6 months	42,487	1,244	42,487	1,244
6 - 12 months	16,521	-	16,521	-
Over 12 months	115,988	169,600	115,988	169,600
Total	1,497,416	930,468	1,497,416	930,468
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(33,593)	(30,593)	(33,593)	(30,593)
Total trade receivables - unrelated parties - net	1,463,823	899,875	1,463,823	899,875
Total trade receivables - net	1,463,823	899,875	1,463,823	899,875
<u>Other receivables</u>				
Other receivables - related parties	-	-	1,148	285
Other receivables - unrelated parties	11,030	11,729	10,442	11,327
Interest receivable	-	182	-	267
Prepaid expenses	14,000	17,189	13,605	16,898
Total other receivables	25,030	29,100	25,195	28,777
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(241)	(241)	(241)	(241)
Total other receivables - net	24,789	28,859	24,954	28,536
Total trade and other receivables - net	1,488,612	928,734	1,488,777	928,411

The trade receivables included amounts receivable from several construction projects of which the developers have experienced financial difficulties or are in the process of claim for damages and delayed payments for the construction services provided and some of these projects have been subject to legal actions taken by the Company.

The Company has transferred the calling right for the collections from the construction contract debtors of certain projects to a bank to secure the credit facilities of the Company granted by that bank.

In October 2019, the Company entered into a memorandum with a debtor, for debt settlement of construction costs and interest. The debtor transferred the ownership of 2 plots of land to the Company for partial settlement of debt and interest amounting to Baht 50 million, but the Company also granted the debtor under another contract, the right to buy back these plots of land within 2 years, which is within 25 October 2021, at a buy-back price of Baht 50 million plus interest at the rate of 5 percent per annum, and therefore, the Company has not recorded the plots of land as the Company's assets in 2019.

On 26 October 2020, the Company entered into a new settlement agreement with that debtor to resolve the dispute and settle the construction costs and remaining interest. Moreover, both parties agreed to terminate the land buy-back option, effective from the date of the new settlement agreement, and the debtor issued a promissory note, availed by the director of debtor's company. The Company, therefore, recorded those plots of land as the Company's assets in the fourth quarter of the current year.

During the fourth quarter of current year, the Company has transferred the right of collection per the invoices of trade receivables - unrelated party of Baht 110 million to a bank without recourse condition. According to the transfer right agreement with a bank, the Company receives cash for the whole amount of the invoices transferred and must pay interest as announced by the bank. The Company received payment from such transaction in full amount.

Set out below is the movement in the allowance for expected credit losses of trade and other receivables:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
As at 1 January 2020	30,834	30,834
Allowance for expected credit losses	3,000	3,000
As at 31 December 2020	33,834	33,834

10. Contract assets/Contract liabilities

10.1 Contract balances

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Contract assets				
Unbilled receivables	1,294,356	2,064,315	1,253,921	2,062,786
Retention receivables	457,133	476,351	455,317	476,178
Total contract assets	<u>1,751,489</u>	<u>2,540,666</u>	<u>1,709,238</u>	<u>2,538,964</u>
Contract liabilities				
Construction revenue received in advance	235,282	52,531	235,282	52,531
Advance received from customers	1,281,684	1,494,144	1,279,813	1,492,053
Total contract liabilities	<u>1,516,966</u>	<u>1,546,675</u>	<u>1,515,095</u>	<u>1,544,584</u>

As at 31 December 2020, the total balance of unbilled receivables is expected to be billed within one year (2019: Baht 2,064 million).

10.2 Revenue recognised in relation to contract balances

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue recognised that was included in contract liabilities at the beginning of the year	970,731	538,176	968,640	538,176
Revenue recognised from changes in variable considerations of performance obligations satisfied in previous years	-	452	-	452

10.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2020, revenue aggregating to Baht 11,444 million is expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of contracts with customers (2019: Baht 12,696 million). The Group expects to satisfy the performance obligations within 3 years.

11. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Materials at sites	53,377	72,041	-	-	53,377	72,041
General materials	3,287	3,948	(205)	(291)	3,082	3,657
Spare parts	3,970	4,920	(1,619)	(2,110)	2,351	2,810
Steel and others	743	576	-	(12)	743	564
Total	<u>61,377</u>	<u>81,485</u>	<u>(1,824)</u>	<u>(2,413)</u>	<u>59,553</u>	<u>79,072</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Materials at sites	53,377	72,041	-	-	53,377	72,041
General Materials	2,170	2,924	(205)	(291)	1,965	2,633
Spare parts	3,970	4,920	(1,619)	(2,110)	2,351	2,810
Steel and others	743	576	-	(12)	743	564
Total	<u>60,260</u>	<u>80,461</u>	<u>(1,824)</u>	<u>(2,413)</u>	<u>58,436</u>	<u>78,048</u>

During the current year, the Company reduced cost of inventories by Baht 0.6 million (2019: Baht 1.6 million) to reflect the net realisable value, which was included in cost of construction.

12. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets under buy-back agreement	13,995	49,991	13,995	49,991
Refundable deposits	8,425	7,628	8,013	7,082
Others	52	206	52	279
Total other current assets	<u>22,472</u>	<u>57,825</u>	<u>22,060</u>	<u>57,352</u>

During the year 2019, the Company purchased formwork system of Baht 63 million for use in its operations, with an agreement to buy back within 1 year. The Company amortises such assets over the contract period.

13. Restricted bank deposits and investments

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	<u>2020</u>	<u>2019</u>
Bank deposits	1,546	1,540
Investments in Bank of Thailand bonds	-	13,275
Total	<u>1,546</u>	<u>14,815</u>

As at 31 December 2020, bank deposits carried interest between 0.13 and 0.25 percent per annum (2019: bank deposits and investments in bonds carried interest between 0.80 and 1.69 percent per annum).

The Company pledged its bank deposits to secure credit facilities and letters of guarantees issued by banks on behalf of the Company.

14. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		(Unit: Thousand Baht)	
					Cost	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
			(%)	(%)		
CNT Holdings Limited	Baht 50.0 million	Baht 50.0 million	60	60	1,526,230	1,526,230
Christiani & Nielsen (Myanmar) Limited	USD 0.4 million	USD 0.4 million	100	100	13,336	13,336
Christiani & Nielsen (Cambodia) Co., Ltd.	USD 0.1 million	USD 0.1 million	100	100	3,375	3,375
Christiani & Nielsen Energy Solutions Co., Ltd.	Baht 10.0 million	Baht 10.0 million	85	85	8,500	8,500
Total					<u>1,551,441</u>	<u>1,551,441</u>
Less: Allowance for impairment loss on investment					<u>(1,502,557)</u>	<u>(1,492,717)</u>
Total investments in subsidiaries - net					<u>48,884</u>	<u>58,724</u>

During the year 2020, the Company recorded the allowance for impairment loss on investment in subsidiary of Baht 9.84 million.

Domestic subsidiaries

Christiani & Nielsen Energy Solutions Company Limited

On 11 January 2019, the meeting of the Board of Directors of the Company No.442 passed a resolution to approve the establishment of a subsidiary in Thailand, namely “Christiani & Nielsen Energy Solutions Company Limited” with the registered share capital of Baht 10 million (1,000,000 ordinary shares of Baht 10 each). The Company holds 85 % equity interest in this subsidiary. On 22 January 2019, the subsidiary registered its establishment with the Ministry of Commerce.

CNES D1 Co., Ltd.

On 7 August 2020, the meeting of the Board of Executive Directors of the Company No. 5/2020 passed a resolution approving the establishment of a new company in Thailand, namely “CNES D1 Co., Ltd.”, to be engaged in developing renewable energy based power producing facilities, with the registered share capital of Baht 2 million (20,000 ordinary shares of Baht 100 each). The subsidiary “Christiani & Nielsen Energy Solutions Company Limited” holds 100 % equity interest in this company. The subsidiary registered its establishment with the Ministry of Commerce on 21 September 2020.

Overseas subsidiary

Christiani & Nielsen (Myanmar) Limited

On 9 December 2019, the Company additionally paid for its investment in Christiani & Nielsen (Myanmar) Limited of USD 100,000 (100,000 ordinary shares of USD 1 each). On 16 January 2020, the subsidiary registered the additional issued and paid up share capital with the Directorate of Investment and Company Administration of Myanmar.

15. Other long-term investments

	(Unit: Thousand Baht)	
	31 December 2019	
	Consolidated and Separate financial statements	
	Shareholding percentage	Investments
	(%)	
<u>Other investment - other companies</u>		
Oriental Residence Bangkok Co., Ltd.	0.20	1,000
Gammon Engineers and Contractors Private Limited (GECPL)	10.50	103,950
Total		104,950

16. Other non-current financial assets

	(Unit: Thousand Baht)
	31 December 2020
	Consolidated and Separate financial statements
<u>Equity instruments designated at fair value through other comprehensive income</u>	
Non - listed equity instruments	
Oriental Residence Bangkok Co., Ltd.	-
Gammon Engineers and Contractors Private Limited (GECPL)	106,677
Total other non-current financial assets	106,677

17. Investment properties

	(Unit: Thousand Baht)		
	Consolidated and Separate financial statements		
	Condominium		
	Land	units	Total
Fair value			
1 January 2019	200,416	6,381	206,797
Gain (loss) on fair value adjustment	33,324	(2,601)	30,723
Disposals during the year	(44)	-	(44)
31 December 2019	233,696	3,780	237,476
Additions during the year	50,000	-	50,000
31 December 2020	283,696	3,780	287,476

The fair value of the above investment properties has been determined based on the valuation performed by an independent professional valuer, using the sale comparison approach.

As at 31 December 2020 and 2019, the Company has mortgaged its 8 plots of land with net book value of Baht 167 million with banks to secure the credit facilities of bank overdrafts and loans granted by those banks.

