



CHRISTIANI & NIELSEN



2021

ANNUAL REGISTRATION STATEMENT  
AND ANNUAL REPORT  
(FORM 56-1 ONE REPORT)

**CHRISTIANI  
& NIELSEN**

CHRISTIANI & NIELSEN (THAI) PUBLIC COMPANY LIMITED

FOUNDATION  
FOR **THE**  
**FUTURE**

## 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.





**CHRISTIANI & NIELSEN**  
**FOUNDED 1930**



**Excellent CG Score**



**~ 1,000 EMPLOYEES**



**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





**Project** Highlights







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1 HOTEL NIKKO  
AMATA



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2 MCKEY PLANT  
EXPANSION

3 EXCELLENT MEDICAL  
SPECIALTY SERVICE  
CENTRE FOR  
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4 PTT LNG ADMIN  
BUILDING

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Business Ethics and  
Code of Conduct (Full)



Personal Data Protection  
Policy (Full)

## Message from The Chairman



The past year has been particularly challenging for the Company, as clearly reflected in the Company's 2021 financial result. Construction revenue was significantly lower than in the previous year although reasonably close to our internal target, which made some assumptions for the anticipated effects of COVID-19. However, the enforced lockdown of labor camps in Bangkok was unexpected, and this, coupled with widespread infections among the workforce and sharp increases in steel and rebar prices, negatively impacted construction income and gross margin. Accordingly, the gross margin achieved was lower than in the previous year in terms of amount and percentage (of construction revenue). This resulted in a net loss, which was exacerbated by a provision for doubtful accounts from a previously aborted contract.

In the short term, the construction market is expected to continue to be subdued due to weakened economies inside and outside of Thailand, and the on-going effects of the pandemic. In the medium term; however, the economy and the construction market are expected to improve and head towards normality as COVID-19 restrictions are gradually eased.

The Company insists on good corporate governance and continually seeks improvement through systems, culture and language training, and is pleased to receive a rating of "Excellent" in the assessment of Thai listed companies made by the Thai Institute of Directors Association. In addition, the Company has developed a system for occupational health and safety management following recent changes in current standards, namely ISO 45001:2018. Further, specifically for the protection of the environment, the Company is preparing to apply for the ISO 14000 Certification, which is the set of standards created to help organizations minimize the environmental impact of (construction) operations.

In anticipation of improved economic conditions ahead, I would like to thank the shareholders, our clients, and all stakeholders for their confidence and support. 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 resilience throughout the past year.

A handwritten signature in black ink, appearing to be 'S. Grachangnetara'.

Santi Grachangnetara  
Chairman



# The Board of Directors' Report

## To Shareholders

### Annual Review

In Year 2021, COVID-19 had a major impact on the Thai construction industry, particularly the order by the Centre for Covid-19 Situation Administration (CCSA) to lock down construction sites and labor camps in Bangkok in July and enforce a Bubble and Seal policy. As a result, the Company's Project Sites in Bangkok remained closed for a prolonged period during the 3rd quarter. Many imported construction equipment and materials were also delivered very late. Together with the shortage of labor due to COVID-19 and the lock down of construction sites, this caused construction delays and subsequently reduced revenue from construction. Also, steel and rebar price rises resulted in a significant increase in the construction cost.

The Government sector was the only driver of the construction industry in 2021, particularly by megaprojects, while construction in the private sector including property development, office buildings, residential buildings, commercial and industry buildings, declined due to COVID-19.

Private contractors will be challenged through 2022 by a potential slowdown in relation to a continuous shrinking of real estate sectors. Investment in private construction in 2021 was approximately THB 514,000 million, a 7% decrease (-7% YoY) in construction of residential and commercial properties. In addition, contractors will be facing drastic increases in steel and labor costs through to next year. To combat the situation, it is likely that public construction projects and increase in long-term performance by employment of construction technology will be implemented by the contractors. On 14 September 2021, the Company received a binding letter of intent to enter into a contract with the Company as the main contractor for the construction of the main building work in a large Mixed-use Building Project, which is a large project. This resulted in the backlog of the Company at the end of 2021 of THB 12,566 million, an increase of nearly 10% from THB 11,444 million at the end of 2020, despite the depressed market conditions caused

by the COVID-19 situation and intense competition as mentioned above. Combined with the remaining works brought forward, construction revenue is expected to increase slightly in year 2022.

The Company's operating results in 2021:- total revenues of the Company were slightly below the target, mainly due to the effects of the COVID-19 situation, the lockdown of many projects by the Centre for Covid-19 Situation Administration (CCSA)'s order, and a significant number of labor contracted COVID-19 which, coupled with the effect of the lockdowns of the Company's construction sites, resulted in higher construction costs, especially steel which is an important cost for construction. The Company has also set aside an allowance for doubtful accounts of a debtor.

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 2021 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 remains 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 2021 to the beginning of 2022, while the coronavirus (COVID-19) pandemic 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 major disruptions. 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 are 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 year, the COVID-19 outbreak was still at its peak especially for the third-wave which started after Songkran Festival. As part of the crisis management plan, the management decided to have upto 80% 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. The 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](http://www.bureauveritas.co.th)). Further, specifically for the protection of the environment, the Company is preparing to apply for the ISO 14000 Certification which is the set of standards created to help organization to minimize the environment impact from operations.

During the COVID-19 epidemic, the Company's cash flows were not affected since 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 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. With this and other such measures, the Company could maintain sufficient 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. However, in 2021, a subsidiary borrowed money from the Company as well as from financial institutions to use as working capital. With efficient financial management, the Company's financial liquidity is in good shape.

In 2021, the Company participated in the bidding with a total value of THB 26,281 million and the company was awarded contracts with a total value of THB 6,876 million, with the proportion of value of the tendered projects to value awarded at 3.8:1. A large project for which the Company received a binding letter of intent on 14 September 2021 to enter into a contract with the Company as the main contractor is the construction of the main building work in a large Mixed-use Building Project with the contract value of THB 5,400 million. This contract is one of the largest and highest in value terms that the Company has ever signed for this type of construction.



## Future Outlook

Investment in construction is forecast to rise 4.5-6.5% per year, driven principally by government spending on megaprojects, in particular, those connected to the development of the Eastern Economic Corridor (EEC). Public construction investments are likely to increase by 6.0-7.0% as work on megaprojects linked to the EEC gets under way from 2022 onwards. These projects will include: (i) a high-speed rail-link connecting the 3 airports (Donmuang, Suvarnabhumi and Utapao), with work initially beginning on the Suvarnabhumi-Utapao section; and (ii) phase 3 of the development of Laemchabang Port. In addition, important projects elsewhere in the country will include work on the passenger lounge for Terminal 2 at Suvarnabhumi Airport, the Bangkok-Nakhonratchasima high-speed railway, the Khonkaen-Nongkhai dual-track railway, and the southern extension to the MRT Purple Line (Taopoon-Ratburana).

Private construction investment will see a slow growth in 2022, but the situation should improve in 2023 and 2024, underpinned by: (i) an acceleration in government infrastructure projects that will induce the crowding-in effects in private sector (ii) progress with the EEC development, which will feed into a pickup in spending on the construction of factories and industrial estates; and (iii) government measures to help stimulate demand for condominiums and houses.

Large contractors continue to enjoy advantages compared to SMEs, thanks to their stronger bargaining position relative to manufacturers and distributors of construction materials, their better ability to bid for contracts, and the greater openings available to them to expand into markets in neighboring countries. For their part, income for SMEs tends to come from sub-contracting for larger players, meaning that business conditions can be uncertain. Contractors are also now exposed to risks of labor shortages due to the ongoing spread of COVID-19, though this is especially the case for smaller players.

The Company estimates the value of the projects targeted to be bid at about THB 21,000 million. We target and expect to get awarded about THB 6,500 million, being THB 2,500 million from the Government Sector and THB 4,000 million from the Private Sector. The key factor would be to address the adverse impact of the COVID-19 epidemic and the economic recovery.

Within 45 days into 2022, we have already been awarded THB 450 million which is pleasing considering no project is usually awarded in the first couple of months of the year. The backlog of the Company as of December 31, 2021 was THB 12,566 million, which is good in the present depressed market conditions due to COVID-19 and competition as mentioned above. The Company's construction revenue is expected to increase slightly in year 2022. However, even though the Company believes that market conditions in the construction business will continue to be challenging throughout 2022 the backlog will help the Company to cushion against a very sharp fall in construction revenue.

## Energy Solutions Business (Subsidiary Company)

Notwithstanding the challenging market conditions experienced 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)".

With the growing need for sustainable means of living and increased oil (and thus electricity) prices; the revenues for CNES have grown significantly. With a significant revenue growth in 2021, CNES is getting prepared to meet the challenges ahead, both in terms of enhanced Technical Strength, enhancing the skill set within the team and adding more alliances. While domestically CNES has a backlog to assure the maintenance of similar amount of Revenues in 2022 as 2021, CNES has started initiatives to expand regionally as well. CNES, 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 CNES 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. In 2021, two meetings of the Board of Directors

of CNES passed two resolutions approving the increase in the registered share capital of CNES D1 Co., Ltd., from the registered share capital of THB 2 million (20,000 ordinary shares of THB 100 each) to Baht 150,000,000 (1,500,000 ordinary shares of Baht 100 each).

## Financial Review

Consolidated construction income and revenue from sales and services of the Company in 2021 was THB 6,174 million. Total construction and direct expenses were THB 5,997 million, which resulted in a Gross Margin of THB 177 million. After other income of THB 24 million, administration expenses of THB 249 million, allowance for expected credit losses of THB 52 million, finance cost of (net of finance income) THB 4 million and income tax of THB 26 million, the consolidated financial statements of year 2021 showed a net loss after tax of THB 130 million, with a decrease in net profit of THB 206 million compared to a net profit after tax of THB 76 million in the year 2020, mainly because the gross profit margin decreased from 5% in 2020 to 2.9% in 2021, resulting in the Company's gross margin in absolute terms decreasing by THB 197 million. Furthermore, in year 2021, expected credit losses from trade accounts receivable increased by THB 47 million and there are bad debts from trade accounts receivable of THB 3 million. Other income, apart from the construction income & revenue from sales and services increased by THB 10 million, administrative expenses decreased by THB 37 million. Financial costs decreased by THB 12 million and deferred corporate income tax increased by THB 19 million.

The sales and service segment by a subsidiary with operations carried out in Thailand to provide energy solutions in solar, wind and other renewable energy sectors, had revenue from sales and service for the year 2021 of THB 159 million with net loss before tax of THB 23 million, with a decrease in net profit of THB 24 million compared to a net profit of THB 2 million in the year 2020.

As of the end of year 2021, the Company and its subsidiaries had total assets of THB 5,552 million, total liabilities of THB 3,626 million and shareholders' equity of THB 1,926 million. Cash and cash equivalents as of the year ended 2021 was THB 304 million, an increase of THB 65 million from a balance of THB 239 million at the end of 2020 or beginning of 2021 which came after net cash earned from operating activities of THB 287 million, net cash used in investing activities of THB 132 million and net cash used in financing activities of THB 91 million. As of the end of year 2021, there was no adverse impact on liquidity since the Company had sufficient cash reserves. The financial liquidity or current ratio of the Company per the consolidated financial statements was 1.05, which has slightly decreased compared to the end of year 2020, with the quick ratio at 0.29 which was lower than 0.44 at the end of year 2020. Return on Equity was (6.47%) compared to 3.63% in year 2020 and Return on Assets was (2.19%) compared to 1.16% in year 2020. Debt to Equity ratio was 1.88 which was better than 2.02 in year 2020.

## Appropriation

**The Board of Directors proposes to appropriate the earnings of the Company (per separate financial statements of Company only) for year 2021 as follows:**

	Baht
Retained Earnings brought forward	393,776,294
Operating Result for year 2021	(111,645,639)
Actuarial gain on Financial & Demographic assumption changes and experience adjustment	10,093,097
Reversal of gain on valuation	2,102,859
Dividend payment	(51,393,954)
Unappropriated retained earnings carried forward	242,932,657



(Mr. Khushroo Kali Wadia)  
Managing Director



# Financial Highlights

Statements of Financial Position	2021	2020	2019
Total Assets	5,552	6,361	6,722
Total Liabilities	3,626	4,258	4,635
Total Shareholders' Equity	1,926	2,103	2,087

Statement of Income	2021	2020	2019
Construction Income and Revenue from sale and services	6,174	7,526	7,240
Total Revenues	6,199	7,540	7,339
Total Expenses	6,299	7,441	7,241
Gross Profit	177	373	329
Operating Profit (Loss)	(101)	98	98
Profit (Loss) for the year	(130)	76	70

Dividend information	2021	2020	2019
Book value per share (Baht)	1.87	2.05	2.03
Earnings per share, Company Only (Baht)	(0.11)	0.07	0.09
Cash dividend declared for the year per share (Baht)	-	0.05	-
Cash interim dividend paid out per share (Baht)	-	-	0.04

Financial Ratio	2021	2020	2019
Current Ratio (times)	1.05	1.09	1.07
Gross Profit Margin (%)	2.86	4.96	4.54
Operating Profit (Loss) Margin (%)	(1.63)	1.31	1.36
Quality of Earnings (%)	(285.47)	644.68	(78.19)
Net Profit (Loss) Margin (%)	(2.10)	1.01	0.96
Return on Equity (%)	(6.47)	3.63	3.86
Return on Assets (%)	(2.19)	1.16	1.13
Debt to Equity Ratio (times)	1.88	2.02	2.22
Interest Coverage (times)	(31.78)	8.08	10.22
Dividend payout ratio (%)	-	70	46



# 1



**BUSINESS OPERATIONS**

# Business Overview

Christiani and Nielsen (Thai) Public Company Limited (the “Company”) is a construction company with a history of over 91 years and was founded in 1930 with an initial registered capital of THB 600,000. The Company’s principal shareholders were Christiani & Nielsen A/S, Denmark, East Asiatic Company and the Privy Purse Bureau (Crown Property Bureau). The Company registered share capital as at 31 December 2021 is THB 1,102,904,144 with a paid up capital of THB 1,027,904,144. Globex Corporation Limited, a Thailand-registered company, is the company’s largest shareholder, holding 56.535% of the shares. Throughout the years, the Company has been a part of national development, with many construction projects all across Thailand. Among these construction works, some have become landmarks in the country and can still be seen in various locations.

## Mission and Vision

The Company firmly continues to build a strong foundation for its future and is determined to be the most respected construction company both in the country and in the ASEAN region by delivering excellence to our clients, honoring our commitments, and nurturing each one of our people.

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. To continuously increase competitiveness, the Company has sought out construction technology as well as new and innovative project management methods to make construction as efficient and effective as possible.

The Company always adheres to and honors the promises made to all stakeholders, whether they are internal or external stakeholders and always operates in strict compliance with all relevant laws and regulations. By adhering to good corporate governance principles, the Company has established strong and effective risk management and internal controls. Furthermore, effective capital management has also been put in place.

Social and environmental responsibility is valued highly by the Company. The Company has taken efforts to plant in the minds of the employees to become fully aware of the importance of their own individual contribution to maintaining a sustainable environment.

The Board of Directors and executives regularly review the Company’s mission, vision, business structure, and business strategy to create long-term value for stakeholders, with a sustainable approach. So as to 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.

The Company is a world class building contractor that has earned its reputation through civil engineering and structural works. The Company is well known for its high level of experience, expertise, and innovative technology. With over one hundred years of experience abroad and over ninety years in Thailand, the Company has participated in numerous significant engineering projects. It developed and produced reinforced concrete load relieving platforms 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 the 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, resulting in numerous types of building projects and country landmarks across the world. Roads, bridges, dams, seaports, tunnels, airports, gas separation plants, sports stadiums, high rises, and residential buildings are examples of the Company’s such 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 the Privy Purse Bureau (Crown Property Bureau), East Asiatic, and Christiani & Nielsen A/S, Denmark. 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 periods accommodated the first national economic and social development plan (1961-1966), which was intended to boost investment in the industrial sector. That marked the beginning of the industrialization era in Thailand.

## 75 years onwards (1981 – Present)

Oil and natural gas were found in the Gulf of Thailand. The discovery played a vital role in spurring economic growth in Thailand. The Company was active in many developmental projects on the Eastern Seaboard. Some of the Company's projects during that time were oil drilling, infrastructure for gas pipelines, drilling platforms, 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 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 of its publicly listed Danish parent company, which was the first in Thai business history. As a result of the economic crisis in 1993, the Company had to cease its operations overseas. The business since then has been concentrated in Thailand only.

Throughout the years since its establishment, the Company has constructed countless projects, many of which are Thailand landmarks that symbolize the Country's development. In 2014, on the 85th anniversary of the Company in Thailand, the Company purchased a plot of land, instead of leasing it, to build a new head office and also moved the 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 the Company's 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, in 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 its investment in three installments and at present, the total paid up capital is USD 400,000.

In 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 and 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 a par value of 35 Indian Rupees 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,” (CNES) with a 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. Apart from financial returns and mitigation of concentration risk associated with having a single business, this business is expected to enhance the Company’s long term growth, 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 the Engineering Act. B.E. 2542 with Council of Engineers. Registration No. 1551/62.

In 2020, CNES established a new company in Thailand as its wholly owned subsidiary, namely “CNES D1 Co. Ltd.,” for developing renewable energy based power producing facilities, with the registered share capital of THB 2 million. During the year 2021, the Board of Directors of CNES D1 resolved to increase its registered capital to THB 150 million.

It is expected that this foray into the alternative energy business by the Company will become the major driver of long term growth and value addition for the Company in future.

## Changes in Company Shareholding Structure

Since 2005, the Company’s Shareholders changed several times, starting in May 2008, when longstanding major shareholder, Siam Commercial Bank PCL, sold its stake to the Crown Property Bureau (CPB), giving it a majority share. However, owning a construction company no longer fit with the long term business strategy of the CPB, and in November 2011, the CPB sold all its shares to the GP Group, a Business Group company with a history that goes back more than 150 years in Asia and over 100 years in Thailand. The GP Group made its investment, through Globex Corporation Limited, which then became the major shareholder of the Company.

## Standards and Certifications

Throughout the years, the Company has been committed to conducting business in a manner that adheres to construction international standards and certifications. This enables the creation of sustainable value for the business and meets 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. As a result, the Company has received numerous awards for quality and safety from Clients including highly reputed International Companies.

# Corporate and Revenue Structure

## Corporate Structure

As at 31 December 2021, the Company has 4 direct Subsidiaries and 1 indirect Subsidiary (wholly held by a subsidiary) (year 2020 - 4 Companies held by the Company and 1 Company held by a Subsidiary) as follows:

Direct Subsidiary	Type of Business	Registered Country	2021		2020	
			Paid up Capital	% of Share-holding	Paid up Capital	% of Share-holding
1. CNT Holdings Limited	Construction Business	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 Co., Ltd.	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
<b>Indirect Subsidiary (held by Subsidiary 4)</b>						
5. CNES D1 Co. Ltd.	Developing renewable energy based power producing facilities	Thailand	Million THB 118.7	100	Million THB 0.5	100



### Christiani & Nielsen (Thai) Public Company Limited (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 2021 (and 2020) mainly came from construction operations as detailed hereunder.

#### Revenue Structure from the operations of the Company and Subsidiaries

Revenue	2021		2020		2019	
	Million Baht	%	Million Baht	%	Million Baht	%
Construction Income	6,016	97.05	7,462	98.97	7,239	98.64
Service Income (of Subsidiary 4 and 5)	159	2.56	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
Other Income	24	0.39	14	0.19	4	0.06
<b>Total Revenue</b>	<b>6,199</b>	<b>100</b>	<b>7,540</b>	<b>100</b>	<b>7,339</b>	<b>100</b>

#### Revenue Structure from the Operations of the Company only

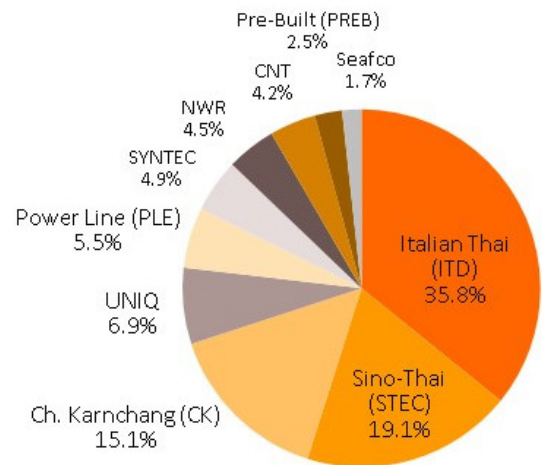
Revenue	2021		2020		2019	
	Million Baht	%	Million Baht	%	Million Baht	%
Construction Income	6,016	99.59	7,462	99.76	7,220	98.57
Reversal of allowance for doubtful accounts	-	-	-	-	64	0.87
Gain from change in fair value of investment						
Properties	-	-	-	-	31	0.42
Other Income	25	0.41	18	0.24	10	0.14
<b>Total Revenue</b>	<b>6,041</b>	<b>100</b>	<b>7,480</b>	<b>100</b>	<b>7,325</b>	<b>100</b>

# Nature of Business and Operations

## Nature of Business

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: Future Business/Industrial Y 2021-2023: Construction Business 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.

Building:	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:

Type of Client	2021	2020	2019
Private Sector	57%	64%	78%
Public Sector	43%	36%	22%

Unit – Million Baht						
Type of Construction	2021 Value	%	2020 Value	%	2019 Value	%
General and Industrial	1,447	24	2,463	33	2,554	35
Petrochemicals & Energy	1,350	22	776	10	901	12
General Buildings	1,780	30	2,825	38	2,570	36
Commercial Buildings	108	2	-	0	117	2
Hotels/Residential	251	4	422	6	265	4
Civil Works	1,080	18	976	13	832	11
<b>Total</b>	<b>6,016</b>		<b>7,462</b>		<b>7,239</b>	



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 2021 per the Financial Statements are as follows:

Project Name	Value of Contract (MB)	Expect to complete (Year)	Client
Bangyai Spurline (Highways)	1,459	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	2023	Department of Airports
PTTLNG Admin. Building	1,450	2022	PTT LNG Co., Ltd.
PTTLNG Tanks	1,717	2022	PTT LNG Co., Ltd.
Highways No. 3191, Map Tha Phut	1,353	2022	Department of Highways
Excellent Medical Specialty Service Centre for Srinagarind Hospital	3,645	2024	Khon Kaen University
McKey Food Plant Expansion	663	2022	McKey Food Co., Ltd.
Highways No. 11, Denchai - Lampang	698	2023	Department of Highways
North Plot Mixed-use, Forestias Project	5,412	2024	MQDC Town Corporation Co., Ltd.

## 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.

#### **Sub-Contractor**

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 petrochemicals plants, oil refineries and power Plants.

#### **Joint Venture**

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 material 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 material 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 2019-2021 is as follows:

Description	Purchase Value: Million Baht					
	2021	%	2020	%	2019	%
Concrete	633	58	475	50	662	42
Cement	18	2	40	4	46	3
Stone & Sand	30	2	51	5	33	2
Steel Structures	120	11	108	12	202	13
Steel Re-bars	298	27	272	29	638	40
<b>Total Purchase Value</b>	<b>1,099</b>		<b>946</b>		<b>1,581</b>	

The major materials used in construction are usually in average ratios, and no major material costs more than 50% of the total amount purchased. However, if the majority of the construction work is in the structural phase, the use of mixed concrete may be greater than that of other major materials.

#### 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. 16, 17 and 20" in this Annual Report.

### Backlog (as at 31 December 2021)

The Company's Backlog as at 31 December 2021 was THB 12,512 Million which is categorized by type of work as follows:

Type of Construction	Value (MB)	Percentage
Buildings	9,855	78.8%
Highways	2,022	16.2%
Industrial	262	2.1%
Petrochemicals	342	2.7%
Hotels	31	0.2%
<b>Total</b>	<b>12,512</b>	<b>100.0%</b>

### New Contracts in 2021

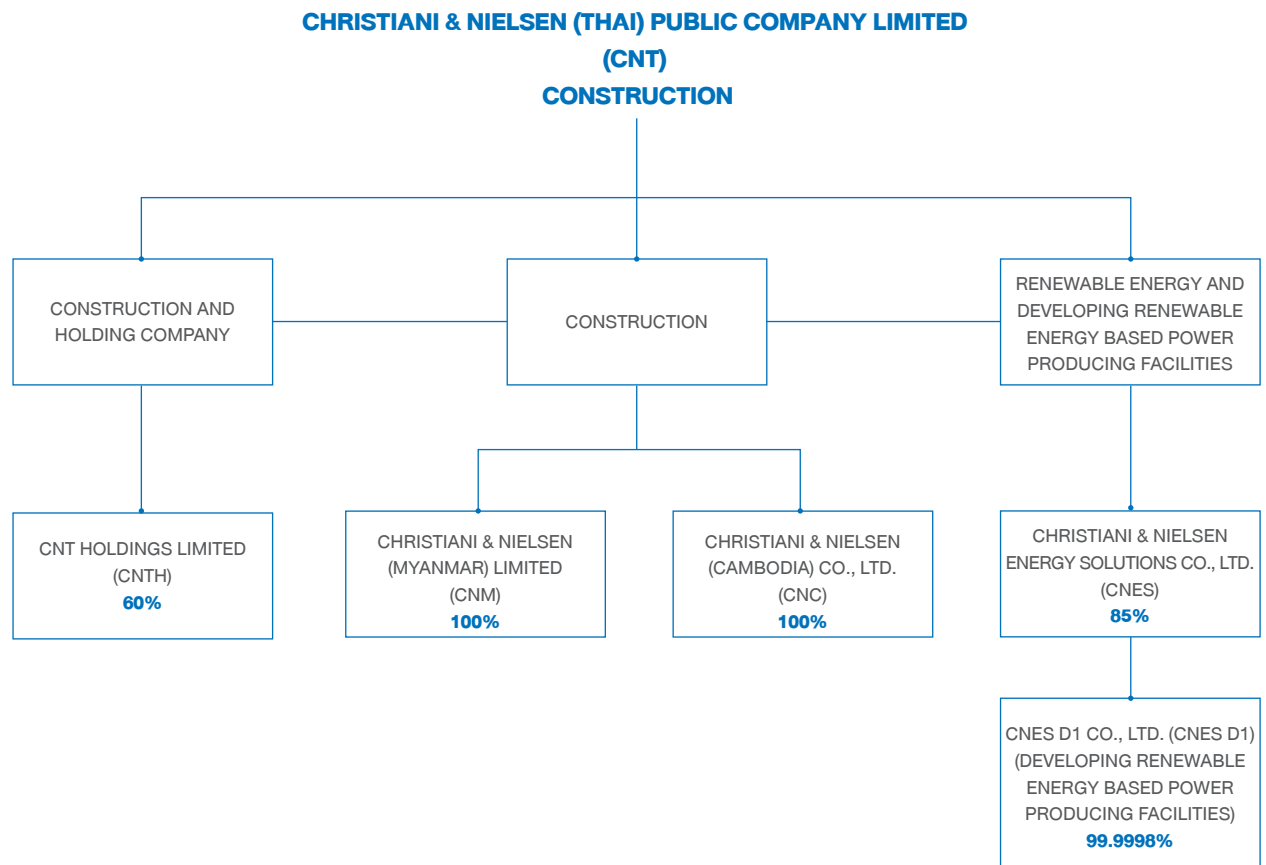
The Company was awarded new Contracts in 2021 of a total value of THB 6,863 Million (excluding VAT), categorized by type of work as follows:

Type of Construction	Value (MB)	Percentage
General Buildings	5,418	78.9%
Commercial Buildings	107	1.6%
Industrial	472	6.9%
Highways	556	8.1%
Petrochemicals	310	4.5%
<b>Total</b>	<b>6,863</b>	<b>100%</b>

These Contracts were/are due for completion in Years 2021 through to 2024 as follows:

Year of completion	Value (MB)	Percentage
2021	851	12.4%
2022	1,854	27.0%
2023	3,969	57.8%
2024	189	2.8%
<b>Total</b>	<b>6,863</b>	<b>100%</b>

# Corporate Structure



## Shareholding

As of 30 December 2021, 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

The list of top 10 major shareholders, as at 30 December 2021

Shareholders	Number of shares	% of 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
UBS AG Singapore Branch	34,794,606	3.385
Thai NVDR Co., Ltd.	34,692,030	3.375
IKS Aakins Co., Ltd.	21,250,000	2.067
Mr. Sanpal Silpchaowala	6,400,000	0.623
Mr.Naenrit Phutwattana	5,955,000	0.579
Miss Sirirat Pongthippanas	4,900,000	0.477
Miss Pornparn Phothirangsithep	4,500,016	0.438

The Group of majority shareholders, as at 30 December 2021

Shareholders	Number of shares	% of 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	2021	2020	2019	2018 (Restated)	2017
Net Profit per Share	(0.11)	0.07	0.09	(0.37)	0.10
Dividend per Share	-	0.05	0.04	-	0.10
Dividend payout Ratio (%)*	-	70	46	-	100

#### \* 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 "Governance 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.

## **Risk Factors**

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 reduce the likelihood of these risks occurring, the Company ensures that Contractors' All Risks insurance are 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 material 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. This includes prior agreement with the owner before entering into a contract to include a condition allowing us to adjust the price if the price of main materials such as concrete and steel rises.

### **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. Due to the COVID-19 situation, Thailand's Centre for COVID-19 Situation Administration (CCSA) ordered the closure of construction sites and labor camps in many provinces last year, causing the company's projects to be delayed.

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, as employee of the construction projects 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. Furthermore, each project manager prepares a detailed schedule plan, and closely monitors it, ensuring the right to a time extension if the project is delayed. 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, by normal contract terms, 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.

### **Safety and Health**

Last year, the world was confronted with the pandemic, Corona Virus Disease 2019 (COVID-19), a novel disease with no cure or medicine to prevent it. Thailand had been hit by a slew of waves during the outbreak's initial phase. The virus itself had mutated numerous times, resulting in a large number of infections and deaths.

The Company realized that employees and workers, who are key resources at the head office, construction sites, and labor camps, were at risk of becoming infected. As a result, the Company implemented a policy to encourage individual vaccination. The company worked with the authorities to ensure that all of our employees and workers had access to vaccines. Furthermore, the company has educated its employees on the importance of vaccination in reducing the severity. To reduce the risk of infection that could harm the employees' health, the company has implemented safety procedures and enforced social distancing. This way, the company's business will be less likely to be disrupted, while also protecting the employees' and workers' health. The company worked with the hospital and hospitel for the infected employees and workers to ensure that they received treatment as soon as possible. It will aid in reducing the severity of the condition and the risk of death from infection.