18. Property, plant and equipment

Consolidated financial statements										(Unit: Thousand Baht)
Cost basis										
Revaluation basis		Land improvements	Leasehold buildings	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Assets under construction and installation	Total		
Land	Buildings									
Cost/Revalued amount										
1 January 2019	297,668	313,756	802	1,519,638	149,418	244,098	27,582	2,595,179		
Increase from revaluation	466,952	82,910	-	-	-	-	-	549,862		
Additions	-	2,313	78	169,897	6,699	4,967	582	184,536		
Disposals/write-off	-	-	-	(40,738)	(3,895)	(4,755)	-	(49,388)		
Transfer in (transfer out)	-	178	-	-	-	-	(178)	-		
Translation adjustment	-	-	(61)	(256)	(73)	-	-	(390)		
31 December 2019	764,620	399,157	819	1,648,541	152,149	244,310	27,986	3,279,799		
Reclassification to right-of-use assets	-	-	-	(438,856)	(2,059)	(68,983)	-	(509,898)		
Additions	-	-	-	19,642	2,031	-	-	21,673		
Disposals/write-off	-	-	-	(103,990)	(4,350)	(17,011)	-	(125,351)		
Transfer in (transfer out)	-	24,309	-	36,739	2,059	18,853	(24,309)	57,651		
Translation adjustment	-	-	(3)	(13)	29	-	-	13		
31 December 2020	764,620	423,466	816	1,162,063	149,859	177,169	3,677	2,723,887		

(Unit: Thousand Baht)

Consolidated financial statements									
Revaluation basis			Cost basis						
Land	Buildings	Land improvements	Leasehold buildings	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Assets under construction and installation	Total	
Accumulated depreciation									
1 January 2019	-	75,784	268	943,366	123,967	140,978	-	-	1,326,249
Decrease from revaluation	-	(15,843)	-	-	-	-	-	-	(15,843)
Depreciation for the year	-	7,801	318	168,808	13,666	23,335	-	-	214,259
Depreciation on									
disposals/write-off	-	-	-	(36,931)	(3,645)	(3,761)	-	-	(44,337)
Translation adjustment	-	-	(29)	(143)	(22)	-	-	-	(194)
31 December 2019	-	67,742	557	1,075,100	133,966	160,552	-	-	1,480,134
Reclassification to									
right-of-use assets	-	-	-	(130,769)	(1,512)	(23,039)	-	-	(155,320)
Depreciation for the year	-	9,271	271	89,842	9,614	13,678	-	-	122,676
Depreciation on									
disposals/write-off	-	-	-	(94,120)	(3,930)	(15,240)	-	-	(113,290)
Transfer in (transfer out)	-	-	-	17,595	1,512	8,878	-	-	27,985
Translation adjustment	-	-	(13)	(20)	12	-	-	-	(21)
31 December 2020	-	77,013	815	957,628	139,662	144,829	-	-	1,362,164

(Unit: Thousand Baht)

	Separate financial statements						
	Cost basis						
	Revaluation basis		Land improvements	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Assets under construction and installation
	Land	Buildings					
Accumulated depreciation							
1 January 2019	-	75,784	41,886	942,766	123,709	140,978	-
Decreased from revaluation	-	(15,843)	-	-	-	-	-
Depreciation for the year	-	7,801	331	168,042	13,209	23,335	-
Depreciation on disposals/write-off	-	-	-	(36,931)	(3,645)	(3,761)	-
31 December 2019	-	67,742	42,217	1,073,877	133,273	160,552	-
Reclassification to right-of-use assets	-	-	-	(130,769)	(1,512)	(23,039)	-
Depreciation for the year	-	9,271	-	89,279	9,157	13,678	-
Transfer in (transfer out)	-	-	-	17,595	1,512	8,878	-
Depreciation on disposals/write-off	-	-	-	(93,002)	(3,468)	(15,240)	-
31 December 2020	-	77,013	42,217	956,980	138,962	144,829	-
Allowance for impairment loss							
1 January 2019	-	121	-	6,306	1,946	21	-
Increase during the year	-	2,781	-	-	-	-	-
31 December 2019	-	2,902	-	6,306	1,946	21	-
Increase during the year	-	-	-	(1,654)	-	-	-
31 December 2020	-	2,902	-	4,652	1,946	21	-
							8,394
							2,781
							11,175
							(1,654)
							9,521

(Unit: Thousand Baht)

Separate financial statements							
Cost basis							
Revaluation basis		Land	improvements	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Assets under construction and installation
Land	Buildings						Total
Net book value							
31 December 2019	764,620	328,513	-	565,252	14,741	83,737	1,784,849
31 December 2020	764,620	343,551	-	201,297	7,403	32,319	1,352,867
Depreciation for the year							
2019 (Baht 194 million included in cost of construction, and the balance in administrative expenses)							212,718
2020 (Baht 107 million included in cost of construction, and the balance in administrative expenses)							121,385

The Company arranged for an independent professional valuer to reappraise the value of its land and buildings on 3 and 5 July 2019 using the sale comparison approach for land and the depreciated replacement cost approach for buildings. The results of which showed an increase in the net book value of the land and buildings of Baht 467 million and Baht 99 million, respectively. The Company recorded the resulting revaluation increase in other comprehensive income and the cumulative increase is recognised as the “Revaluation surplus on assets” in the shareholders’ equity.

Had the land and buildings been carried in the financial statements on historical cost basis, their net book values as of 31 December 2020 would have been approximately Baht 298 million and Baht 226 million, respectively (2019: Baht 298 million and Baht 208 million, respectively).

As at 31 December 2019, the Company had machinery, vehicles and equipment under finance lease agreements with net book value amounting to Baht 355 million.

As at 31 December 2020, certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 1,060 million (2019: Baht 942 million).

As at 31 December 2020, the Company has mortgaged its 9 plots of land and construction thereon with net book value of approximately Baht 1,036 million (2019: 9 plots of land with net book value of approximately Baht 1,044 million) with banks to secure the short-term and long-term credit facilities granted by those banks.

19. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Computer software - cost	33,462	31,771	33,397	31,706
Less: Accumulated amortisation	(9,512)	(6,070)	(9,479)	(6,050)
Net book value	<u>23,950</u>	<u>25,701</u>	<u>23,918</u>	<u>25,656</u>

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	25,701	19,855	25,656	19,841
Additions	1,691	7,991	1,691	7,951
Disposals and write off during the year - net book value at disposal and write off date	-	(75)	-	(75)
Amortisation for the year	(3,443)	(2,070)	(3,429)	(2,061)
Translation adjustment	1	-	-	-
Net book value at end of year	<u>23,950</u>	<u>25,701</u>	<u>23,918</u>	<u>25,656</u>

20. Bank overdrafts and short-term loans from financial institutions

As at 31 December 2019, the Company had short-term loans from financial institutions of Baht 400 million in the form of promissory notes, which were repayable in January 2020 and bear interest at the rate of 2.85 and 2.90 percent per annum. In January 2020, the Company repaid these short-term loans.

As at 31 December 2020, the Company had credit facilities for bank overdrafts and short-term loans from the local banks of Baht 345 million (2019: Baht 345 million). The facilities are secured by the pledge of the bank deposits as discussed in Note 13 and the mortgage of plots of land and construction thereon as discussed in Note 17 and 18. The loan agreements contain covenants that, among other things, require the Company to maintain certain financial ratios such as net interest bearing debt to equity ratio.

21. Trade and other payables

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade and other payables				
Related party	-	136	635	136
Unrelated parties	1,148,744	1,212,255	1,138,996	1,204,243
Related person	500	-	-	-
Accrued construction costs				
Related party	-	-	1,608	-
Unrelated parties	792,527	645,211	767,144	644,695
Accrued expenses				
Related party	-	-	432	-
Unrelated parties	35,499	50,786	33,903	48,044
Total trade and other payables	<u>1,977,270</u>	<u>1,908,388</u>	<u>1,942,718</u>	<u>1,897,118</u>

22. Leases**The Group as a lessee**

The Group has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 3 - 4 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

	(Unit: Thousand Baht) Consolidated financial statements			
	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Total
1 January 2020	308,087	547	67,294	375,928
Additions	-	-	16,011	16,011
Disposals	(1,846)	-	-	(1,846)
Transfer out	(19,144)	(547)	(9,975)	(29,666)
Depreciation for the year	(60,081)	-	(18,623)	(78,704)
31 December 2020	<u>227,016</u>	<u>-</u>	<u>54,707</u>	<u>281,723</u>

(Unit: Thousand Baht)

	Separate financial statements			
	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Total
1 January 2020	308,087	547	61,494	370,128
Additions	-	-	16,011	16,011
Disposals	(1,846)	-	-	(1,846)
Transfer out	(19,144)	(547)	(9,975)	(29,666)
Depreciation for the year	(60,081)	-	(17,418)	(77,499)
31 December 2020	227,016	-	50,112	277,128

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Lease payments	191,604	307,497	186,682	307,497
Less: Deferred interest expenses	(5,853)	(11,964)	(5,527)	(11,964)
Total	185,751	295,533	181,155	295,533
Less: Portion due within one year	(111,909)	(136,302)	(110,607)	(136,302)
Lease liabilities - net of current portion	73,842	159,231	70,548	159,231

A maturity analysis of lease payments is disclosed in Note 37 under the liquidity risk.

c) Expenses relating to leases that are recognised in the income statement

(Unit: Thousand Baht)

	For the year ended 31 December 2020	
	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	78,704	77,499
Interest expense on lease liabilities	8,594	8,390
Expense relating to short-term leases	6,842	5,290
Expense relating to leases of low-value assets	10,668	10,668
Expense relating to variable lease payments	115,241	115,241

The Group has lease contracts for machinery, tools and equipment and scaffolding that contains variable payments based on volume and hourly usage. The lease term is between 1 to 22 months.

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 288.3 million, including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of 16 million.

23. Long term loans

			(Unit: Thousand Baht)
Credit line	Interest rate	Repayment schedule	Consolidated and Separate financial statements
(Million Baht)	(% per annum)		<u>2019</u>
160	BIBOR + 2.625	Monthly installment of Baht 1.9 million of which the first installment is due after 13 months from the first withdrawal on 23 August 2013	38,400
Less: Current portion			(38,400)
Long-term loans - net			-

As at 31 December 2019, long-term loans are secured by the mortgage of part of land and construction thereon as discussed in Note 18. The loan agreements contain covenants which, among other things, require the Company to maintain net interest bearing debt-to-equity and debt service coverage ratios at the rate prescribed in the agreements.

24. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits at beginning of year	162,165	124,244
Included in income statement:		
Current service cost	15,146	14,539
Interest cost	4,453	3,955
Past service costs (curtailment)	(12,025)	30,352
Included in other comprehensive income:		
Actuarial loss arising from		
Demographic assumptions changes	4,740	-
Financial assumptions changes	17,305	-
Experience adjustments	3,780	-
Benefits paid during the year	(9,741)	(10,925)
Provision for long-term employee benefits at end of year	<u>185,823</u>	<u>162,165</u>

The Company expects to pay Baht 2.4 million of long-term employee benefits during the next year (2019: Baht 9.7 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefits is 15 years (2019: 15.8 years).

Significant actuarial assumptions are summarised below.

	(Unit: Percent per annum)	
	Consolidated and Separate financial statements	
	<u>2020</u>	<u>2019</u>
Discount rate	0.5 - 2.8	1.8 - 4.3
Salary increase rate	3.0 - 6.0	3.0 - 8.0
Staff turnover rate	0.0 - 18.0	0.0 - 18.0

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below.

(Unit: Thousand Baht)

	Consolidated and Separate financial statements			
	2020		2019	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(17,272)	19,610	(14,438)	16,677
Salary increase rate	19,339	(16,997)	19,653	(17,190)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Staff turnover rate	(7,905)	8,931	(9,796)	11,287

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law was effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company has additional long-term employee benefit liabilities of Baht 30 million (The Company only: Baht 30 million) as a result. The Company reflected the effect of the change by recognising past service costs as expenses in the income statement of the year 2019.

25. Share capital

On 22 April 2019, the Annual General Meeting of the Company's shareholders No. 86 passed a resolution approving the change of the Company's registered share capital from Baht 1,102,904,144 (1,102,904,144 ordinary shares of Baht 1 each) to Baht 1,027,904,144 (1,027,904,144 ordinary shares of Baht 1 each) by cancelling the 75,000,000 authorised but unissued ordinary shares, at a par value of Baht 1 and passed a resolution to increase the Company's registered share capital from Baht 1,027,904,144 (1,027,904,144 ordinary shares of Baht 1 each) to Baht 1,102,904,144 (1,102,904,144 ordinary shares of Baht 1 each) through the issuance of 75,000,000 new ordinary shares of Baht 1 each. The Company registered the change in its registered share capital with the Ministry of Commerce on 7 May 2019.

On 15 July 2020, the Annual General Meeting of the Company's shareholders No. 87 passed a resolution approving the change of the Company's registered share capital from Baht 1,102,904,144 (1,102,904,144 ordinary shares of Baht 1 each) to Baht 1,027,904,144 (1,027,904,144 ordinary shares of Baht 1 each) by cancelling the 75,000,000 authorised but unissued ordinary shares, at a par value of Baht 1 and passed a resolution to increase the Company's registered share capital from Baht 1,027,904,144 (1,027,904,144 ordinary shares of Baht 1 each) to Baht 1,102,904,144 (1,102,904,144 ordinary shares of Baht 1 each) through the issuance of 75,000,000 new ordinary shares of Baht 1 each. The Company registered the change in its registered share capital with the Ministry of Commerce on 23 and 24 July 2020.

26. Revaluation surplus on assets

This represents surplus arising from revaluation of land and buildings. The surplus from revaluation of buildings is amortised to retained earnings on a straight-line basis over the remaining useful lives of the related buildings.

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2020</u>	<u>2019</u>
Balance - beginning of year	589,781	25,401
Additions	-	565,705
Less: Amortisation during the year	(2,636)	(1,325)
Balance - end of year	<u>587,145</u>	<u>589,781</u>

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

27. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

During the year 2020, the Company set aside Baht 3.7 million as statutory reserve (2019: Baht 4.5 million).

28. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Subcontractors	3,842,791	2,869,632	3,848,601	2,867,107
Construction materials	1,109,610	1,844,532	1,109,406	1,838,541
Salaries and wages and other employee benefits	1,376,782	1,685,850	1,314,846	1,674,716
Depreciation and amortisation	204,823	216,329	202,313	214,779

29. Finance cost

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest expenses on borrowings	11,101	7,403	11,362	8,145
Interest expenses on lease liabilities	8,594	10,925	8,390	10,925
Others	3,807	3,177	3,548	3,140
Total	23,502	21,505	23,300	22,210

30. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	-	-	-	-
Adjustment in respect of income tax of previous year	193	(457)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	5,778	15,306	5,778	15,306
Income tax expenses reported in the income statements	5,971	14,849	5,778	15,306

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax relating to				
Revaluation surplus on assets	-	113,141	-	113,141
Loss from the change in value of financial assets measured at FVOCI	(2,589)	-	(2,589)	-
Actuarial loss	(5,165)	-	(5,165)	-
Income tax recognised in other comprehensive income	<u>(7,754)</u>	<u>113,141</u>	<u>(7,754)</u>	<u>113,141</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	<u>81,985</u>	<u>85,296</u>	<u>78,792</u>	<u>104,311</u>
Applicable tax rate	20%, 25%	20%, 25%	20%	20%
Accounting profit before tax multiplied by income tax rate	16,333	16,946	15,758	20,862
Adjustment in respect of income tax of previous year	193	(457)	-	-
Effects of:				
Non-deductible expenses	2,873	234	2,641	227
Additional expense deductions allowed	(2,234)	(9,833)	(2,234)	(9,833)
Income not subject to tax	-	16	-	16
Utilisation of tax loss carry forward	(9,355)	-	(8,615)	-
Unrecognised deductible temporary differences and unused tax loss (utilised)	(1,839)	7,943	(1,772)	4,034
Total	<u>(10,555)</u>	<u>(1,640)</u>	<u>(9,980)</u>	<u>(5,556)</u>
Income tax expenses reported in the income statements	<u>5,971</u>	<u>14,849</u>	<u>5,778</u>	<u>15,306</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position as at 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Estimated expenses for construction projects	43,569	38,597	43,569	38,597
Provision for long-term employee benefits	37,165	32,433	37,165	32,433
Unused tax losses	37,598	37,758	37,598	37,758
Others	3,786	4,628	4,045	4,628
Total	<u>122,118</u>	<u>113,416</u>	<u>122,377</u>	<u>113,416</u>
Deferred tax liabilities				
Accumulated depreciation - plant and equipment	(45,477)	(9,705)	(21,806)	(9,705)
Revaluation surplus on assets	(124,588)	(149,412)	(148,518)	(149,412)
Lease	(1,105)	(2,393)	(1,105)	(2,393)
Total	<u>(171,170)</u>	<u>(161,510)</u>	<u>(171,429)</u>	<u>(161,510)</u>
Net deferred tax liabilities	<u>(49,052)</u>	<u>(48,094)</u>	<u>(49,052)</u>	<u>(48,094)</u>

As at 31 December 2020, the Group has deductible temporary differences and unused tax losses totaling Baht 242 million (2019: Baht 386 million) (the Company only: Baht 1,723 million, 2019: Baht 1,856 million), on which deferred tax assets have not been recognised as the management believes that the Company's and its subsidiaries' future taxable profits may not be sufficient to allow utilisation of such deductible temporary differences and unused tax losses.

Details of expiry dates of unused tax losses for which the Group did not record deferred tax assets are summarised below.

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
31 December 2020	-	101	-	99
31 December 2021	1	1	-	-
31 December 2022	1	1	-	-
31 December 2023	176	173	175	173
31 December 2024	19	65	-	45
Total	197	341	175	317

31. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

32. Dividend paid

For the year ended 31 December 2020, the Company had dividend payments as follows:

Dividends	Approved by	Total Dividends (Thousand Baht)	Dividend per share (Baht)	Paid on
<u>2020</u>				
Interim dividends from the 2019 profit	The meeting of the Company's Board of Directors No. 449 on 13 April 2020	41,115	0.04	12 May 2020
		<u>41,115</u>	<u>0.04</u>	

33. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Managing Director.

For management purposes, the Group is organised into business units based on types of revenues and has 2 reportable segments as follows:

- Main operating segment in the construction services, with operations carried in Thailand, Myanmar and Cambodia. However, at present the operations in Myanmar and Cambodia are insignificant.
- Sales and service segment to provide energy solutions in solar, wind and other renewable energy sectors, with operation carried in Thailand. However, at present the operation of this segment is insignificant.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical areas.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Major customers

For the year 2020, the Company had revenue from 3 major customers in the amount of Baht 3,367 million, arising from general construction (2019: Baht 2,298 million derived from 3 customers).

34. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5 - 15 percent of basic salary depending on the employees' length of service. The fund, which is managed by SCB Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 of Baht 19 million (2019: Baht 20 million) were recognised as expenses.

35. Commitments and contingent liabilities

35.1 Service and other commitments

As at 31 December 2020, the Company had commitments in respect of subcontractor agreements payable in the future of approximately Baht 4,386 million (2019: Baht 5,779 million).

35.2 Guarantees

- a) As at 31 December 2020, the Company had issued letters of guarantees of approximately Baht 31 million (2019: Baht 52 million), mainly in respect of contractual performance and advance payments.
- b) As at 31 December 2020 and 2019, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business of the Group. The details of bank guarantees are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Project tender	129	318	129	318
Advances	1,891	1,945	1,889	1,945
Contractual performance	1,539	1,438	1,532	1,438
Retention	325	453	325	444
Payments due to creditors	123	124	123	124
Tax refund	786	865	786	865
Total	<u>4,793</u>	<u>5,143</u>	<u>4,784</u>	<u>5,134</u>

- c) As at 31 December 2020, the Company issued letters of guarantee to a subsidiary's financial institution to guarantee credit limit of bank overdraft, short-term loan, letters of guarantees, promissory notes, credit instruments, credit for import and export on behalf of its subsidiary totaling Baht 343 million.

As at 31 December 2019, the Company had the credit utilisation agreements with a financial institution for the standby letter of credit facilities of approximately Baht 9.3 million to guarantee contractual performance.

35.3 Litigation

- a) In 2015, the Company was sued by a subcontractor claiming compensation of Baht 235 million for breach of contract. The Company's opinion was that it did not commit the breach claimed, and on 16 July 2015, it filed a counterclaim with the Court, claiming compensatory damages of Baht 632 million.

On 23 March 2017, the Civil Court rendered judgment ordering the Company to pay Baht 101 million plus interest of 7.5 percent per annum and return the letter of advance guarantee to the subcontractor and ordering the subcontractor to make a payment of Baht 105 million plus interest of 7.5 percent per annum to the Company. In 2018, the Company and the subcontractor lodged their respective appeals with the Appellate Court.

On 18 September 2018, the Appellate Court rendered its judgment ordering the Company to pay Baht 76.5 million for the works done by the subcontractor and retention plus interest of 7.5 percent per annum and Baht 0.2 million per month for bank guarantee fees to the subcontractor, and to return the letter of guarantee to the subcontractor. The Appellate Court also ordered the subcontractor to repay the advance paid by the Company of Baht 50.4 million. The Company filed an appeal against the Appellate Court's judgment with the Supreme Court.

On 22 December 2020, the Supreme Court rendered its judgment ordering the Company to pay Baht 90.28 million for the works done by the subcontractor and retention, and ordering the subcontractor to repay the Company the advance paid by the Company of Baht 50.4 million by setting off with the debt. Therefore, the net balance payable by the Company was Baht 39.9 million, plus interest of 7.5 percent per annum from the date of filing (7 May 2015). The Company is also to return the letter of guarantee to the subcontractor, together with bank guarantee fees of Baht 0.2 million per month.

- b) In March 2018, the Company initiated arbitration proceedings under the Thai Arbitration Institute (“TAI”) against one of its customers for recovery of wrongfully withheld sums of money due and payable to the Company, as well as seeking payment of costs associated with an extension of time, totaling approximately Baht 410 million. The customer brought a counterclaim against the Company, seeking alleged damages of approximately Baht 449 million. During the year 2018, the Company set up an allowance for doubtful accounts of approximately Baht 213 million for the estimated losses that may be incurred in collection of receivables from this customer.