## **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. Another risk is a delay in receiving milestone and variation order payments. Variation order is a common occurrence in construction projects. Waiting for approval and the agreed-upon price from the employers may also lengthen the process of receiving payment.

To mitigate these risk factors, the Company has a policy of negotiating payment terms that are strict and concise, considering the appropriateness of the next milestone and requesting advance payment from the Employers. Furthermore, 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.

### **Adapting to the applicable and changing building codes 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 2021, 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.
- Furthermore, 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.

## Emerging Risks

### **Emerging risks from ever-advancing technology**

The construction industry employs technology and innovation to improve time efficiency, quality, and safety, such as the use of 3D model software applications in project management and filing on construction sites. However, technology evolves at a breakneck pace. Although the construction industry appears to be less affected than other industries, still it needs to be able to adapt to technological changes in order to avoid business opportunity loss and maintain market competitiveness.

### **The dangers of cyber threats**

Today's business operations necessitate the use of technology in order to communicate and conduct various online transactions. Data breaches, data theft, or destroying data to disrupt business operations are all examples of cyber risks. As a result, the company

is vulnerable to cybersecurity threats. The impact of a sensitive financial information breach or a disruption in communication both within and between organizations is hazardous to business operations. Ransom ware, data leaks, phishing, malware, viruses, Trojans, and other cyber risks are examples.

To prevent unauthorized people or software from entering the network, the company invests in a Firewall Control System. There was virus scanning software installed on the Company computers. The Company employs e-mail services from reputable e-mail providers who maintain the highest level of data security. Furthermore, the company invests in processing and storage systems that use cloud computing technology, in addition to the tape backup system that has been continuously implemented. To strengthen cyber security, the company also provides personnel training, including the distribution of bulletins through multiple channels. This raises awareness and understanding of cybersecurity risks for both individuals and the organization.

# Sustainability Report

## Sustainability Management Policies and Goals

### Principles for Sustainability Development

The Company's vision is to "Develop Sustained Competitiveness". This is to build a strong foundation for a better future. 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.



- The company follows policy guidelines and environmental laws that aim to minimize environmental impacts throughout our construction process.
- Reduce energy consumption and make efficient use of natural resources by adhering to the 3 R principle.
- Utilize renewable energy in our construction process and choose green label products and construction materials to minimize negative environmental impact.



- Respect human rights by conducting business in a transparent, fair, and equal manner with all stakeholders.
- Incorporate a diversity policy and equal rights provisions into the code of conduct.
- Proceed with caution in all procedures. Take care of the lives and property of employees, the company, and the construction site's neighbors by adhering to the company's certified ISO 45001:2018 standard.
- Support and participate in activities for the betterment of the local community so that it can grow in a sustainable manner.
- Enhance employees' knowledge and skills, as well as those of business partners and residents near construction sites, so that they can serve as sustainable human capital for the company and the local community.



- Conduct business in accordance with Good Governance, as defined by Good Corporate Governance, for the benefit of all stakeholders in a just manner.
- Devote time and effort to developing innovative construction technology that will result in high-quality work that will be accepted in the ASEAN region.



## 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

Products and Services

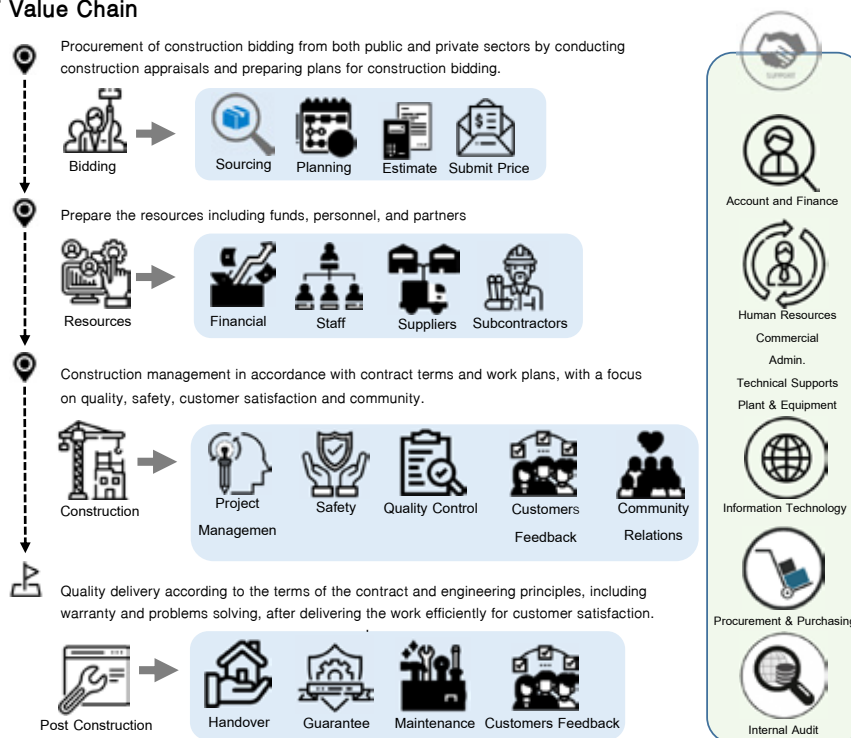


## Scope of Sustainability Report

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 2021 to 31 December 2021, to stakeholders accurately and transparently covering operating results from Christiani & Nielsen (Thai) Public Company Limited's Head Office, Siracha Office, and construction sites.

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.

### CNT Value Chain



## Stakeholder Engagements

The Company recognizes the importance of all stakeholder groups, whether internal stakeholders like management and employees of the Company and subsidiaries, or external stakeholders like shareholders and investors, customer, suppliers and creditors, competitors, communities and environment, government agencies and other related organizations with whom the Company has an ongoing relationship and impact as a result of its business operations. The Company engages its stakeholder groups via a variety of channels with frequency and communication mechanisms determined by 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 directly contact the Board of Directors, directly, bypassing Management. The Board will continue to treat such information seriously and confidentially.





## Business Value Chain Stakeholder Analysis

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.

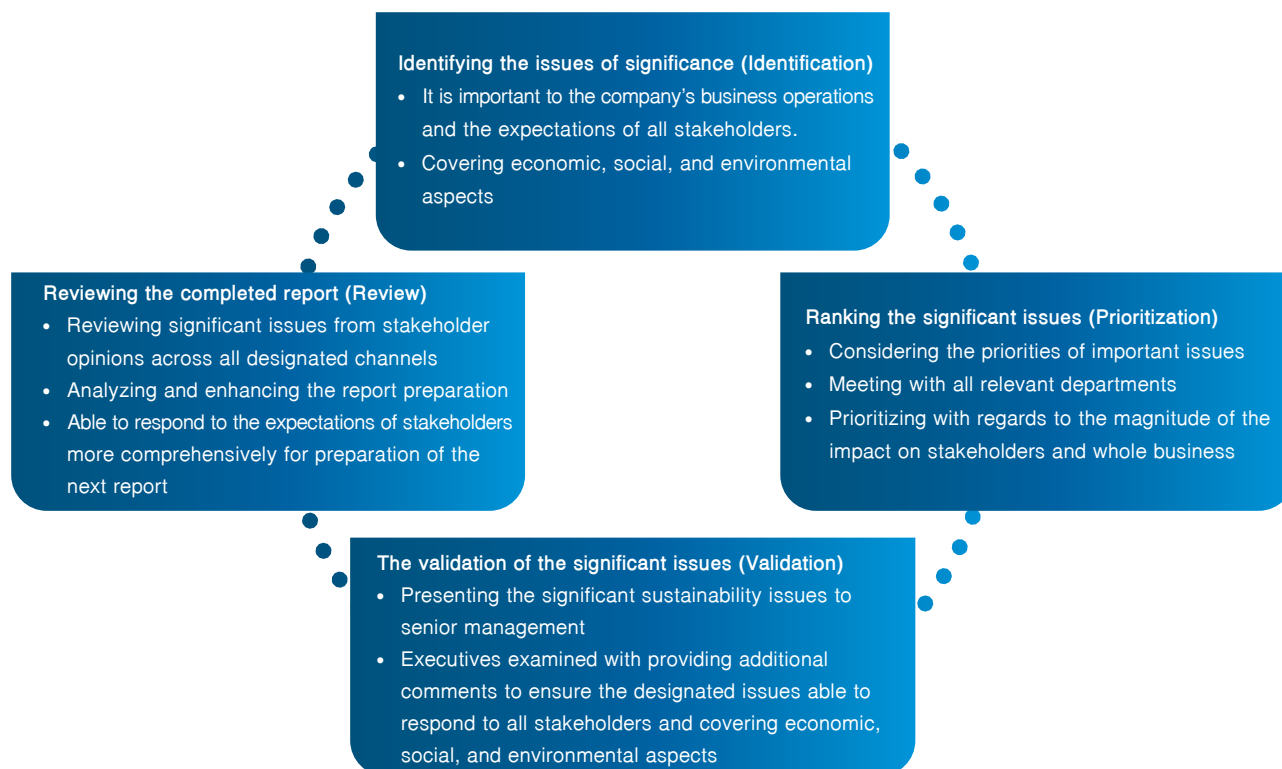
Stakeholders	Expectations	Key action and engagement	Communication channels
Management and Employees	<ul style="list-style-type: none"> <li>• Appropriate compensation and welfare.</li> <li>• Career advancement and succession.</li> <li>• Competency advancement.</li> <li>• Good working environment.</li>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

Stakeholders	Expectations	Key action and engagement	Communication channels
Customers	<ul style="list-style-type: none"> <li>Professional service with fair price.</li> <li>Deliver construction work on time, with agreed quality and within budget.</li> <li>Construction warranty period.</li> <li>Confidential non-disclosures.</li> <li>On-time trouble shooting.</li> </ul>	<ul style="list-style-type: none"> <li>Develop services that respond to diverse needs.</li> <li>Provide efficient, reliable and professional services and solutions at once.</li> <li>Meet clients' expectations with superb quality and services. Deliver projects within the budget and timeline.</li> <li>Never deliver projects that may potentially damage the clients.</li> <li>ISO 9001:2005 Quality Management System</li> <li>Keep the cost low, yet maintain high quality construction standard and services.</li> <li>Seek ways to add more benefits to the clients.</li> <li>Take part in finding solutions as well as preventing environmental problems within the building sites and the neighborhood.</li> </ul>	<ul style="list-style-type: none"> <li>Meeting with the project's owner or representative.</li> <li>Construction site visit by Management.</li> <li>Customer Feedback Questionnaire.</li> <li>Letter to Project Manager, Operations Director, Managing Director.</li> <li>E-mail: cnt@cn-thai.co.th</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Fairness and equal opportunity in procurement process.</li> <li>Fair prices.</li> <li>Reputation and creditability.</li> <li>Create synergy partners.</li> <li>Adhere to conditions in the contracts.</li> </ul>	<ul style="list-style-type: none"> <li>Set criteria for the appraisal and selection of supplier for fair competition.</li> <li>Define quality, products and services.</li> <li>Ensure that terms and conditions are based on industry norms and practices.</li> <li>Comply with agreed terms and conditions. On time payment</li> <li>Support and assist where possible to create synergy partners.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>E-mail: cnt@cn-thai.co.th</li> <li>Whistleblower E-mail: kasemsi@merchant.co.th</li> <li>Regular meetings for information exchange and create good relationship.</li> <li>Organize activities to create good relationship.</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>Ability to repay loans/debts on time</li> <li>Fair returns on loans and service fees.</li> <li>Commitment to agreements.</li> </ul>	<ul style="list-style-type: none"> <li>Strictly comply with all terms and conditions and objectives of using the borrowed funds, repayment, collateral, and other conditions as may be agreed.</li> <li>Never conceal truth that may potentially cause damage to the creditors.</li> <li>Assure quality of collateral or any conditions in the agreement made with the creditors for achieving mutual benefit.</li> </ul>	<ul style="list-style-type: none"> <li>Regular meetings for information exchange and create good relationship.</li> <li>E-mail: cnt@cn-thai.co.th</li> </ul>

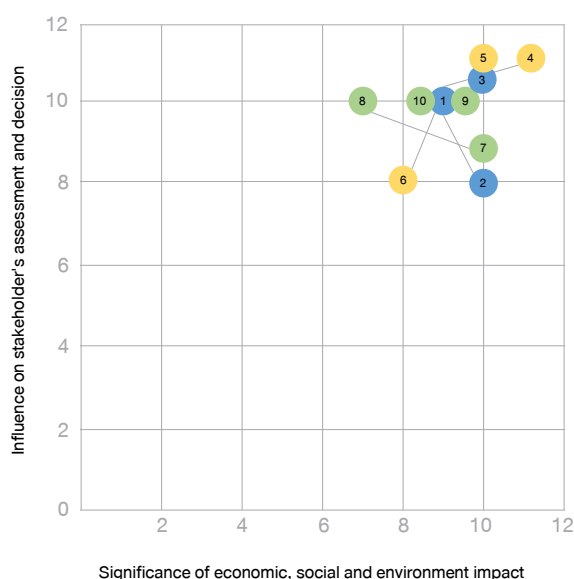
Stakeholders	Expectations	Key action and engagement	Communication channels
Regulators	<ul style="list-style-type: none"> <li>Strictly comply with all related laws and regulations.</li> <li>Good Corporate Governance and transparency.</li> <li>On-time and sufficient disclosure of information.</li> </ul>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

## Establishment process for content of the sustainability report

Company has a process to evaluate key issues establishment, through engagement of the management and employees, as well as considering the expectations of key stakeholders in order for this report to respond to and communicate with both internal and external stakeholders of the organization, by using the following procedure:



## Sustainability Materiality Matrix



 GOVERNANCE (G)	<ol style="list-style-type: none"> <li>1. Good corporate governance</li> <li>2. Anti-corruption</li> <li>3. Economic performance</li> </ol>
 SOCIAL (S)	<ol style="list-style-type: none"> <li>4. Education and training</li> <li>5. Occupational health and safety</li> <li>6. Economic and social law</li> </ol>
 ENVIRONMENT (E)	<ol style="list-style-type: none"> <li>7. Environmental law</li> <li>8. Waste</li> <li>9. Air emission</li> <li>10. Energy</li> </ol>