Pursuant to settlement discussions commenced between the Company and the customer in the early part of the year 2019, a settlement agreement was signed by and between the two parties on 15 March 2019 (the “Settlement Agreement”) in full settlement of all claims and counterclaims of the respective parties. The terms of the Settlement Agreement included withdrawal of all claims and counterclaims by the parties at the TAI and in the Court, return of bank bonds and some materials used in construction and payment of Baht 64.2 million (including VAT) to the Company. During the year 2019, the payment was received and all other settlement actions were also completed by both parties and therefore, this dispute is now closed. Accordingly, the Company made the necessary adjustments in the year 2019 to the receivable balances and allowance for doubtful accounts based on the amount settled.

36. Fair value hierarchy

As at 31 December 2020 and 2019, the Company had assets that were measured at fair value based on levels of inputs as follows:

	(Unit: Thousand Baht)				
	Consolidated and Separate financial statements				
	2020			2019	
	Level 2	Level 3	Total	Level 2	Total
Assets measured at fair value					
Financial assets measured at FVOCI					
Non-listed equity instrument	-	106,667	106,667	-	-
Land	764,620	-	764,620	764,620	764,620
Buildings	343,551	-	343,551	328,513	328,513
Investment properties	287,476	-	287,476	237,476	237,476

37. Financial instruments

37.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivables, loans and deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentration of credit risk since it has a large customer base in various industries.

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

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risks comprising foreign currency risk and interest rate risk.

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from service payment transactions that are denominated in foreign currencies, which are currently not hedged by any derivative financial instruments. However, the balances of financial assets and liabilities denominated in foreign currencies are insignificant, the foreign currency risk is expected to be minimal.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its investments, loans and borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

Unit: Million Baht)

	As at 31 December 2020					
	Consolidated financial statements					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	-	-	196	43	239	0.05 - 0.50
Trade and other receivables	-	-	-	1,489	1,489	
Restricted bank deposits	2	-	-	-	2	0.125 - 0.25
	<u>2</u>	<u>-</u>	<u>196</u>	<u>1,532</u>	<u>1,730</u>	
Financial liabilities						
Short-term loans from financial institutions	40	-	-	-	40	4.75 - 5.88
Short-term loans from related parties	5	-	-	-	5	4.95
Trade and other payables	-	-	-	1,977	1,977	
Lease liabilities	112	74	-	-	186	0.67 - 8.16
	<u>157</u>	<u>74</u>	<u>-</u>	<u>1,977</u>	<u>2,208</u>	

(Unit: Million Baht)

As at 31 December 2020

Separate financial statements

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	-	-	120	6	126	0.05 - 0.50
Trade and other receivables	-	-	-	1,489	1,489	
Loan to related party	19	-	-	-	19	4.00
Restricted bank deposits	2	-	-	-	2	0.125 - 0.25
	<u>21</u>	<u>-</u>	<u>120</u>	<u>1,495</u>	<u>1,636</u>	
Financial liabilities						
Trade and other payables	-	-	-	1,943	1,943	
Lease liabilities	111	70	-	-	181	0.67 - 8.16
	<u>111</u>	<u>70</u>	<u>-</u>	<u>1,943</u>	<u>2,124</u>	

(Unit: Million Baht)

As at 31 December 2019

Consolidated financial statements

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	-	-	175	7	182	0.10 - 1.30
Trade and other receivables	86	-	-	843	929	5.00
Loans to related parties	1	-	-	-	1	3.00
Restricted bank deposits and investments	15	-	-	-	15	0.80 - 1.69
	<u>102</u>	<u>-</u>	<u>175</u>	<u>850</u>	<u>1,127</u>	
Financial liabilities						
Bank overdraft and short-term loans from financial institutions	401	-	-	-	401	2.85 - 2.90
Trade and other payables	-	-	-	1,908	1,908	-
Liabilities under financial lease agreements	136	159	-	-	295	0.67 - 8.16
Long-term loans	23	15	-	-	38	BIBOR+2.625
	<u>560</u>	<u>174</u>	<u>-</u>	<u>1,908</u>	<u>2,642</u>	

(Unit: Million Baht)

As at 31 December 2019						
Separate financial statements						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	-	-	98	3	101	0.10 - 1.30
Trade and other receivables	86	-	-	842	928	5.00
Loan to related party	7	-	-	-	7	4.00
Restricted bank deposits and investments	15	-	-	-	15	0.80 - 1.69
	<u>108</u>	<u>-</u>	<u>98</u>	<u>845</u>	<u>1,051</u>	
Financial liabilities						
Short-term loans from financial institutions	400	-	-	-	400	2.85 - 2.90
Trade and other payables	-	-	-	1,897	1,897	-
Liabilities under financial lease agreements	136	159	-	-	295	0.67 - 8.16
Long-term loans	23	15	-	-	38	BIBOR+2.625
	<u>559</u>	<u>174</u>	<u>-</u>	<u>1,897</u>	<u>2,630</u>	

Liquidity risk

The Group manages the risk of a shortage of liquidity through the use of bank overdrafts, loans and lease contracts. Approximately 4% of the Group's debt will mature in less than one year at 31 December 2020 (2019: 12%) (the Company only: 3%, 2019: 12%) based on the carrying value of total liabilities reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans					
from financial institutions	40,279	-	-	-	40,279
Short-term loans from related party	4,500	-	-	-	4,500
Trade and other payables	-	1,977,270	-	-	1,977,270
Lease liabilities	-	115,922	75,682	-	191,604
Total non-derivatives	44,779	2,093,192	75,682	-	2,213,653

(Unit: Thousand Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	1,942,718	-	-	1,942,718
Lease liabilities	-	114,528	72,154	-	186,682
Total non-derivatives	-	2,057,246	72,154	-	2,129,400

37.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Group to estimate the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable, loan to related party, accounts payable and short-term loans from institutions and related party, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

During the current year, there were no transfers within the fair value hierarchy.

37.3 Reconciliation of recurring fair value measurements, of financial assets, categorised within Level 3 of the fair value hierarchy.

	(Unit: Thousand Baht)
	Consolidated and Separate financial statement
	Non-listed equity instrument
Balance as of 1 January 2020	104,950
Adjustment from adoption of financial reporting standards relating to financial instruments (Note 4)	14,673
Balance as of 1 January 2020 - as adjusted	119,623
Loss recognised into other comprehensive income	(12,946)
Balance as of 31 December 2020	<u>106,677</u>

38. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

The Group manages its capital position by reference to its debt-to-equity ratio. As at 31 December 2020, the Group's debt-to-equity ratio was 2.02:1 (2019: 2.22:1) and the Company's was 2.00:1 (2019: 2.22:1).

39. Events after the reporting period

On 25 February 2021, the meeting of the Company's Board of Directors No. 455 passed a resolution approving the payment of dividend from the 2020 operating profit of Baht 0.05 per share, or a total dividend of approximately Baht 51.40 million. The payment of dividend will be proposed for approval in the Annual General Meeting of the Company's shareholders No.88 later.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2021.

ATTACHMENT

Detail Board of Directors, Executives, Controlling Person, Corporate Secretary, Person Supervising Accounting, and Head of Internal Audit Department, Secretary to Audit and Corporate Governance Committee





BOARD OF DIRECTORS



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1 MR. SANTI GRACHANGNETARA

- Chairman of the Board of Director
- Independent Director

2 MR. KIRIT SHAH

- Vice Chairman
- Director
- Executive Director
- Nomination Committee Member
- Remuneration Committee Member

3 MR. KHUSHROO KALI WADIA

- Director
- Executive Director
- Risk Management Committee Member
- Managing Director

4 MR. SURASAK OSATHANUGRAHA

- Director and Company Secretary
- Executive Director
- Risk Management Committee Member
- Assistant to Managing Director (Finance and Accounting)

5 MR. ISHAAN SHAH

- Director
- Executive Director

6 MR. VITES RATANAKORN

- Director
- Executive Director
- Operations Director



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7 MR. KASEMSIT PATHOMSAK

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

8 MR. KRIS THIRAKAOSAL

- Independent Director
- Audit and Corporate Governance Committee Member
- Nomination Committee Member
- Remuneration Committee Member

9 MS. NAMPUNG WONGSMITH

- Independent Director
- Chairperson of Risk Management Committee
- Audit and Corporate Governance Committee Member

10 MR. SUPHON TUBTIMCHAROON

- Independent Director

11 MR. JOHN SCOTT HEINECKE

- Director

12 MR. SURIYON TUCHINDA

- Independent Director
- Audit and Corporate Governance Committee Member



BOARD OF DIRECTORS – PROFILE

MR. SANTI GRACHANGNETARA

Position	Chairman of the Board of Directors Independent Director
Date of appointment on the board	10 April 2008
Age	76 years
Education	Master of Engineering, Cambridge University, United Kingdom Bachelor of Engineering, Cambridge Company Director University, United Kingdom
Training	
• 2005	Thai Institute of Directors (IOD) Director Accreditation Program (DAP)
Work Experience	
• Feb, 2021 – Present	Chairman of the Board of Directors, Independent Director
• Apr, 2017 – Feb, 2021	Chairman of the Board of Directors
• 2012 – Apr, 2017	Chairman of the Board of Directors, Executive Chairman
• 2008 – 2012	Chairman of the Board of Directors
• 2001 – 2007	Chairman of the Board of Directors, Chief Executive Officer
• 1999 – 2001	Director and Chief Executive Officer Christiani & Nielsen (Thai) Public Company Limited
• Jun, 2012 – Apr, 2020	Director, CNT Holdings Limited
• 1993 – 1997	Managing Director One Holding PCL & Subsidiary Companies
Occupation	Chairman of the Board of Directors Christiani & Nielsen (Thai) Public Company Limited

Directorship and positions held in other companies and other organizations

- Connected Companies
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Non-Connected Companies
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other Organizations : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. KIRIT SHAH