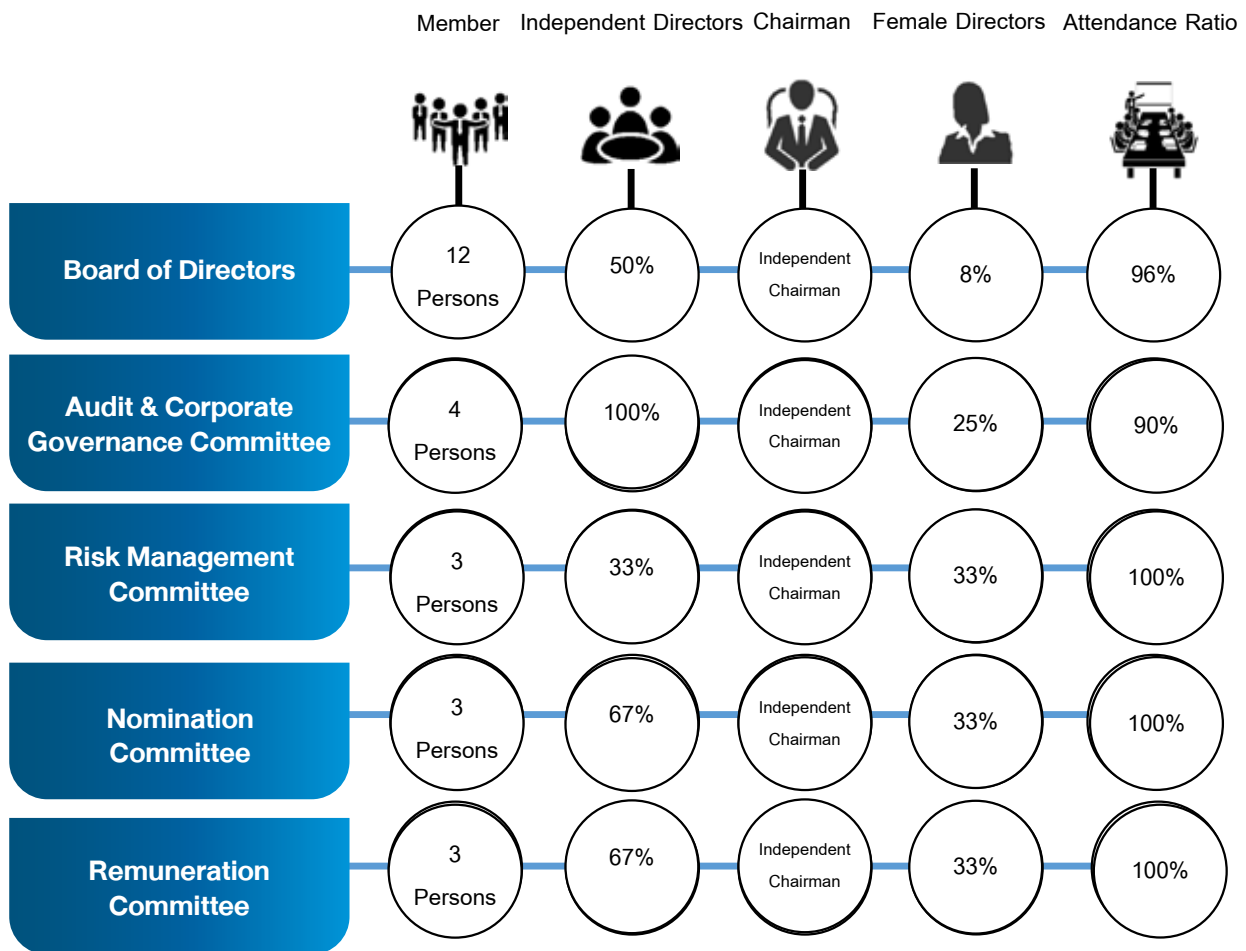
## Report on sustainability performance

### Good corporate governance

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 details of good corporate governance are explained in the report on pages 109-158.

In 2021, company has a summary of good corporate governance performance as follows:





## Anti-Corruption

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 conducts, ethics and morally in business operation. The Company has a zero tolerance policy for fraudulent and / or corrupt

behavior and takes corruption and bribery transaction, if any, very seriously.



Anti-Corruption Policy

In 2021, the actions taken in regards to anti-corruption were as follows:



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.



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.

The Board of Directors determined to sign its declaration of Intent with CAC to fight against Corruption with target to be certified as a member in the near future. This is to ensure that the company conducts its business with transparency, integrity, and without corruption in order to provide equal benefits to all stakeholders.



### whistleblowing channel

MR. KASEMSIT PATHOMSAK

Chairman of Audit and Corporate Governance Committee

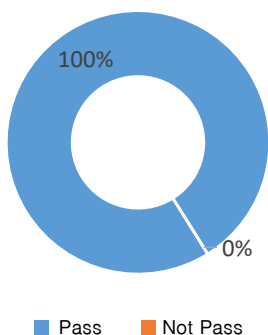
Tel: + 66 2 660-6688

E-Mail: kasemsit@merchant.co.th

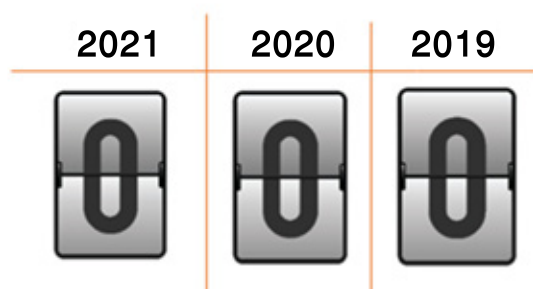
Address: MERCHANT PARTNERS SECURITIES PUBLIC COMPANY LIMITED

2/F Charn Issara Tower 1, 942/81 Rama IV Road, Suriyawong, Bangrak, Bangkok 10500

### Anti-corruption training course year 2021



### Anti-corruption complaints



Any employee who has not completed the training course must retake it in the company's E-Learning system and pass it within one month.

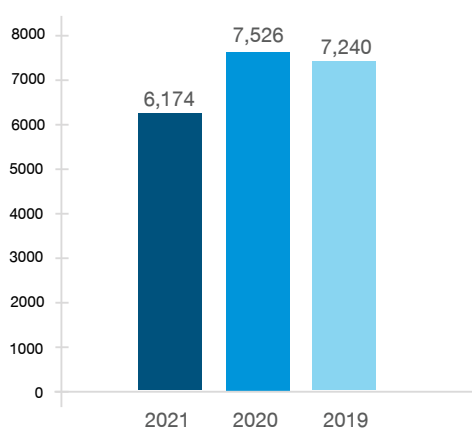
## Economic Performance

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.

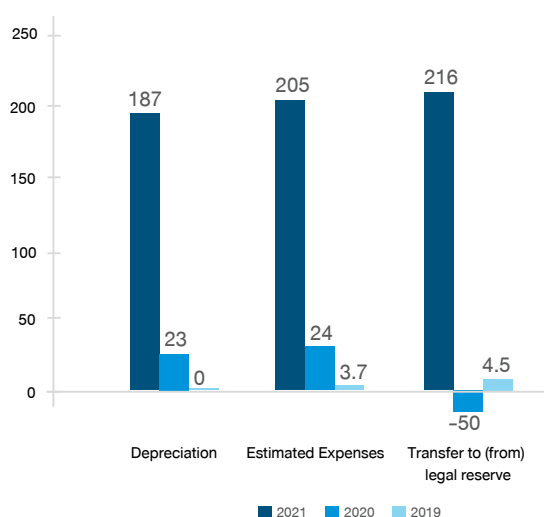
The Company management structure in Construction operation is separated into Business Units according to staff capability and experience. Head of each Business Unit is responsible for the management of their own unit to generate income for the sustained economic growth of the Company. Business Units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

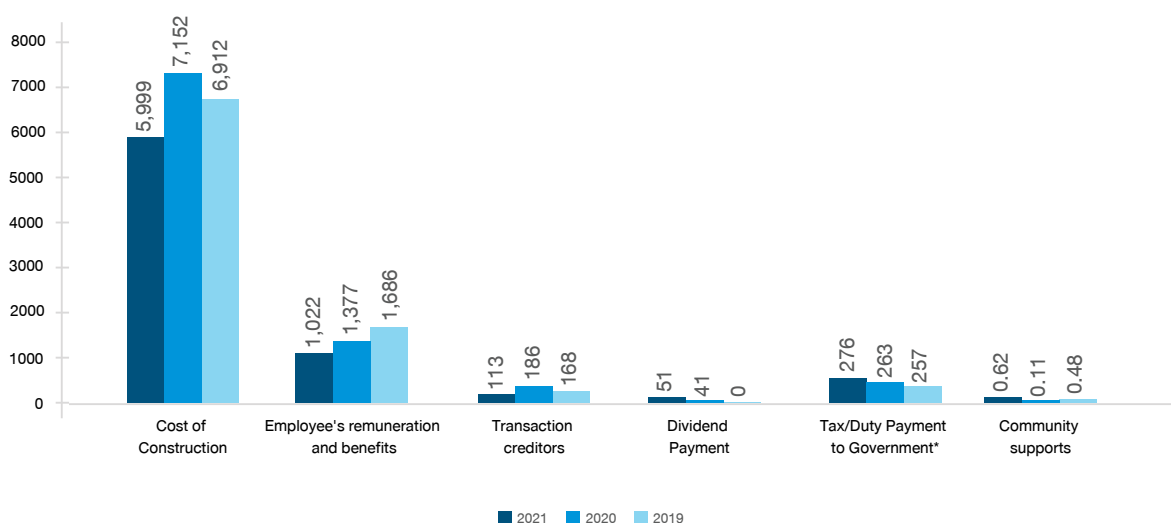
**Direct Economic Value :MB**



**Cumulated Economic Value :MB**



**Distribution of Direct Economic Value : MB**



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 2021)

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

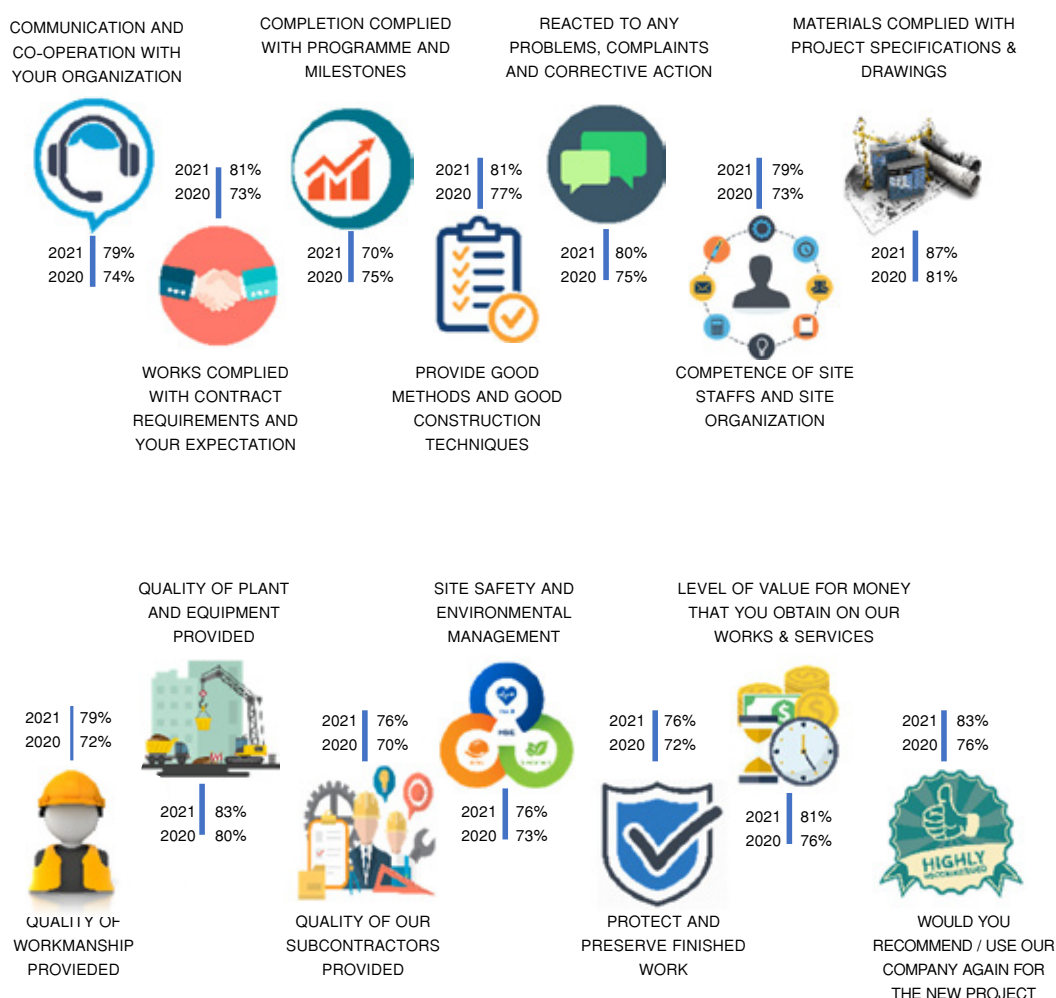
The Company uses an Enterprise Resources Planning system to manage and integrate all core business processes including Cost Control, Accounts and Finance, Procurement, Worksite Storekeeping, Equipment Maintenance etc. The system aims to manage all resources efficiently and reduce time (Algorithm) by 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.

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 79%, 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.

Last year, the customer feedback was surveyed with a satisfactory result, details of which are shown below:

### 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](mailto: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 2022. 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.

## **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;

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

#### Respecting Human Rights and Labour Practices Human Rights Management Guidelines

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.

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 49 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. For the past five years, since 2017 the company has consistently hired socially disabled people with the intent of recruiting them into the organization without seeking benefits.

#### **Taking care of employees and workers during the outbreak of COVID-19**

The COVID-19 outbreak, which began at the end of 2019, has been affecting people all over the world. It has had a social and economic impact on every country, including Thailand. Because we have large construction sites in operation, our employees and workers are at risk of becoming infected. As a result, the Company has established guidelines for everyone to follow in order to protect themselves and their families. In addition, we have



policies in place to care for employees and workers who become infected. Which measures listed below.

1. Adapt policy and guidelines to protect against COVID-19 based on current circumstances. The guidelines will then be implemented in the Company's facilities, including the head office, construction sites, and worker campsites. The guidelines were established in accordance with the guidelines established by Thailand's Department of Disease Control and under Article 14 of the Communicable Diseases Act, B.E. 2558, in regards to measures and surveillance of the Novel Coronavirus Disease 2019. (COVID-19). Concerning employee health in the workplace, the Company requires employees to work from home in order to reduce congestion within the premises as well as the risk of employees becoming infected while commuting to work. Furthermore, we have devised a strategy to deal with the outbreak crisis in such a way that it does not disrupt business operations.

2. Establish bubble and seal guidelines at construction sites and worker campsites to care for staff, both Thai and foreign workers. The guidelines were also developed in accordance with the Public Health Ministry's Department of Disease Control in Thailand. We've set up a quarantine zone to keep the infected away from the rest of the community. Furthermore, we have designated a quarantine zone for people who may or may not be infected for observation. Furthermore, the Company has received assistance from our business alliances. They have provided enough food and medical supplies for people who must be quarantined within the sites.

3. Employees have been educated about COVID-19 and its dangers via internal communication channels such as E-mail, Line Official, Internal Website, and Notice Board. Furthermore, the message has been communicated to construction workers via Morning Safety Talks. The guidelines were then strictly enforced to ensure that everyone followed the COVID-19 preventive guidelines.

4. We have ensured that there is coordination with hospitals and field hospitals if there is an infected case who requires immediate medical assistance or medical care.

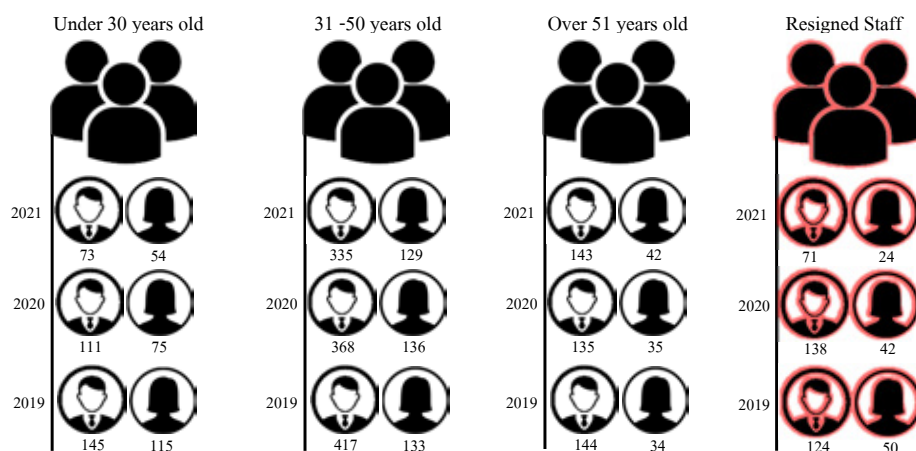
5. We've organized a project called "Sharing Medicine Boxes." We provided them to infected employees who had been placed in home isolation. Furthermore, we called the employee on a regular basis to assess the symptoms so that we could send help or coordinated with the hospital in the event of an emergency.