Position	Vice Chairman Director Executive Director Nomination Committee Member and Remuneration Committee Member
Date of appointment on the board	11 November 2011
Age	67 years
Education	Bachelor's Degree in Commerce from H.R. College of Commerce, Bombay, India
Training	
• 2005	Graduate member of Thai Institute of Directors (IOD) Director Certification Program (DCP), Class 57/2005
Work Experience	
• Aug, 2014 - Present	Vice Chairman Director Executive Director Nomination Committee Member and Remuneration Committee Member
• 2011 - Aug, 2014	Vice Chairman Director Nomination Committee Member and Remuneration Committee Member Christiani & Nielsen (Thai) Public Company Limited
• 2018 - Present	Director, Gammon Engineering and Contractors Private Limited, India
• 2007 - Present	Director and Remuneration Committee Member
• 1989 - 2002	Director, Precious Shipping Public Company Limited
• Present	Director, MJets Limited
• Present	Director, Maxwin Builders Ltd.
• Present	Director, Mega Lifesciences Public Company Limited
• Present	Director, Globex Corporation Limited
• Present	Director, Unistretch Limited
• Present	Director, Maestro Controls Limited
• Present	Executive Director, Graintrade Limited
• Present	Director, Premthai International Limited
• Present	Director, Southern LPG Limited, India
• Present	Director, International Seaports (Haldia) Private Limited, India
• 1999 - 2003	Vice Chairman and Executive Director, Phoenix Pulp and Paper PCL
• 1980 - 2003	Managing Director, G. Premjee Limited
Occupation	Company Director

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies :
Director and Remuneration Committee Member
Precious Shipping Public Company Limited*
 - Non-Listed Companies :
 1. Director, Globex Corporation Limited
 2. Director, Unistretch Limited
 3. Director, MJets Limited
 4. Director, Maxwin Builders Ltd.*
 5. Director, Maestro Controls Limited*
 6. Director, Gammon Engineering and Contractors Private
Limited, India
- Non-Connected Companies
 - Listed Companies :
Director, Mega Lifesciences Public Company Limited
 - Non-Listed Companies:
 1. Executive Director, Graintrade Limited
 2. Director, Premthai International Limited
 3. Director, Southern LPG Limited, India
 4. Director, International Seaports (Haldia) Private Limited, India
- Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other Organizations : Nil

***Note:** Please refer to "CONNECTED TRANSACTIONS" on page 134 - 135 of this Annual Report.

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

Mr.Kirit Shah is the father of Mr. Ishaan Shah and Ms. Nichita Shah but has no family relationship with any of the other Directors or any the Management Team.

MR. KHUSHROO KALI WADIA

Position	Director Executive Director Risk Management Committee Member and Managing Director
Date of appointment on the board	11 November 2011
Age	58 years
Education	Bachelor of Science (Statistics, Mathematics and Economics), University of Bombay Chartered Accountant, Institute of Chartered Accountants of India
Training	
• 2005	Graduate member of Thai Institute of Directors (IOD) Director Certification Program (DCP) Class 64/2005
Work Experience	
• Nov. 2013 - Present	Managing Director and Executive Director Christiani & Nielsen (Thai) Public Company Limited
• Apr. 2019 - Present	Director, Christiani & Nielsen Energy Solutions Company Limited
• 2018 - Present	Director, Gammon Engineering and Contractors Private Limited, India
• 2017 - Present	Chairman of the Board of Directors, Christiani & Nielsen (Cambodia) Co., Ltd.
• 2016 - Present	Managing Director, Christiani & Nielsen (Myanmar) Limited
• 1994 - Present	Executive Director and Director, Maxwin Builders Ltd.
• 1999 - Apr. 2019	Director (Finance) and Executive Director Precious Shipping Public Company Limited
• 1997 - 1998	Vice President (Finance & Administration), Suretex Limited
• 1994 - 1999	Director (Finance and Accounts), Maxwin Group of Companies
• 1990 - 1994	Financial Controller, Maxwin Group of Companies
• 1998 - 1990	Assistant Manager, A.F. Ferguson & Co.
Occupation	Managing Director, Christiani & Nielsen (Thai) Public Company Limited Executive Director, Maxwin Builders Ltd.

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies :
Director, Precious Shipping Public Company Limited*
 - Non-Listed Companies:
 1. Executive Director and Director, Maxwin Builders Ltd.*
 2. Director, The Atrium Hotel Ltd.
- Non-Connected Companies :
 - Listed Companies: Nil
 - Non-Listed Companies: Nil
- Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies: Nil
 - Non-Listed Companies:
 1. Director, CNT Holdings Limited*
 2. Managing Director, Christiani & Nielsen (Myanmar) Limited
 3. Chairman of the Board of Directors, Christiani & Nielsen (Cambodia) Co. Ltd.
 4. Director, Gammon Engineering and Contractors Private Limited, India
 5. Director, Christiani & Nielsen Energy Solutions Company Limited*
 6. Director, CNES D1 Company Limited
- Other Organizations : Nil

*Note: Please refer to "CONNECTED TRANSACTIONS" on page 134 - 135 of this Annual Report.

No. of Shares held (shares) as of year ended 2020

• By himself : As of 1 January 2020	: 1,000,000
Acquisition in 2020	: 2,088,200
Increase (Decrease) in 2020	: 2,088,200
As of 31 December 2020	: 3,088,200
• By his spouse and minor children (if any)	: Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. SURASAK OSATHANUGRAHA

Position	Director and Company Secretary Executive Director Risk Management Committee Member and Assistant to Managing Director (Finance and Accounting)
Date of appointment on the board	1 December 2009
Age	52 years
Education	Master of Finance, Chulalongkorn University Bachelor of Laws, Chulalongkorn University Bachelor in Accountancy, Assumption University Certified Public Accountant (CPA) No. 8290
Training	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> • 2015 Anti-Corruption: The Practical Guide (ACPG 19/2015) • 2012 Company Reporting Program (CRP 4/2012) • 2012 Director Certification Program (DCP 157/2012) • 2010 Company Secretary Program (CSP 34/2010)
Accounting Training	<ul style="list-style-type: none"> • 2020 TFRS Course 9 (for Non-Financial Institutions) - 7 hrs. TFRS Course 16 Lease Agreement - 7 hrs. NYC Management Co., Ltd. Tax Course for Accountants and Systematic Taxation - 6 hrs. Dharmniti Training and Seminar Co., Ltd. Basic employee benefit, Class 2/20 - 6 hrs. Federation of Accounting Professions The Thai Patronage of His Majesty the King
Work Experience	<ul style="list-style-type: none"> • Sep. 2012 - Present Assistant to Managing Director (Finance and Accounting) Executive Director • 2009 - Aug. 2012 Assistant to Chief Executive Officer Christiani & Nielsen (Thai) Public Company Limited Director, Christiani & Nielsen (Cambodia) Co. Ltd. Director, Christiani & Nielsen (Myanmar) Limited Vice President-Internal Audit Natural Park PCL Managing Director, Park Cuisine Co., Ltd. (Natural Park PCL's subsidiary) Managing Director, Park Gourmet Co., Ltd. (Natural Park PCL's subsidiary) • 2000 - 2004 Assistant Vice President (Financial Planning & Budgeting Division) Bank of Asia (ABN AMRO Member), UOB Bank • 1994 - 2000 Accounting Manager, Tax Advisor & Attorney-at-law George & Killeen P.C. Ltd.

Occupation	Assistant to Managing Director (Finance and Accounting) Christiani & Nielsen (Thai) Public Company Limited
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Directorship and positions held in other companies and other organizations

- Connected Companies
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Non-Connected Companies
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies :
 1. Director, CNT Holdings Limited*
 2. Director, Christiani & Nielsen (Myanmar) Limited
 3. Director, Christiani & Nielsen (Cambodia) Co. Ltd.
- Other Organizations : Nil

***Note:** Please refer to "CONNECTED TRANSACTIONS" on page 134 - 135 of this Annual Report.

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
 - By his spouse and minor children (if any) : Nil
- No family relationship with any of the other Directors or any of the Management Team.

MR. ISHAAN SHAH

Position	Director Executive Director
Date of appointment on the board	10 April 2012
Age	32 years
Education	Bachelor of Science in Business Administration, Concentration in Finance and Law, University of Southern California, Los Angeles, USA
Training	
• 2011	Thai Institute of Directors (IOD) Director Certification Program (DCP)
Work Experience	
• Aug, 2014 - Present	Director Executive Director
• Apr, 2012 - Aug, 2014	Director Christiani & Nielsen (Thai) Public Company Limited
• Sep, 2020 - Present	Director, CNES D1 Company Limited
• 2016 - Present	Director, Christiani & Nielsen (Myanmar) Limited
• 2011 - Present	Director, Precious Shipping Public Company Limited
• 2008 - Present	Director, Globex Corporation Limited
• 2008 - Present	Director, Maxwin Builders Limited
• 2008 - Present	Director, Ambika Tour Agency Limited
• Present	Director, Mega Lifesciences Public Company Limited
• Present	Director, Geepee Air Service Limited
• Present	Director, Graintrade Limited
• Present	Director, Unistretch Limited
• Present	Director, Maestro Controls Limited
• Present	Director, InsurExcellence Life Insurance Brokers Limited
• Present	Director, InsurExcellence Insurance Brokers Limited
• Present	Director, CE Lime (Thailand) Limited

Occupation Company Director

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies :
Director, Precious Shipping Public Company Limited*
 - Non-Listed Companies :
 1. Director, Globex Corporation Limited
 2. Director, Unistretch Limited
 3. Director, Maxwin Builders Limited*
 4. Director, Ambika Tour Agency Limited
 5. Director, Maestro Controls Limited*
 6. Director, CE Lime (Thailand) Limited*
- Non-Connected Companies
 - Listed Companies:
Director, Mega Lifesciences Public Company Limited
 - Non-Listed Companies :
 1. Director, Geepee Air Service Limited
 2. Director, Graintrade Limited
 3. Director, InsurExcellence Insurance Brokers Limited
- Other related Companies (Subsidiaries/Associated Companies) :
 - Listed Companies: Nil
 - Non-Listed Companies:
 1. Director, Christiani & Nielsen (Myanmar) Limited
 2. Director, CNES D1 Company Limited
- Other Organizations : Nil

***Note:** Please refer to "CONNECTED TRANSACTIONS" on page 134 - 135 of this Annual Report.

No. of Shares held (shares) as of year ended 2020

- By himself (Victor Co., Ltd.)

As of 1 January 2020	: 94,372,280
As of 31 December 2020	: 94,372,280
- By his spouse and minor children (if any) : Nil

Mr. Ishaan Shah is the son of Mr. Kirit Shah and younger brother of Ms. Nishita Shah but has no family relationship with any of the other Directors or any of the Management Team.

MR. VITES RATANAKORN

Position	Director Executive Director Operations Director
Date of appointment on the board	24 April 2017
Age	55 years
Education	Master of Business Administration, University of Warwick, UK Master of Science, Construction Management, University of Bath, UK Bachelor Engineering (Civil Engineering), Kasetsart University
Training	
• 2017	Graduate member of Thai Institute of Directors (IOD) Director Certification Program (DCP) Class 236/2017
Work Experience	
• 2017 - Present	Director Operations Director Executive Director
• Feb, 2016 - 2016	Technical, HRD Director and Strategy Director
• Sep, 2012 - Feb, 2016	Assistant to Technical Director
• 2009 - Aug, 2012	Senior Manager, QSHE (Quality Safety Health Environment & Construction Development)
• 1998 - 2008	Senior Commercial Manager, Senior Manager Construction Christiani & Nielsen (Thai) Public Company Limited
• 1996 - 1998	Commercial Manager Christiani & Nielsen (UK) Ltd in England
• 1993 - 1995	Commercial Manager, Fashion Island Project, Bangkok Christiani & Nielsen (Thai) Public Company Limited
• 2019 - Present	Director, Christiani & Nielsen Energy Solutions Company Limited
• 2017 - Present	Director, Christiani & Nielsen (Cambodia) Co., Ltd.
• 1993	Cost Engineer Tara Widnells Ltd. (Australia) Bangkok Branch
• 1989 - 1990	Design Engineer Waterman Consulting Engineering Partnership in London

Occupation Operations Director

Christiani & Nielsen (Thai) Public Company Limited

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Non-Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies :
 1. Director, Christiani & Nielsen (Cambodia) Co. Ltd.
 2. Director, Christiani & Nielsen Energy Solutions Company Limited*
 3. Director, CNES D1 Company Limited
- Other Organizations : Nil

***Note:** Please refer to "CONNECTED TRANSACTIONS" on page 134 - 135 of this Annual Report.

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. KASEMSIT PATHOMSAK

Position	Independent Director Chairman of Audit and Corporate Governance Committee Chairman of Nomination Committee Chairman of Remuneration Committee
Appointed to the board on	10 April 2012
Age	50 years
Education	Master of Science in Finance from Bentley College, MA, USA Bachelor of Science in Business Administration Northeastern University, Massachusetts, USA
Training	
• 2016	Thai Institute of Directors (IOD) Corporate Governance for Capital Market Intermediaries Program 12/2016
• 2010	Audit Committee Program 32/2010
• 2010	Monitoring the System of Internal Control and Risk Management 9/2010
• 2005	Director Accreditation Program 48/2005
• 2003	Director Certification Program 175/2003 Capital Market Academy (CMA), Stock Exchange of Thailand Leadership Executive Program (Class 9) Commerce Academy, University of Thai Chamber of Commerce Top Executive Program in Commerce and Trade (TEPCoT) Class 7 Tourism Management for Executives Class 1, Tourism Authority of Thailand Urban Development Executive Program Class 1, Bangkok Metropolitan Administration National Defense Program Class 63, National Defense College
Work Experience	
• Feb, 2013 - Present	Independent Director Chairman of Audit and Corporate Governance Committee Chairman of Nomination Committee Chairman of Remuneration Committee
• Apr, 2012 - Feb, 2013	Independent Director, Chairman of Audit and Corporate Governance Committee Christiani & Nielsen (Thai) Public Company Limited

- Oct, 2019 - Present Sub-Committee on International Relation and Strategy, Parliament House
 - Oct, 2019 - Present Member of the Board of Governor, The Civil Aviation Authority of Thailand
 - 2005 - Present Executive Chairman
Merchant Partners Securities Public Company Limited
 - 2018 - Present Director, **WP Energy Public Company Limited**
 - 2016 - Present Director, **National Power Supplies Public Company Limited**
 - 2014 - Present Executive Chairman, **Merchant Partners Asset Management Limited**
 - 2013 - Present Director and Deputy Secretary General, **Board of Trade of Thailand**
 - 2016 - 2018 Director and Audit Committee, **Asia Aviation Public Company Limited**
 - 2010 - 2020 Director, **UOB Kay Hian Securities (Thailand) Public Company Limited**
 - 2003 - 2004 President of **BT Securities Ltd.**
 - 1999 - 2003 Country Director, Investment Banking-Thailand
CLSA Securities (Thailand) Co., Ltd.
- Occupation** Executive Chairman, Merchant Partners Securities Public Company Limited

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
 - Non-Connected Companies :
 - Listed Companies:
 - WP Energy Public Company Limited
 - Non-Listed Companies:
 1. Executive Chairman, Merchant Partners Asset Management Limited
 2. Executive Chairman, Merchant Partners Securities Public Company Limited
 3. Director, National Power Supplies Public Company Limited
 - Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
 - Other Organizations : Nil
- No. of Shares held (shares) as of year ended 2020**
- By himself : Nil
 - By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. KRIS THIRAKAOSAL

Position	Independent Director Audit and Corporate Governance Committee Member Nomination Committee Member Remuneration Committee Member
Date of appointment on the board	6 December 2012
Age	44 years
Education	Master of science in Electronic Commerce, Claremont Graduate University Master of art in Economics, Claremont Graduate University Bachelor of Engineering in Industrial Engineering, Thammasat University
Training	
• 2013	Thai Institute of Directors (IOD) Director Certification Program (DCP 168/2013)
• 2018	Investment for Creating Sustainable Wealth
• 2012	Bhumipalung Phandin for Top Executives, Chulalongkorn University
• 2012	Top Executive Program in Commerce and Trade (TEPCoT)
Work Experience	
• 2013 - Present	Independent Director Audit and Corporate Governance Committee Member Nomination Committee Member Remuneration Committee Member
• 2012 - 2013	Independent Director Audit and Corporate Governance Committee Member Christiani & Nielsen (Thai) Public Company Limited
• 2019 - Present	Managing Director Golden Triangle Group Co., Ltd.
• 2018 - Present	Independent Director, Audit and Corporate Governance Committee Member, Chairman of Nomination Committee and Chairman of Remuneration Committee, Raimon Land., PCL

- 2014 - Present Commercial Director, **NIDO Petroleum Limited**
- 2018 - 2019 Chief Business Development Officer, **BCPR Company Limited**
- 2010 - 2014 Chairman, **Inova Co, Ltd.**
- 2008 - 2014 Managing Director, Thai-Australian Resources
- 2007 - 2015 Managing Director, Imail Global (Thailand)
- 2005 - 2015 Executive Director, General outsourcing
- 2005 - 2010 Managing Director, **Songnam Co., Ltd.**
- 2004 - 2005 Associate Director, Ness Consulting

Occupation Commercial Director, NIDO Petroleum Limited
Managing Director, Golden Triangle Group Co., Ltd.

Directorship and positions held in other companies and other organizations

- Connected Companies :
- Listed Companies : Nil
 - Non-Listed Companies : Nil
- Non-Connected Companies :
- Listed Companies:
 - Independent Director, Audit and Corporate Governance Committee Member, Chairman of Nomination Committee and Chairman of Remuneration Committee, Raimon Land., PCL
 - Non-Listed Companies:
 - Commercial Director, NIDO Petroleum Limited
 - Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
 - Other Organizations : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MS. NAMPUNG WONGSMITH

Position	Independent Director Audit and Corporate Governance Committee Member Chairperson of Risk Management Committee
Date of appointment on the board	8 August 2014
Age	63 years
Education	Master of Business Administration Finance Oklahoma State University, USA Bachelor of International Economics, Chulalongkorn University
Trainings	
• 2018	Thai Institute of Directors (IOD) Program Chairman (Role of Chairman Program-RCP)
• 2017	King Prajadhipok's Institute Corporate Governance for Director and Senior Executive of State Enterprises and Public Organization (No. 17)
• 2016	Thai Institution of Directors (IOD) Advanced Audit Committee Program (AACCP)
• 2008	Capital Market Academy (CMA) Leadership Program
• 2007	Thai Institute of Directors (IOD) Director Certification Program (DCP)
Work Experience	
• 2014 - Present	Independent Director Audit and Corporate Governance Committee Member Chairperson of Risk Management Committee, Christiani & Nielsen (Thai) Public Company Limited
• Oct, 2019 - Present	Independent Director, Krungthai Card Public Company Limited
• Feb, 2018 - Present	Independent Director, CP All Public Company Limited
• 2017 - 2019	Independent Director, Bank for Agriculture and Agricultural Cooperatives
• 2017 - 2018	Independent Director, The Transport Co., Ltd.
• 2015 - 2017	Risk Management Committee
• 2005 - 2012	President, Sukhumvit Asset Management Co., Ltd.
• 2003 - 2004	Chief Executive Officer, Central Credit Information Co., Ltd. (Currently, the name has been changed to National Credit Bureau)

- 2002 - 2003 Deputy Management, Financial Institutions Development Fund (FIDF), **Bank of Thailand**
 - 1997 - 2001 First Vice President, Export Credit Insurance and Foreign Investment Department
 - 1994 - 1997 Vice President, Banking Department
 - 1994 Manager, Banking Department, **Export-Import Bank of Thailand (EXIM Bank)**
 - 1991 - 1993 Assistant Vice President, International Banking Department
 - 1989 - 1991 Manager, Overseas Branch Administration Division (OBA), International Banking Department
 - 1988 - 1989 Division Manager, OBA, International Banking Department
 - 1986 - 1988 Assistant Manager, OBA, International Banking Department
 - 1984 - 1985 Senior Clerk, OBA, International Banking Department
 - 1981 - 1982 Checker, Export Documentary Division, International Banking Department
 - 1980 - 1981 Clerk, International Credit Card Division, International Banking Department
- Thai Farmers Bank, Public Company Limited**
- Occupation** Company Director

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
 - Non-Connected Companies :
 - Listed Companies:
 1. Independent Director, CP All Public Company Limited
 2. Independent Director, Krungthai Card Public Company Limited
 - Non-Listed Companies: Nil
 - Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
 - Other Organizations : Nil
- No. of Shares held (shares) as of year ended 2020**
- By herself : Nil
 - By her spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. SUPHON TUBTIMCHAROON

Position	Independent Director
Date of appointment on the board	8 December 2015
Age	70 years
Education	Bachelor of Engineering, Civil Engineering, Mapua Institute of Technology, Philippines Diploma in Highway Engineering, KMITL
Training	
• 2005	Thai Institute of Directors (IOD) Director Certification Program (DCP) Class 61
• 2009	Capital Market Academy (CMA) Capital Market Academy Executive Leadership Program Class 9
Work Experience	
Dec, 2015 - Present	Independent Director, Christiani & Nielsen (Thai) Public Company Limited
• 2011 - 2014	Director, International Chamber of Commerce - ICC
• 2012 - 2013	Director, Bangchak Petroleum Public Company Limited
• 2011 - 2013	Director, Thai Paraxylene Company Limited
• 2011 - 2012	Director, Thaioil Power Company Limited Director, Thaioil Energy Solutions Company Limited
• 2009 - 2012	Director, Independent Power Thailand Company Limited
• 2009 - 2011	Director, Thai Paraxylene Company Limited Executive Vice President, Petrochemicals & Refining Business Unit, PTT Public Company Limited
• 2006 - 2009	Executive Vice President, Petrochemicals & Refining Business Unit, PTT Public Company Limited Executive Vice President, Organization Division, IRPC Public Company Limited Managing Director, IRPC A&L Public Company Limited Director, PTT Polymer Marketing Company Limited