6. We have advocated and campaigned for the vaccination. The company has arranged for more than 90 percent of its employees, as well as Thai and foreign workers, including subcontractors' workers, to receive full dosage of vaccination.

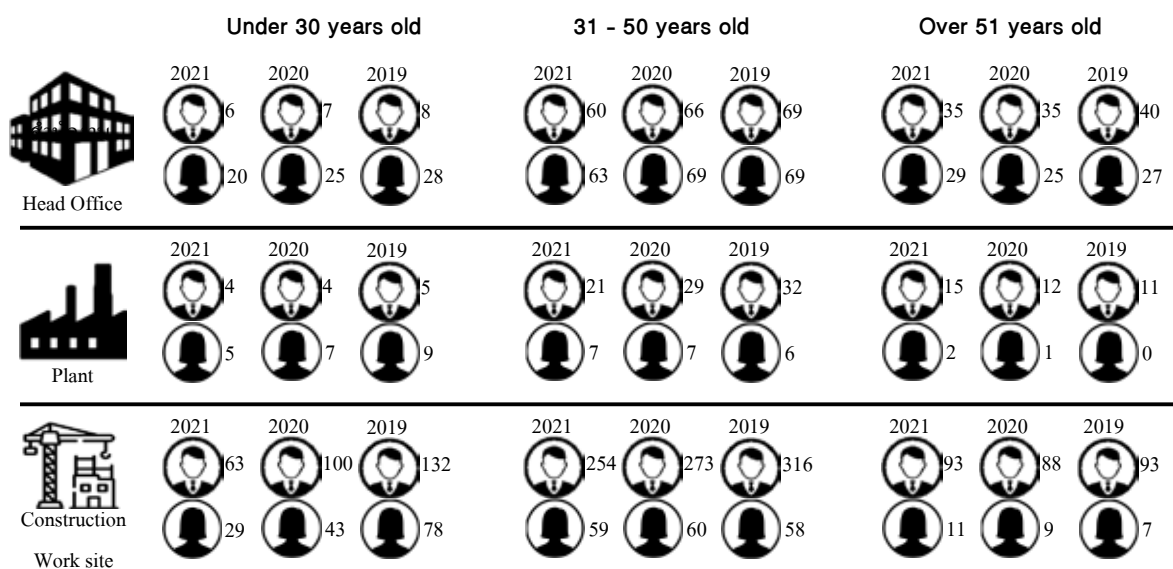
Furthermore, a grant of 5,000 Baht was donated to Wat Phong Ploy Viriyaram to fund medical treatments for 202 novice monks infected with COVID-19. During a recent severe covid-19 outbreak, the temple was set up as a field hospital to treat novice monks.

## Staff Number

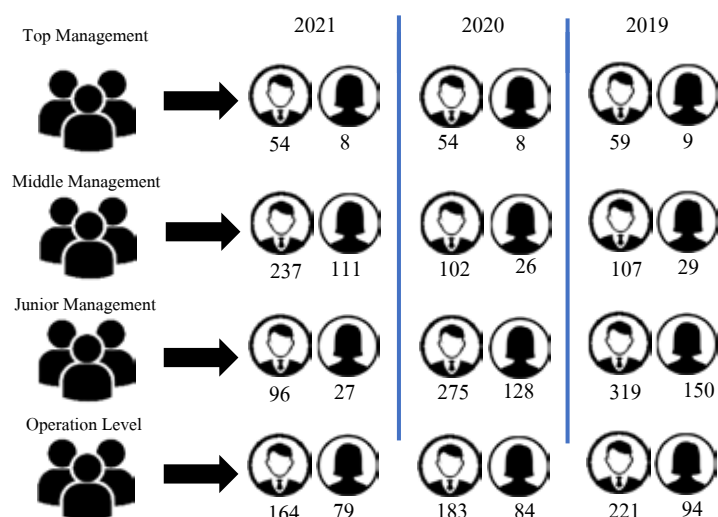
Number of staff working at Head Office, Plant and construction work sites is as under:



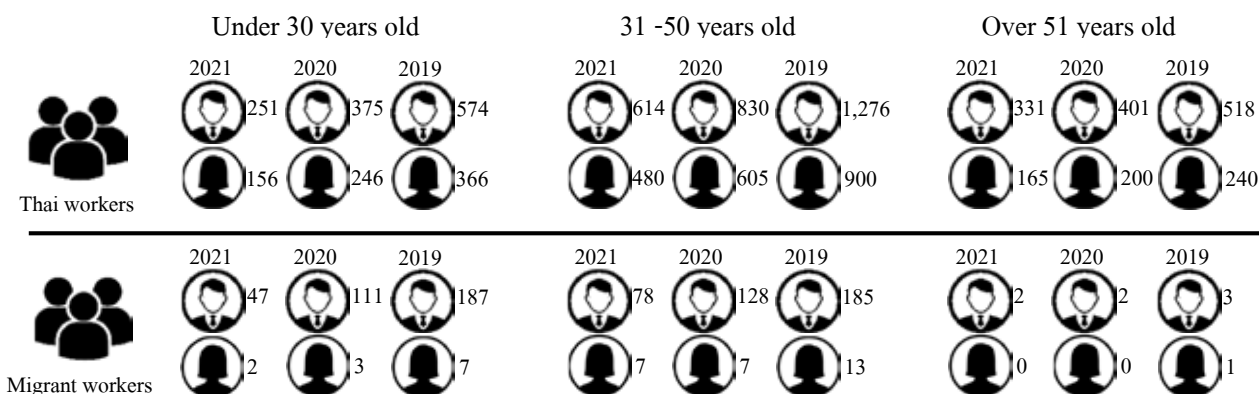
### Total Numbers of staff- Classified according to work places, age and gender



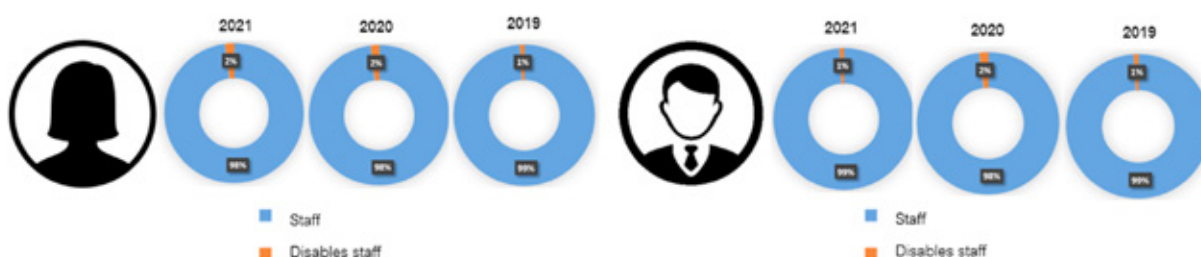
### Classified according to level and gender:



## Classified according to their Thai workers and migrant workers under MOU.Age and Gender



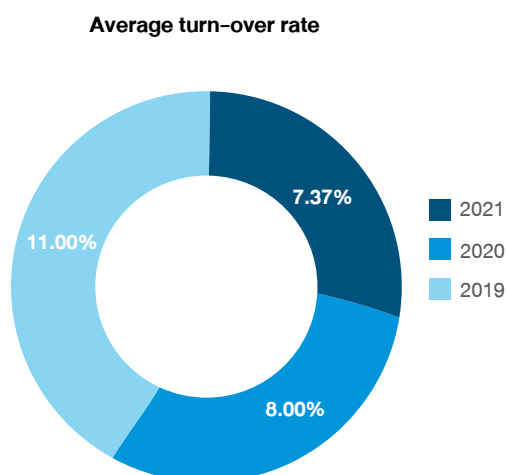
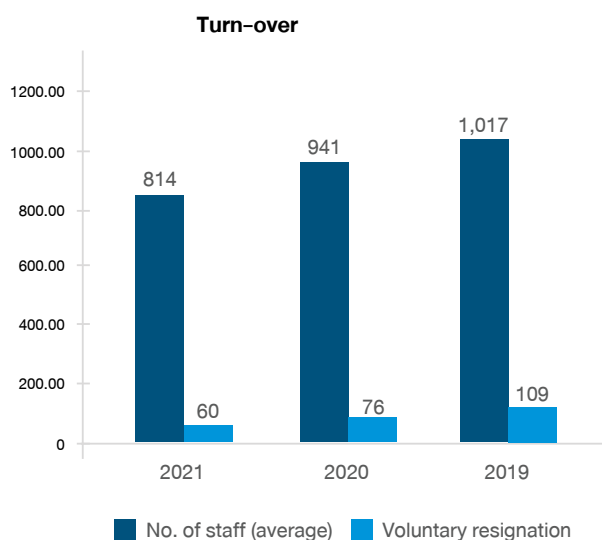
## Disabled employees



## Overall Employment

In 2021, Company's total staff and workers were 2,909 persons classified into staff (head office, plant and worksites) of 776 persons with female staff 225 persons (29%) and male staff 551 persons (71%). Total workers were 2,133 persons with female 810 persons (38%), male 1,323 persons (62%). Among these were Thai workers 1,997 persons (94%) and workers under MOU 136 persons (6%). Disabled workers were 49 persons equivalent to 1% of total staff and workers.

## Average turn-over rate



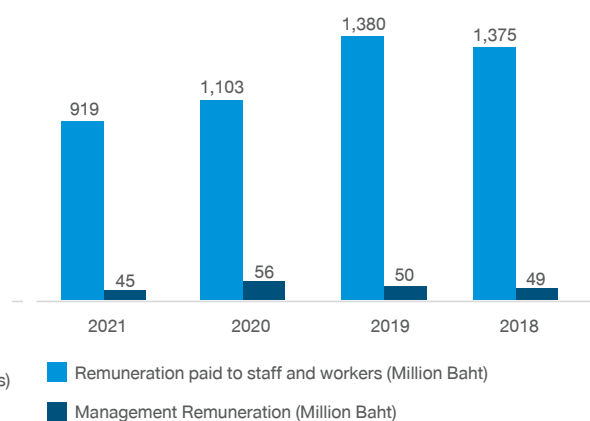
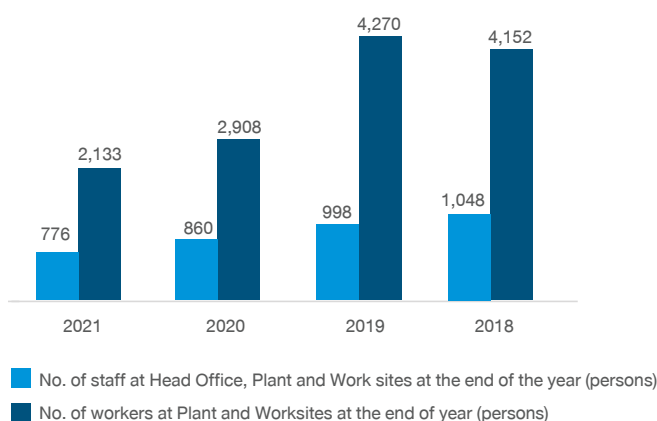
## Changing the number of employees

While there has been no change in the core management team and the number of key people, the total number of employees have reduced over the past 3 years in line with the reduced turnover (top line or total revenues) of the Company. There is no labor disputes in the past three years. Employee turn-over rate for year 2021 was 7.37%, decreasing from the year 2020 and 2019 at 8% and 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.

The Company has always valued equal employment opportunities. However, as the nature of construction

business requires physical endurance, our construction 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.

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



## Worker Treatment Policy on Equal Opportunity and Fairness

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-body 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. Last year, the Company was honored by Department of Labour Protection and Welfare with the award of Good Labor Practiced: GLP).



## Equal 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

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 Website, 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

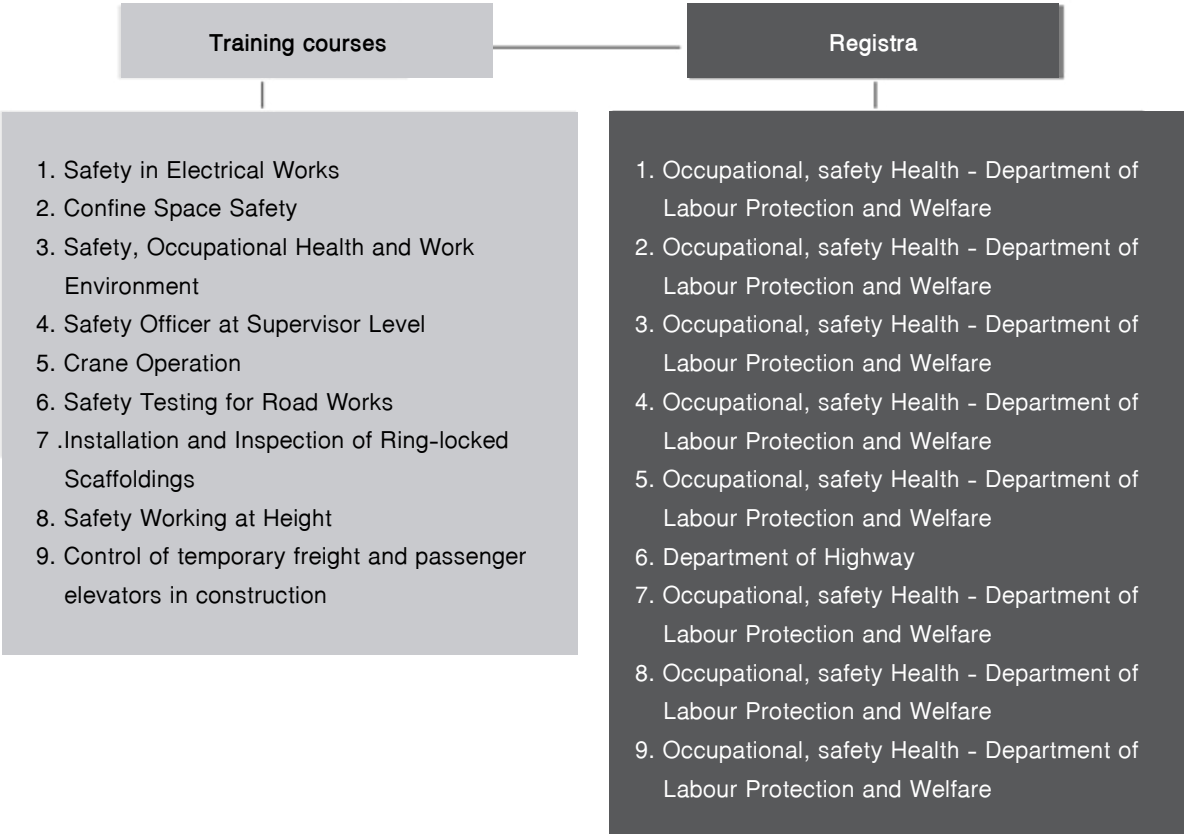
The Company has a policy to support key employees to further their study in Master Degree in Company’s business related programmes. Employees whose qualifications meet with Company’s criteria have a chance to enhance their knowledge, capability and increase their efficiency in their



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:

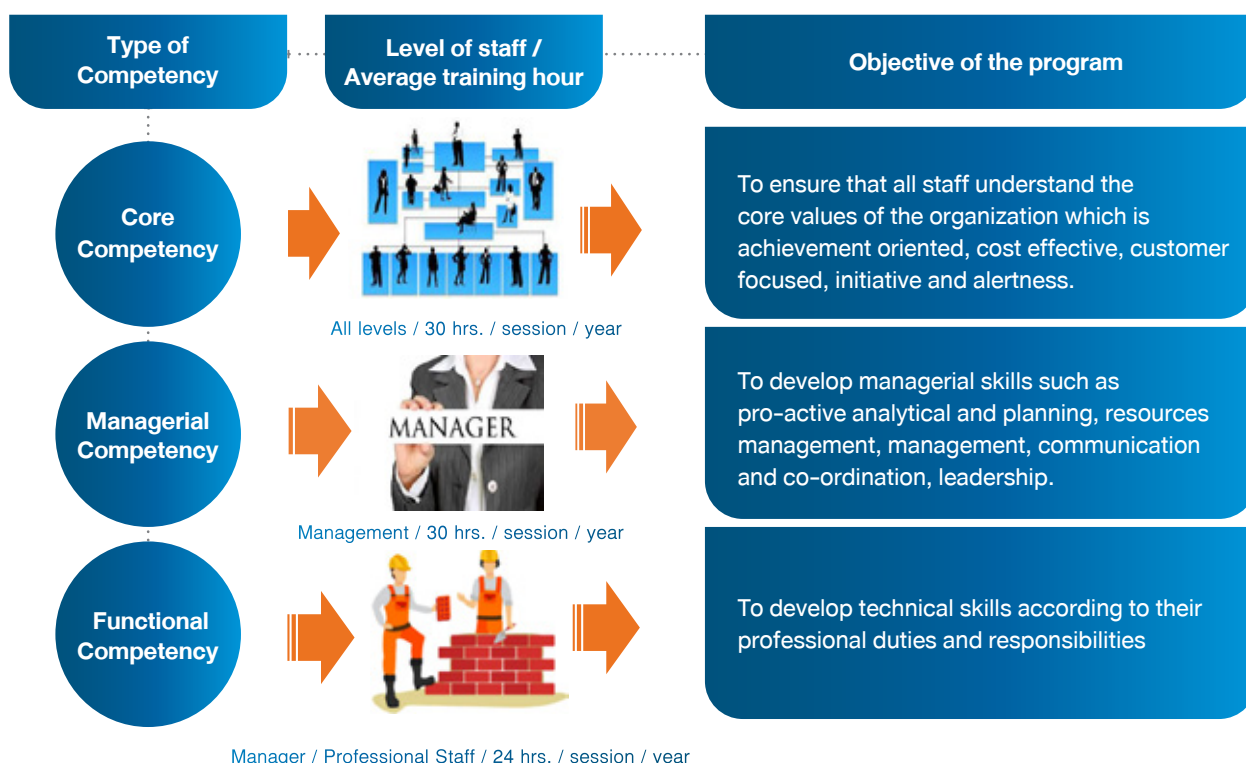


The annual development programme (Career Path Development) is set up on a continuous basis from year to year. The objective is for employees to realize and understand the opportunities for their career development which is the Company's mission to create "quality employees, quality productivity". The 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.



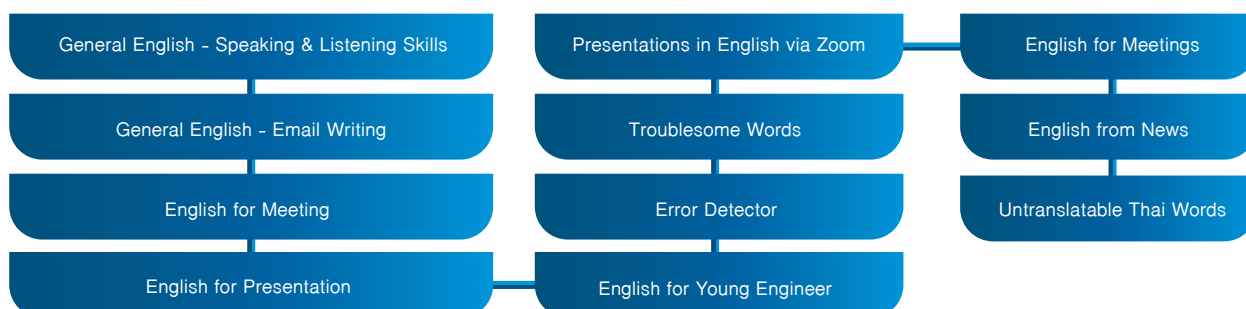
## Leadership Development

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.

Because of COVID-19, all English courses were moved from in-house training to Zoom Cloud Meetings. The courses were conducted all year around. Please see the course list below.



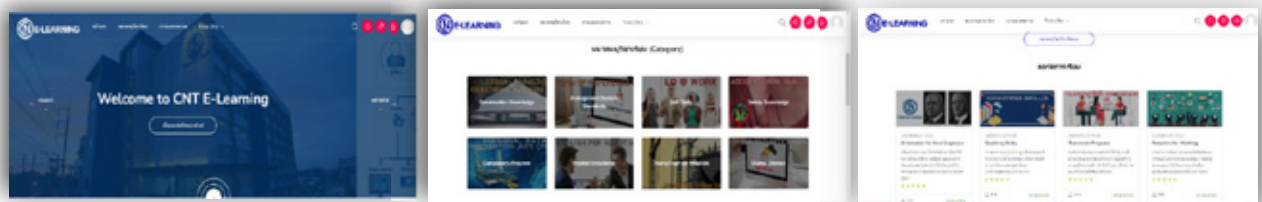
The English courses were attended by a total of 165 employees for a total of 159 hours. The courses would be recorded and uploaded to the e-Learning system so that staff could re-learn them at their leisure.

### 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

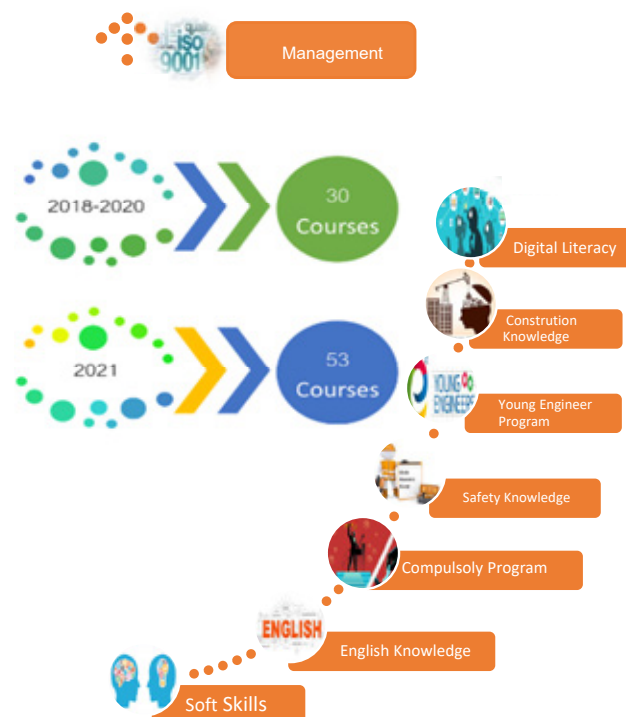
courses include quizzes and exercises to encourage participation. e-Learning enables staff to continue improving their skills and knowledge.

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 2021, the company continued to develop courses and add to its e-Learning platform (Version 2). The courses were classified into eight categories, as shown below.

Courses in e-Learning / Per Year



Interesting course samples (Some courses)



## Young Engineer

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.

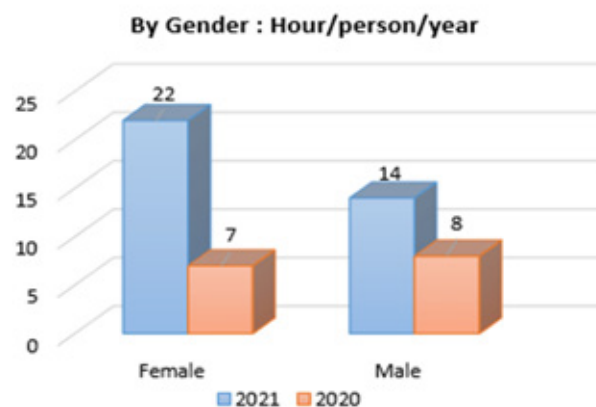
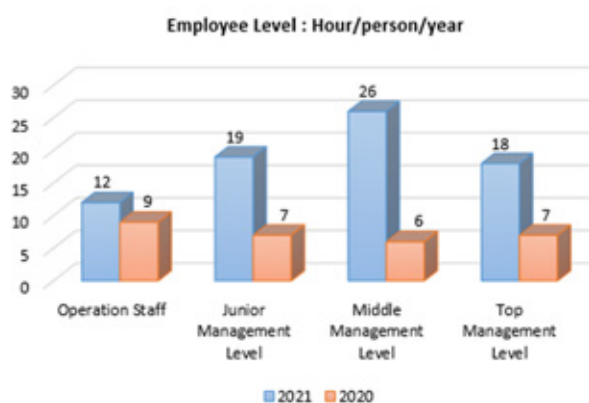
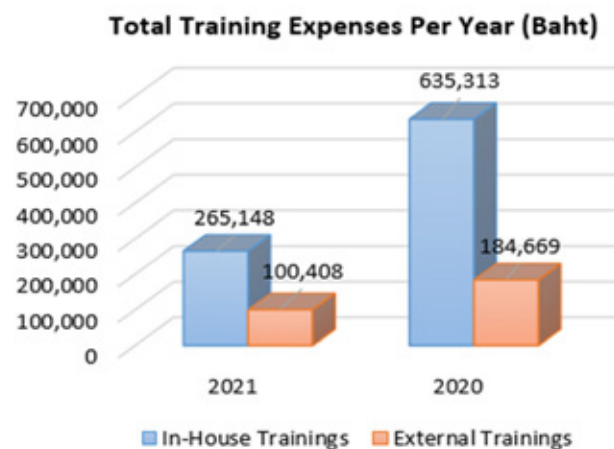
## Development Plan for operation staff in construction operation

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:

To improve the skills of construction operation staff in 2021, the Company invited subcontractors and suppliers to exchange knowledge and train engineers and operation staff.

### Courses for improving construction operation staff's skills

Innovation Construction By SCG	Glass Innovation Product By AGC	Installation of aluminum glass in construction	Post Tension Slab for High Rise Building Innovation
Excavation & Soil Protection	HILTI program design, selection of anchoring agents, steel anchors		Translucent roof innovation
Metal sheet products in construction	Waterproofing problems	Insulation for Sustainability	





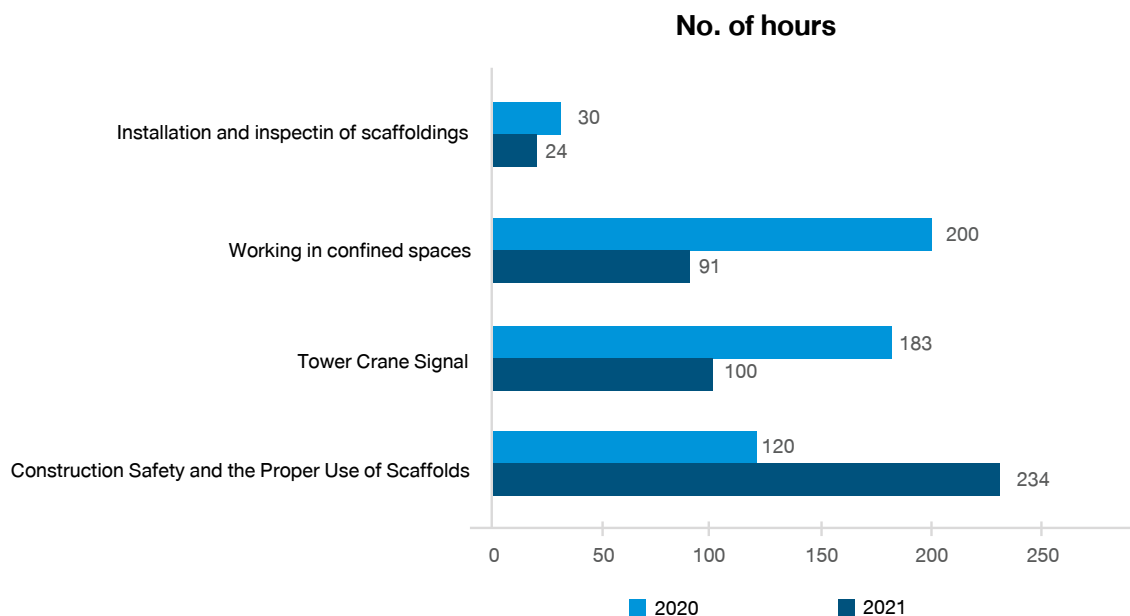
### Group of Operation staff at construction sites

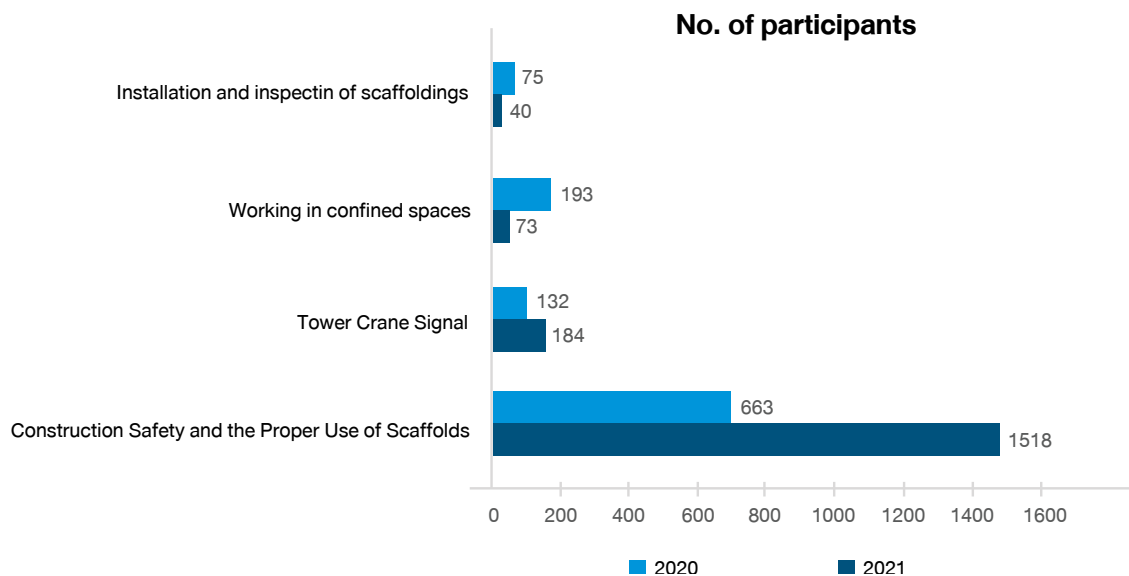
As a large construction company, the Company needs a number of skilled staff and workers. With high competition in the construction market, operation staff and worker is one of the significant target groups for training. The Company has built a training center at Nimitmai Road to provide full facilities 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.