• 2005 - 2006	Executive Vice President, Petrochemicals & Refining Business Unit, PTT Public Company Limited Senior Executive Vice President, Commercial Division, PTT Chemical Public Company Limited Director, PTT Polyethylene Company Limited Director, PTT Phenol Company Limited Director, PTT Utility Company Limited Senior Executive Vice President, Development and Support organization, National Petrochemical PCL
• 2003 - 2005	Executive Vice President, Petrochemicals & Refining Business Unit, PTT Public Company Limited
Occupation	Independent Director Christiani & Nielsen (Thai) Public Company Limited

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Non-Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other Organizations : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. JOHN SCOTT HEINECKE

Position	Director
Date of appointment on the board	10 April 2013
Age	49 years
Education	BBA International Business, Washington State University, Pullman, WA, USA BBA Marketing, Washington State University, Pullman, WA, USA
Training	
• 2004	Thai Institute of Directors (IOD) Director Certification Program (DCP) Class 47/2004
Work Experience	
• Apr, 2013 - Present	Director, Christiani & Nielsen (Thai) Public Company Limited
• Sep, 2020 - Present	Chief Operating Officer International
• Mar, 2010 - Present	Director
• Apr, 2015 - Jan, 2020	Chief Operating Officer - Hot Chain
• Jan, 2009 - 2015	Vice President
• Jan, 2007 - Jan, 2009	General Manager
• Jan, 2006 - Dec, 2006	Director of Global Sourcing, The Minor Food Group PCL
• Nov, 2013 - Present	Director
• Feb, 2020 - Aug, 2020	Chief Sustainability Officer, Minor International PCL
• Apr, 2006 - Present	Director, Minor Corporation PCL
• Jan, 2011 - Present	Board of Trustees, International School Bangkok
• 2012 - 2019	Director, S&P Syndicate PCL
• 2004 - 2005	General Manager
• 2002 - 2003	Operations Manager, Burger (Thailand) Ltd.
• 2000 - 2002	Business Development Manager, Fountain Division Coca-Cola North America, USA
• 1998 - 2000	Account Executive, The Coca-Cola Company, USA
Occupation	Director, Christiani & Nielsen (Thai) Public Company Limited Director, Minor International PCL

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Non-Connected Companies :
 - Listed Companies :
 - Director, Minor International PCL
 - Non-Listed Companies :
 - Director Minor International PCL's subsidiaries
- Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other Organizations : Board of Trustees, International School Bangkok

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. SURIYON TUCHINDA

Position Independent Director | Audit and Corporate Governance Committee Member

Date of appointment on the board 22 April 2019

Age 63 years

Education University of Hartford, Connecticut USA, Public Administration
University of Massachusetts, Lowell
Massachusetts USA, MS Computer Science

Training

- 2004 **Thai Institute of Directors (IOD)**
Director Certification Program (DCP)
- 2001 **University of Pennsylvania**
Management Development Program

Work Experience

- Feb, 2020 - Present Audit and Corporate Governance Committee Member
- 2019 - Feb, 2020 Independent Director, Christiani & Nielsen (Thai) Public Company Limited
- 2020 - Present Chairman of Commission on Commercial Law and Practice and Executive Board of ICC Thailand National Committee
Vice Chairman Border Trade Sub Committee and Director ASEAN and Logistics Committee, The Federation of Thai Industries
- 2019 - Present Advisor, Office of the President, **SCG Cement Building-Material Co., Ltd.**
- 2017 - 2018 Head of Steel, Starch & Home and Living Product Division, **SCG Trading**
Executive Director, **Eastern Economic Corridor Office (EECO)**
- 2013 - 2017 Head of Steel & Home Improvement Product Division
- 2009 - 2013 Head of Oil & Gas Division **SCG Trading**
- 2005 - 2009 **SCG Distribution** : Special Assignment at **Thai Chamber of Commerce & Board of Trade of Thailand**
- Assistant to the Chairman of **Thai Chamber of Commerce and Board of Trade of Thailand**
- Management Commission, **Senate of Thailand**
- East Asia Committee, **The Joint Standing Committee on Commerce, Industry and Banking (JSCCIB)**

• 2002 - 2005

• 2001 - 2002

• 1999 - 2001

• 1995 - 1999

• 1992 - 1995

• 1990 - 1992

• 1988 - 1990

• 1987 - 1988

Occupation

- Project Reviewing Committee, **Board of investment**

SCG Distribution: Special Assignment at Thailand Management Association

- CEO **Thailand Management Association (TMA)**

- Director **Japanese Management Association Consulting (JMAC)**

Senior Manager, Overseas office **SCG Trading**

The Siam Cement PCL Special Assignment at **Thai Chamber of Commerce and The Board of Trade of Thailand**

- Director **Joint Standing Committee on**

Commerce Industry and Banking

- Director **WTO Committee**

- Managing Director **International Chamber of Commerce, Thailand**

Deputy Corporate Treasurer, Corporate Treasurer office

TQM Manager, Cement TQM office

Training Officer, Marketing Training Department

Coordinator, Customer Service Center

Coordinator, Central District Sales & Marketing

The Siam Cement PCL

Independent Director, Christiani & Nielsen (Thai) Public Company Limited Advisor, Office of the President, SCG cemen Building-Material Co., LTD

Directorship and positions held in other companies and other organizations

- Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Non-Connected Companies :
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other related Companies (Subsidiaries/Associated Companies)
 - Listed Companies : Nil
 - Non-Listed Companies : Nil
- Other Organizations : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.



MANAGEMENT TEAM

Mr. Khushroo Kali Wadia	Managing Director
Mr. Surasak Osathanugraha	Assistant to Managing Director (Finance and Accounting)
Mr. Vites Ratanakorn	Operations Director and Acting Director of Hospitality and Residential Business Unit

*For profile and shareholding changes, please refer to BOARD OF DIRECTORS – PROFILE

MR. PICHET NIMPANICH

Position	Director of Business Development
Age	58 years
Education	Master of Business Administration, National institute of Development Administration (NIDA) Bachelor of Engineering, Kasetsart University
Work Experience	
• 2017 - Present	Director of Business Development
• 2013 - 2016	Assistant to Business Development Director Christiani & Nielsen (Thai) Public Company Limited
• 2007 - 2013	Senior Vice President, Deputy Chief Executive Officer ASCON Construction Public Company Limited
• 2002 - 2007	Procurement Manager, Administration Manager Italian-Thai, Takenaka Corp., OBAYASHI Corp., ITO Joint Venture
• 1994 - 2002	Senior Plant and Supply Manager
• 1990 - 1994	Plant and Supply Manager
• 1987 - 1990	Electrical Engineer Italian-Thai Development Public Company Limited

Position held in other companies : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. MANU BENJAMANEE

Position	Director of Buildings Business Unit
Age	61 years
Education	Bachelor of Engineering, (Civil Engineering), Institute of Technology and Vocational College, Bangkok, Thailand
Work Experience	
• 2016 - Present	Director of Buildings Business Unit
• 2013 - 2016	Senior Manager, Construction
• 2012 - 2013	Senior Project Manager
• 1996 - 2012	Contracts Manager, Armed Force Academies Preparatory School Project, Nakorn Nayok
• 1995 - 1996	Contracts Manager, Dusita Ploenchit Project, Bangkok
• 1994 - 1995	Project Manager - Project Delta Petchkasem, Petchkasem Road - Siam Society Project, Asoke Road - Sandoz Canteen, Bangpoo - Caltex Gas Station
• 1993 - 1994	Project Manager, Thanyathane Golf Course Project, Pathumthani
• 1992 - 1993	Project Manager, PTT Project, Chonburi
• 1991 - 1992	Assistant Project Manager Meyer Factory
• 1990 - 1991	Project Engineer, Cerebos New Factory Project
• 1989 - 1990	Assistant Project Engineer, Sun Paratech Project, Saraburi
• 1987 - 1989	Estimator at Head Office Christiani & Nielsen (Thai) Public Company Limited
• 1986 - 1987	Field Engineer, MMC Godown Project Tanud Trading Co., Ltd.
• 1985 - 1986	Field Engineer, P.C.C Project of U.S. Embassy Ohmon Kensetsu Corp., Ltd.

Position held in other companies : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

MR. PONGSAK DITTAPONGPAKDEE

Position Director of Government Works Business Unit
Age 55 years
Education Bachelor of Engineering, (Civil Engineering),
 Prince of Songkla University (PSU)

Work Experience

- 2016 - Present Director of Government Works Business Unit
- 2013 - 2016 Senior Manager, Construction
- 2012 Senior Project Manager
- 1996 - 2012 Project Manager, Sri Siam Paper Factory,
Sampran, Nakhonpratom
- 1996 Project Manager, Makro Suratthani, Suratthani
- 1995 - 1996 Project Manager, Bann Busarin Prachautit,
Bangkok
- 1995 Deputy Project Manager, Bann Pathumwan
Residence, Bangkok
- Christiani & Nielsen (Thai) Public Company
Limited**
- 1992 - 1995 Project Engineer
 - R.S. Tower, Bangkok
 - Future Park Plaza, Rangsit, Pathum Thani
 - V.S. Thai Herring Factory, Prachinburi
- Singkee Co., Ltd.**
- 1989 - 1992 Site Engineer
 - Thai Nippon Food Factory, Ayutthaya
 - Hyatt Erawan Hotel, Bangkok
 - Makason Tower, Bangkok
- Taisei (Thailand) Co., Ltd.**

Position held in other companies : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : **Nil**
- By his spouse and minor children (if any) : **Nil**

No family relationship with any of the other Directors or any of the Management Team.

MR. PONGSAK SUTTHAPREEDA

Position Director of General Construction and
MEP Business Unit
Age 54 years
Education Bachelor of Engineering, (Mechanical
Engineering), Chiang Mai University

Work Experience

- 2016 - Present Director of General Construction and MEP
Business Unit
- 2014 - 2016 Senior Manager, Construction
- 2012 - 2014 Project Manager
- 1997 - 2012 M & E Engineer on New Precadet School
Project, Nakorn Nayok
- 1995 - 1997 M & E Engineer on Watercliff Tower Project,
Bangkok
- 1994 - 1995 M & E Engineer on SR Plaza Complex,
Ramindra Road, Bangkok
- Christiani & Nielsen (Thai) Public Company
Limited**
- 1993 - 1994 M & E Engineer responsible for Air Condition
System of Queen
Sirikit Hospital Project, Sattahip, Chonburi
- Associates M & E Contractor Co., Ltd.**
- 1990 - 1993 M & E Engineer on Thung Song Plant
Project, Nakornsrithammarat
- Siam Cement Co., Ltd.**

Position held in other companies : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : **Nil**
- By his spouse and minor children (if any) : **Nil**

No family relationship with any of the other Directors or any of the Management Team.

MR. WATCHARA PROMKHUNTHONG

Position Director of Petrochemical and Special Industry Business Unit

Age 55 years

Education Bachelor of Engineering, (Civil Engineering), Prince of Songkla University (PSU)

Work Experience

- Dec, 2019 - Present Director of Petrochemical and Special Industry Business Unit
- 2016 - Dec, 2019 Director of Industry and Hypermarket Business Unit
- 2013 - 2016 Senior Manager, Construction
- 2012 Senior Project Manager
- 1996 - 2011 Project Manager, Sai Jai Thai Building, Sanphawut, Bangkok
- 1995 - 1996 Project Manager, Bann Patumwan Residence, Bangkok
- 1994 Field Engineer, Siam Commercial Bank Park Plaza, Ratchayothin, Bangkok
Project Engineer, Makro Hatyai, Songkla Province
- 1993 Field Engineer, Nestle Factory Project in Navanakorn Industrial Estate, Pathum Thani
- 1991 - 1993 Field Engineer, Plub Pla Hospital Project, Bangkok
Christiani & Nielsen (Thai) Public Company Limited
- 1991 Field Engineer, Lumpini Tower Project, Bangkok
Christiani & Holzman Co., Ltd.
- 1990 - 1991 Field Engineer, Silom Complex Project, Bangkok
Italian-Thai Co., Ltd.

Position held in other companies : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : **Nil**
- By his spouse and minor children (if any) : **Nil**

No family relationship with any of the other Directors or any of the Management Team.

MR. DAVID GREENBANK

Position Commercial Advisor

Age 71 years

Education Bachelor of Engineering, Council for National academic Awards

Work Experience

- Dec, 2017 - Present Commercial Advisor
- 2014 - Dec, 2017 Commercial Director
- 2011 - 2013 Commercial Consultant
- 2005 - 2010 Commercial Director
Christiani & Nielsen (Thai) Public Company Limited

Position held in other companies : Nil

No. of Shares held (shares) as of year ended 2020

- By himself : As of 1 January 2020 : 1,032,082
: As of 31 December 2020 : 1,032,082

- By his spouse and minor children (if any) : **Nil**

No family relationship with any of the other Directors or any of the Management Team.

** A Management resigned during the year, on 30 April 2020 : Mr. Thanin Srisethi

Name **MRS. PHANEE CHAROENCHAROENCHAI**

Position Senior Manager, Group Finance & Accounts & Investor Relations
(Supervising Accounting)*

Age 58 years

Education Background Bachelor of Business Administration (Accounting)
Ramkhamhaeng University
Bachelor of Business Administration (Finance and Banking)
Ramkhamhaeng University

Training / Seminar

Year	Courses	Institution
2020	TFRS Year 2021 (CPD 7 hours)	NYC Management Co., Ltd.
	Update TFRS for PAEs 2020 (CPD 6 hours)	Dharmniti Seminar and Training co., Ltd.
	Course "Guidelines for the preparation of financial reports of companies affected by the COVID-19 incident "	The Stock Exchange of Thailand
	Financial Management Strategy to revive the organization and create growth in the New Normal era.	The Stock Exchange of Thailand
2019	TFRS 63 (TAS 12, TAS 19, TAS 23, TAS 28, TFRS 1, TFRS 3, TFRS 9 and TFRS 11) (CPD 7 hours)	NYC Management Co., Ltd.
	Pro Talk @SET_TFRS9 & 16	The Stock Exchange of Thailand
	New TFRS to know (CPD 7 hours)	NYC Management Co., Ltd.
2018	Summary of important changes and issues of TFRS (Update 2018), class 2/61 (CPD 6 hours)	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
	Update important financial reporting standards and understand Auditor's Report No. 2/18 (CPD 6 hours)	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
	Practical issues on impairment testing (TAS 36)	EY Office Limited
	Retirement benefit management: Employer perspective	Team Excellence Consulting Co., Ltd.
2017	Update the latest forms of financial statements and accounting issues in accordance with financial reporting standards. (CPD 3 hours)	Dharmniti Seminar and Training co., Ltd.
	TFRS year 2018 (CPD 7 hours)	NYC Management Co., Ltd.
	Draft of regulations of the Federation of Accounting Professions on the Code of Ethics of Professional Accounting Professionals B.E.(CPD 3 hours)	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
2016	Preparation of consolidation and measurement Fair Value of Assets Case Study of 2015 Financial Statements	The Stock Exchange of Thailand
	TFRS 2017 (CPD 6.30 hours)	NYC Management Co., LTD.
	New Auditor Report 2016 (CPD 6.30 hours)	NYC Management Co., LTD.

Experience

2015 - Present Senior Manager, Group Finance & Accounts & Investor Relations

1998 - 2015 Group Finance & Accounts Manager

Nov. 1995 - 1997 Accounting Manager,
Christiani & Nielsen (Thai) Public Company Limited

Aug. 2012 - Present Director

Aug. 2005 - Jun. 2012 Director,
CNT Holdings Limited

No. of Shares held (shares) as of year ended 2020

- By herself : Nil
- By her spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

Note* An Accountant who has qualifications and condition as prescribed in the Notification of the Department of Business Development.

Name MRS. PREMRAI PISUDTHIHATHAIWONG
Position Senior Manager - Accounting and Tax
Age 54 years
Education Background Bachelor of Business Administration (Accounting)
 Assumption University

Training / Seminar

Year	Courses	Institution
2020	Management in Change and Impacts of Digital Accounting (CPD 6 hours)	Dharmniti Seminar and Training Co., Ltd.
	Techniques in Preparation and presentation of Effective Monthly and Quarterly Reports (CPD 6 hours)	Dharmniti Seminar and Training Co., Ltd.
	Tax Planning Strategies for Construction Business	Dharmniti Seminar and Training Co., Ltd.
2019	Accounting for Financial Instruments (TFRS 9, TFRS7, TAS32, TFRIC 16, TFRIC 19) (CPD 12 hours)	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
2018	Problems in Transfer Pricing Policy and Preparation of Transfer Pricing Documentation (CPD 6 hours)	Dharmniti Seminar and Training Co., Ltd
	Accounting Techniques and Key Elements for Corrections of Errors in Financial Statement (CPD 6 hours)	Dharmniti Seminar and Training Co., Ltd
	The Impacts of New Financial Reporting Standard TFRS 15 & TFRS 16 for the Financial Statement of Listed Company	The Stock Exchange of Thailand
	Understand draft TFRS 9, TAS 32, TFRS 7, TFRIC 16 and TFRIC 19	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
2017	Customs Act 2017 (CPD 7 hours)	NYC Management Co., Ltd.
	Techniques in Preparation and Presentation of Cash Flow Statement (CPD 6 hours)	Dharmniti Seminar and Training Co., Ltd
2016	Consolidated Financial Statement (Workshop) (CPD 12 hours)	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
	ASEAN Investment Strategy 2016 — International Business, Legal, HR and Tax Planning.	Unigue Seminar & Training

Experience

2015 - Present Senior Manager, Accounting and Tax
 2000 - 2014 Accounting Manager
 1997 - 1999 Assistant Accounting Manager
 Sep, 1994 - 1996 Senior Accountant,
Christiani & Nielsen (Thai) Public Company Limited

No. of Shares held (shares) as of year ended 2020

- By herself : Nil
- By her spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.

(An Accountant who has qualifications and condition as prescribed in the Notification of the Department of Business Development.)

Name	MR. PONPISITH CHAROENTHAI
Position	Internal Audit Manager Head of Internal Audit Department, Secretary to Audit and Corporate Governance Committee
age	55 Years
Education	Bachelor Degree in Civil Engineer /Khon Kaen University Master Degree in MBA/ NIDA Certified Professional Internal Audit of Thailand / The Institute of Internal Auditor of Thailand

Training/Seminar

Year	Courses	Institution
2019	Financial Auditing for Internal Auditors or Non Accountants Cyber Security and Personal Data Protection	The Institute of Internal Auditor of Thailand Faculty of Law, Chulalongkorn University.
	Program to Promote Transparency and Ethical Business Conduct of Private Sector	Office of The National Anti - Corruption Commission (ONACC)
	Greenhouse Gas Reporting	The Stock Exchange of Thailand
	Sustainability Reporting Workshop : GRI Standards	The Stock Exchange of Thailand
	Better Business for Children : Children's rights for Corporate Sustainability	United Nations Children's Fund (UNICEF)
	THIS Exclusive Coaching	The Stock Exchange of Thailand
2018	Audit Manager Tools and Techniques	The Institute of Internal Auditor of Thailand
	Digitalization Empower IA New Gen	The Stock Exchange of Thailand
	Quality Assurance and Improvement Program (QAIP)	The Stock Exchange of Thailand
	Strategic CSR Management Supply Chain & Stakeholder Engagement Sustainability Initiatives Sustainable Risks & Materiality Sustainability Evaluation & Data Management Sustainability Reporting	The Stock Exchange of Thailand
	Guidelines on Defining Internal Control Measures for Juristic Persons to Prevent Bribery of State Officials, under Section 123/5	Office of The National Anti - Corruption Commission (ONACC)
	Cooperating with fairness in the public procurement	Office of The National Anti - Corruption Commission (ONACC) with Thai Contractors Association
2015	Creative Problem Solving Techniques for Auditor	The Institute of Internal Auditor of Thailand
	Corporate Social Responsibility Report	The Stock Exchange of Thailand
	Fraud Audit	The Institute of Internal Auditor of Thailand
2013	Sustainability Development	The Stock Exchange of Thailand
2011	Internal Control over Financial Reporting	The Stock Exchange of Thailand
2010	Tool and Techniques for the Audit Manager	The Institute of Internal Auditor of Thailand
2008	Operational Auditing	The Institute of Internal Auditor of Thailand
2007	Certified Professional Internal Audit of Thailand	The Institute of Internal Auditor of Thailand
2006	ICT Management Forum 2006	University of the Thai Chamber of Commerce & The Institute of Internal Auditor of Thailand
	International Contract in construction industry	The Engineering institute of Thailand
	Internal Control for Sustainable	The Engineering institute of Thailand

Experience

Aug.1995 - Present	Internal Audit Manager Christiani & Nielsen (Thai) Public Company Limited
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No. of Shares held (shares) as of year ended 2020

- By himself : Nil
- By his spouse and minor children (if any) : Nil

No family relationship with any of the other Directors or any of the Management Team.



CHRISTIANI & NIELSEN

บริษัท คริสเตียนีและนีลสัน (ไทย) จำกัด (มหาชน)

Christiani & Nielsen (Thai) Public Company Limited

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