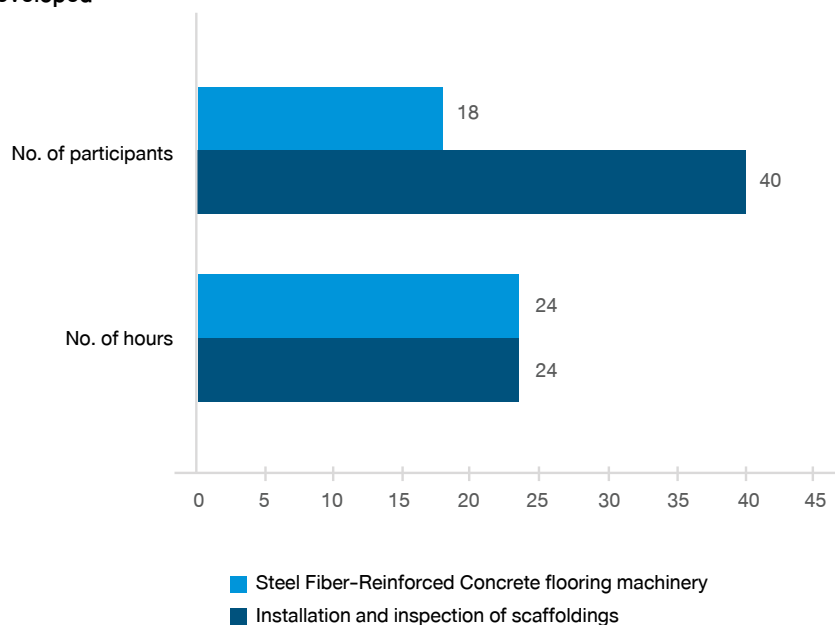
The training programmes for safety are conducted regularly for staff and workers at site to ensure safety at workplace. Training for the use of equipment is provided to ensure that all Company equipment is used correctly and efficiently. The regular training programmes, including the development of skilled 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





#### Programme developed



### 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



The company has organized 54 courses for engineers since joining the Council of Engineering Continuing Professional Development Network. A total of 1,739 people (counted as Man-day) participated, earning a total of 4,913 Professional Development Unit (PDU) or 256 training hours. Please see the table below for a year-by-year breakdown of the data.

2019	2020	2021
No. of participants 291 person	No. of participants 320 person	No. of participants 965 person
PDU gained 1,803 Unit	PDU gained 1,128 Unit	PDU gained 1,199 Unit
Nos. of hours 76 Hrs.	Nos. of hours 60 Hrs.	Nos. of hours 57 Hrs.

In terms of Architects' Continuing Professional Development, the Company has also been accepted into the Architect Council of Thailand Continuing Professional Development network. We were given permission to hold two courses for them: one on transparent roof innovation

and one on sustainable insulation. A total of 129 architects participated in the courses, earning 43 PDUs or 5 training hours. The PDUs earned will be useful in the future for the professional license exam.

#### Courses of Continuing Professional Development for engineer

Excavation & Soil Protection	HILTI program design, selection of anchoring agents, steel anchors	
Installation of aluminum glass in construction	Innovation Construction	Innovation Post – Tension
Glass Innovation Product	Insulation for Sustainability	Translucent roof innovation
Duet Me Challenge, Tragically Common Mistakes	Tips Concrete Curing	Metal sheet products in construction



## Occupational Safety, Health and Environment

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.

CONSIDER THE  
FOLLOWING EXAMPLE  
OF RELEVANT SAFETY  
LEGISLATION:

OCCUPATIONAL  
SAFETY, HEALTH AND  
ENVIRONMENT ACT.

MINISTERIAL REGULATION  
IN OCCUPATIONAL  
SAFETY, HEALTH, AND  
ENVIRONMENT RELATED  
TO CONSTRUCTION  
WORKS

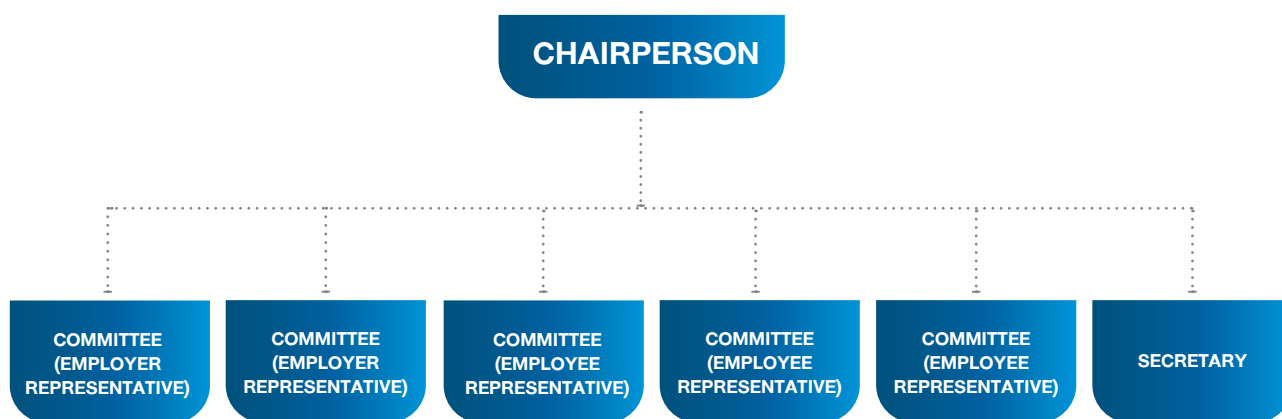
MINISTERIAL REGULATION  
PRESCRIBING THE  
STANDARD FOR  
ADMINISTRATION AND  
MANAGEMENT OF  
OCCUPATIONAL SAFETY,  
HEALTH AND ENVIRONMENT



Safety Policy Statement

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.

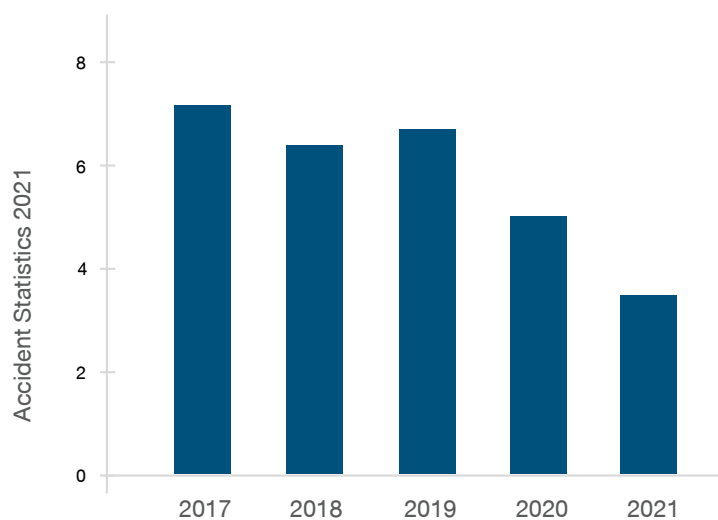


Safety Operation Performance

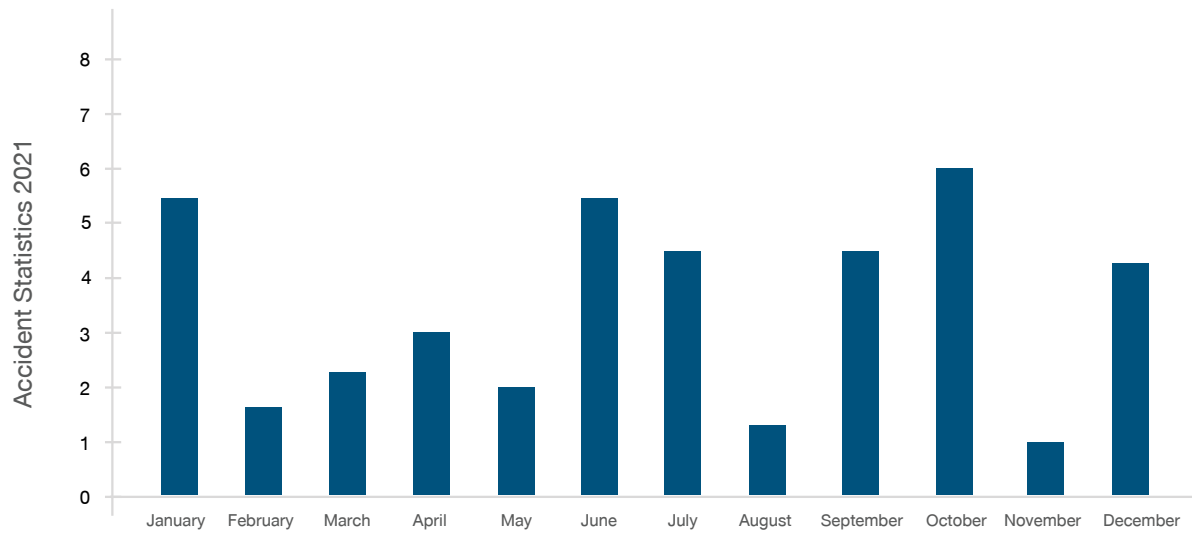


Rules and regulations for safety at work

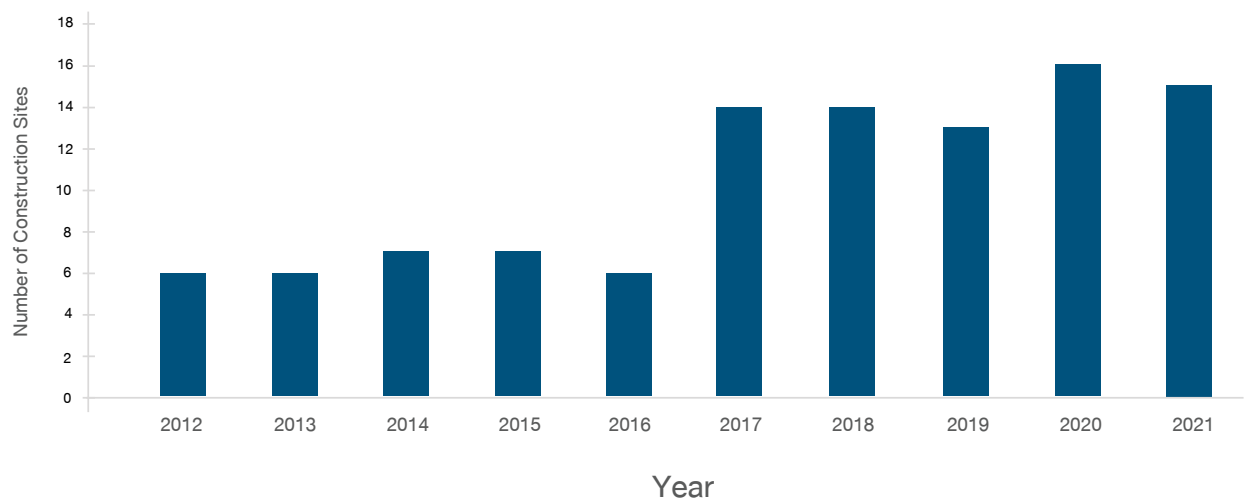
Accident Record 2017-2021 / 1 million man-hours



Accident occurred during work hour in 2021 / 1 million man-hours



Construction sites that promoted safety were awarded.

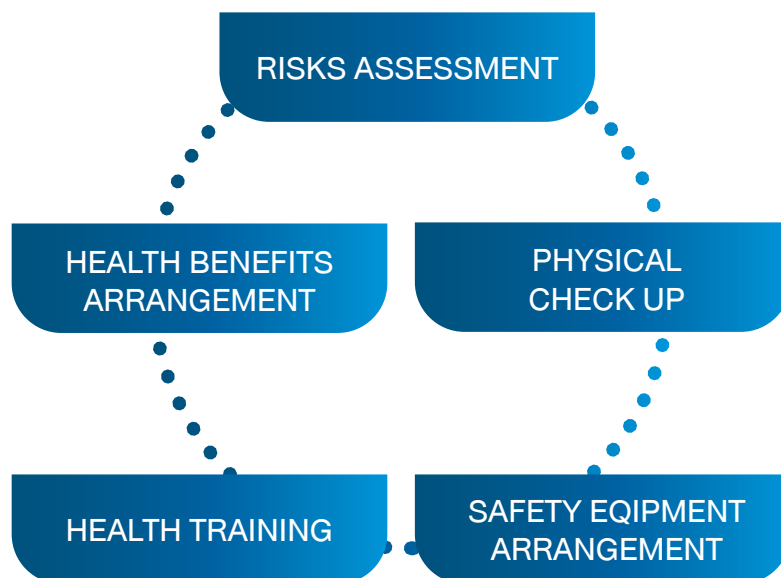




### Prevention of risk from work-based Diseases

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



Environmental Management System Statement

## 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 material, 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](mailto:cnt@cn-thai.co.th).

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

### Complaints related to social and environment impacts

Numbers of complaints about Environment and Social Impact	
2019	0
2020	0
2021	0

Any social and environmental impacts can be reported to [cnt@cn-thai.co.th](mailto:cnt@cn-thai.co.th)

## **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](mailto:cnt@cn-thai.co.th).

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

## **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

## 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.

The Company is prioritizing the 3R (Reduce-Reuse-Recycle) Sustainable Implementation Philosophies being a responsible Contractor. In addition to the Global Responsibility of GHG emission reduction, CNT PCL has a personal reason behind the same which is the Company as a contractor, the largest source of electricity consumption as well as waste (of all kinds) production. The Company initiative towards enhanced sustainability can be distinguished into 2 categories:

### Direct-Implementation

- Enhanced Operating System Implementation in its own premises via Recycling Promotion
- Implementing Renewable Source of Electricity in ALL of its in-house Facilities

### Indirect Implementation

- Investing in its renewable energy subsidiary; Christiani & Nielsen Energy Solutions Co., Ltd. (CNES)
- CNES on an annual basis executes projects in excess of 30MW i.e. approximately 8 Ton GHG Emission Offset every Day.
- In next 3 Years, the Target has been Planned to be increased to 50 Ton Per Day via;  
Expansion of Existing Solar PV Projects  
Addition of new Sustainable Development Initiatives such as  
Atmospheric Water Generation by Solar  
Enhanced Agriculture and Aquaculture Powered by Solar PV  
Offset/Replacement of Diesel Generated Power in Off-Shore Facilities.  
Implementing Biomass Based Solutions to offset/replace Coal/Conventional Fuel-Fired Machineries."

### 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.

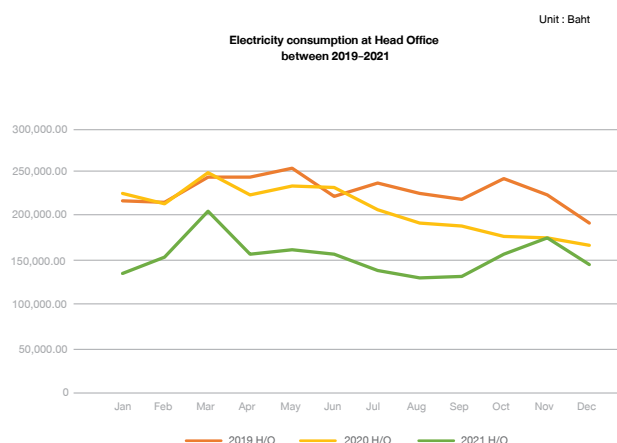
- Promote policies and campaigns through in-house media such as journals, e-mails, computer wallpapers, and posters.
- Provide cloth tote bags to all employees as a substitute for plastic bags.
- Prepare garbage bins according to the type of garbage to be sorted before disposal.
- Discontinue the use 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.

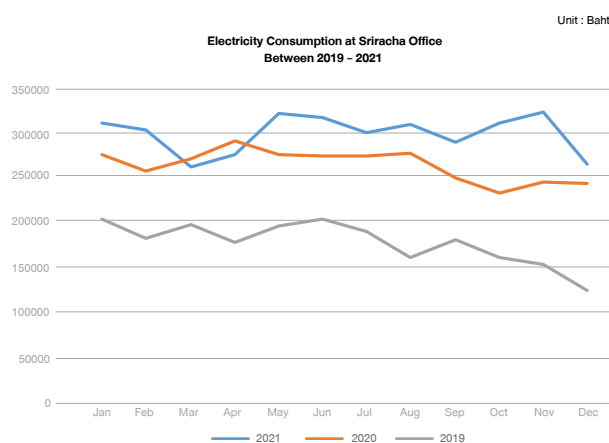
### Electricity consumption during the last 3 years (2019-2021)

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 (Head Office) in year 2021 was reduce from year 2020 at 26% and 33% from year 2019.

In 2022, the Company target to reduce the electricity consumption by 40% from that of the year 2019.



Electricity consumption (Sriracha Office) in year 2021 was reduce from year 2020 at 36% and 44% from year 2019.

In 2022, the Company target to reduce the electricity consumption by 50% from that of the year 2019.

### Key Performance Index Post Solar PV

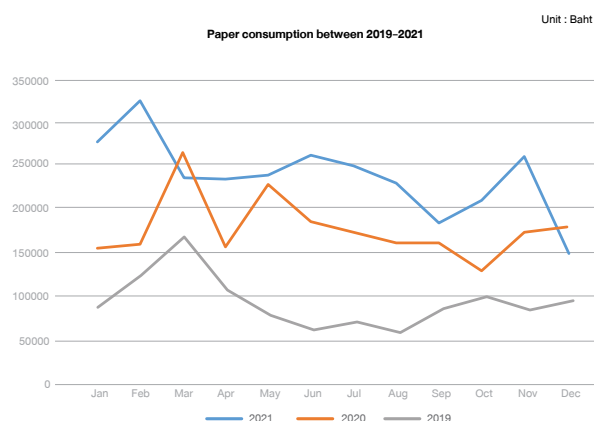
	Reduction in power cost (%)	Tentative annual carbon emission reduction (Ton)
Head Office	35	25 Tons
Sriracha Office	36	30 Tons

## 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.

Furthermore, the Company has developed JDE E1 programme for procurement and accounting system to record and process the data in order to reduce papers.

## Paper Consumption at the Head Office (2019-2021)



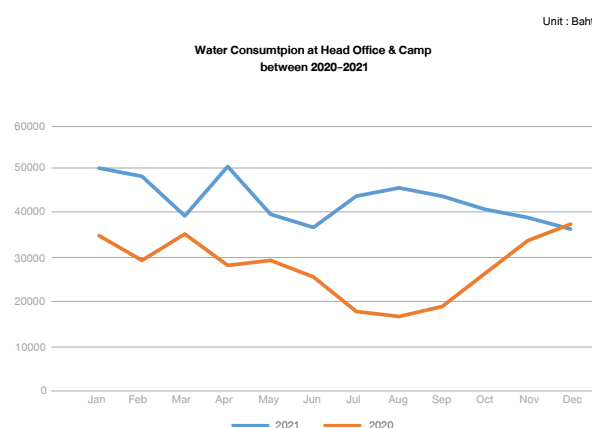
Paper consumption (Head Office) in year 2021 was reduce from year 2020 at 46% and 61% from year 2019.

In 2022, the Company target to reduce the paper consumption by 70% from that of the year 2019.

## Water Consumption Management

The Company has placed great emphasis on environmental impact which includes construction quality and environmental protection at both the head office and construction sites nationwide. The purpose is to manage business and water consumption efficiently. To do so the Company started collecting data at the head office and adhering to Environmental Protection, B.E. 2535 Act.

The Company has recorded water consumption at the head office since 2021. The Company has prepared to manage water consumption at construction sites in the near future.



Water consumption (Head Office & camp) in year 2021 was reduce from year 2020 at 44%.

In 2022, the Company target to reduce the water consumption by 50% from that of the year 2020.

## Responsibilities in relation to 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.

### **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 620,000.- 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.

#### **Intern students**

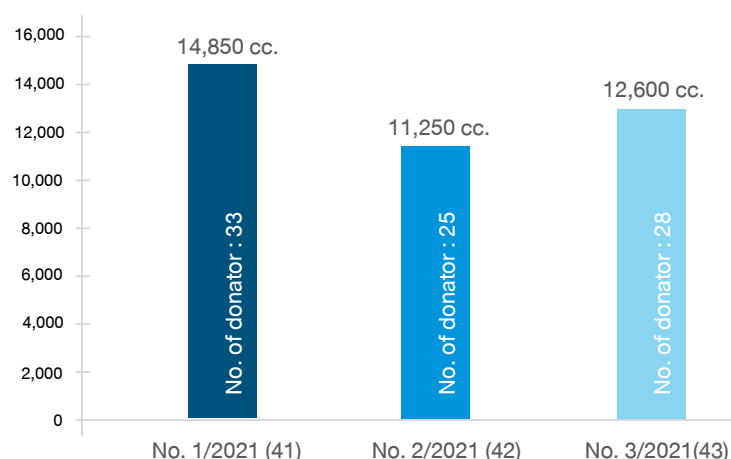
One of the Company's policies is to support intern students from private and public technical schools and universities to engage in temporary work with the Company in various departments or work sites. These students gain experience in a working environment and prepare themselves for future employment. In 2021, the Company accepted a total of 21 students from six different universities, and in 2020, the Company accepted a total of 18 students from ten different universities.

#### **Social Support**

Donation of blood under the banner of the project "CNT Share with Love, Blood Donation Save Life." The company seeks to increase employee and community awareness of the importance of having a public conscience for others by providing opportunities for participants to do good without traveling a great distance. To adhere to the company's policies encouraging people to share their happiness, the company has partnered with Somdech Phra Pinklao Hospital to establish a mobile blood donation unit at the head office every three months. Each time, the Company will notify the public approximately two weeks in advance via internal communication channels and public relations for neighboring communities. The labels would be displayed outside the company to allow donors to plan ahead.

Despite the COVID-19 outbreak in 2021, the company continued to promote blood donation during a time of severe shortage. Nonetheless, stringent preventative measures were adhered to. Before blood was accepted, a risk assessment and ATK test were performed. Last year, three blood drives were held, as detailed below.

### Blood Donation Record



### 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.

### 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.

## Sustainability Activities

### Social sustainability

#### Blood Donation



#### The employment of disabled people





## Training Course



## Safety



COVID-19 preventive



Environmental sustainability

Reduce pollution during construction



Campaign to environmental protection





# Management Discussion and Analysis (MD&A) for the Year 2021

## 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 for over 91 years, including design and construction of buildings, civil engineering projects, design, fabrication and erection of steel structures, and mechanical and electrical installation. The Company works with both Government and Private Sectors. In 2019, the Company has expanded into renewable energy business which is a very promising business for the future.

## Economic Outlook Overview

### World Economy

The world economy in 2021 has grown by 5.9%, and is expected to grow gradually over the next 3 years from 2022-2024, at the average rate of 4% per year. The Outlook therefore seems to be in favor of a gradual recovery.

### Thai Economy

The Thai Economy in 2021 has expanded by 1.6% and by 1.9% in the fourth quarter, recovering from a contraction of 0.2 percent in the previous quarter. Private consumption indicators increased in accordance with the more relaxed containment measures. Merchandise exports increased as demand from trading partners recovered, while the supply disruption problems gradually eased which partially contributed to the improvement in manufacturing production. Foreign tourist figures increased after the re-opening of the country. Private investment indicators also increased in line with the recovery of demand and better business sentiment. Public spending expanded, in comparison with the same period last year, by both current and capital expenditures. On the stability front, headline inflation increased which was driven by higher energy and fresh food prices. Labor market continued to improve in line with the economic activities but remain

vulnerable. The current account registered a smaller deficit than the previous quarter. (Source: BOT - 31 January 2022).

The Thai economy in 2022 is projected to expand in the range of 3.5 - 4.5 percent, mainly supported by; (i) the regaining of domestic demand; (ii) the recovery of domestic tourism; (iii) the continual expansion of exports; and (iv) the support from public investment. Export value in US dollars is anticipated to expand by 4.9 percent. Meanwhile, private consumption and investments are expected to increase by 4.5 percent and 3.8 percent respectively. Public investment is projected to increase by 4.6 percent. Headline inflation is estimated to be in the range of 1.5 - 2.5 percent and the current account is projected to record a surplus of 1.5 percent of GDP. (Source: NESDC News).

The Thai economy is expected to have an average annual growth of 3.7% over the next 3 years (2022 - 2024). A gradual recovery will begin in the last quarter of 2021 and will be supported by a number of factors: (i) the progress of vaccination program means the COVID-19 crisis is beginning to relieve which allows domestic economy to recover. In addition, widespread changes in behavior and adoption of the ‘New Normal’ lifestyle, including the rapid advances towards digitalization also stimulate greater demand for goods and services among groups affected by these developments; (ii) Thai tourism sector will gradually recover as Thailand reopened to foreign arrivals at the end of 2021, although the persistence of strict controls in some originating countries and uncertainty over the possibility of new outbreaks will continue to weigh on the sector, and it will not be until 2025 that arrivals will return to their pre-pandemic level; (iii) exports continue to grow and remain the major economic driver. Recovery in global demand and in particular export markets, combined with the greater regionalization of trade ensure



that export sector will be a major driver of economic growth for Thailand in the coming period. An especially notable example of regionalization is the RCEP which is enforced from the beginning of 2022, boosting trade in the coming period. Despite this rosy outlook, exports will nevertheless go under pressure from supply problems which may take the form of either shortages of raw material or higher costs, or the periodic imposition of trade barriers; (iv) private sector investment tends to rise upon a combination of cyclical economic recovery and the escalation in production needed to support greater digitalization. Investment will also benefit from stronger government spending on infrastructure megaprojects; (v) an additional lift to the economy will come from government stimulus that will include both regular budgetary expenses and disbursements made from what remains of THB 500bn raised from emergency borrowing. On the monetary side, the Bank of Thailand is expected to keep policy rates at their historic low of 0.5% through to at least the end of 2022, and to leave in place the help that includes measures to restructure debts and increase liquidity for household and business debtors. Regulations will also remain relaxed to ensure that assistance is made available to debtors, while the temporary easing of LTV rules will provide a further stimulus to real estate markets.

However, while the outlook is for growth over the next few years, negative factors will continue to drag on the economy, including fragility in labor markets and rising household and corporate debt, which may then hold back increases in spending. Other risks and uncertainties could arise from possible further mutations of the COVID-19 virus or from domestic political tensions that may lead to discontinuity in government policy. Domestic and global financial markets may also have to contend with an increase in turbulence and a hike in the cost of finance, potentially unwanted side effects of the scaling back of stimulus measures and policy normalization in the major economies. (Source: Krungsri Research-January 2022)

## Construction Business

Over 9M21, total investment in construction rose by 5.0% YoY to THB 1,087.2 bn. The public construction investment contributed THB 656.2 bn of this amount (increase of 7.8% YoY), with spending rising from megaprojects including phase 3 of the work on Map Ta Phut Port (initial work on this began in July 2021) and continuing work on other sites. However, private construction investment rose by just 0.9% YoY, hitting a

total of THB 435.0bn. Depressed economic conditions and the need to close laborers' accommodation to control the spread of COVID-19 meant that works on many private construction projects were postponed.

8M21 applications for construction permits for residential segment, office buildings, and hotels were down by respectively 3.0%, 20.1% and 37.9% YoY. For 2021 overall, spending on construction is forecast to rise 5.3% to THB 1,385 bn, split between THB 820.0bn (+7.7%) from the public sector and THB 565.0bn (+1.9%) from the private sector.

Private constructors will be challenged through 2022 by a potential slow down in relation to a continuous shrinking of real estate sectors. Investment in 2021 private construction is approximately THB 514,000 million, a 7% decrease (-7% YoY) in construction of residential and commercial properties. In addition, constructors will be facing drastic increases in steel and labor costs until next year. To combat the situation, it is inclined that public construction projects and increase in long-term performance by employment of construction technology will be implemented by the constructors. (Source: Economic Intelligence Center (EIC), Siam Commercial Bank PCL)

## 2022-2024 Outlook

Investment in construction is forecast to rise 4.5-6.5% per year, driven principally by government spending on megaprojects, in particular those connected to the development of the Eastern Economic Corridor (EEC). Public construction investment is likely to increase by 6.0-7.0% as work on megaprojects linking to the EEC gets under way from 2022 onwards. These projects will include: (i) a high-speed rail-link connecting the 3 airports (Donmuang, Suvarnabhumi and Utapao), with work initially beginning on the Suvarnabhumi-Utapao section; and (ii) phase 3 of the development of Laemchabang Port. In addition, important projects elsewhere in the country will include work on the passenger lounge for Terminal 2 at Suvarnabhumi Airport, the Bangkok-Nakhonratchasima high-speed railway, the Khonkaen-Nongkhai dual-track railway, and the southern extension to the MRT Purple Line (Taopoon-Ratburana).

Private construction investment will see a slow growth in 2022, but the situation should improve in 2023 and 2024, underpinned by: (i) an acceleration in government infrastructure projects that will induce the crowding-in effects

in private sector (ii) progress with the EEC development, which will feed into a pickup in spending on the construction of factories and industrial estates; and (iii) government measures to help stimulate demand for condominiums and houses.

Large contractors continue to enjoy advantages compared to SMEs, thanks to their stronger bargaining position relative to manufacturers and distributors of construction materials, their better ability to bid for contracts, and the greater openings available to them to expand into markets in neighboring countries. For their part, income for SMEs tends to come from sub-contracting for larger players, meaning that business conditions can be uncertain. Contractors are also now exposed to risks of labor shortages due to the ongoing spread of COVID-19, though this is especially the case for smaller players. (Source: Krungsri Research-January 2022)

Business trend in the first quarter of 2022 is expected to increase slightly from last year, stabilized by the previous quarter. Manufacturing businesses can slightly increase due to a continuous demand from trade partners, albeit pressured by certain factors such as high freight cost which is likely to persist to the middle of 2022 and the energy shortages in China. Real estate business is being supported by the extension of fee reduction for ownership transfer and mortgage of up to THB 3m houses, and the de-escalation of LTV measure. Nevertheless, overall businesses are still faced with the risk of Omicron spread which must be closely monitored in connection with the recovery especially in tourism industry. Consumers are reorganizing their spending to cope with the increasing prices of goods which may affect the gradual recovery of purchasing power, regardless of the extent to which the government stimulus may help. (Source: BOT - 2022 First Quarter Outlook)

## **Renewable Energy Business**

Renewables and alternative sources include powerplants fueled by biomass (generally agricultural waste), biogas (including manure, wastewater from agricultural-processing industries, and bioenergy crops), waste (consumer and industrial), solar, wind and micro-hydro plants. Electricity from these sources contributed 10.0% of national electricity consumption in 2020 compared to only 2.1% in 2010.

Currently, proven reserves (P1) of natural gas in the Gulf of Thailand is 4.9 trn cubic feet, while annual national

consumption is 1.3 trn cubic feet (source: Department of Mineral Fuels, December 2019). This means Thailand has sufficient supply for only another 4 years, after which we would have to import gas, most probably from Myanmar. Because of this, the PDP emphasizes the increasing use of renewables in power generation.

However, to achieve the aforementioned goals require cooperation from both government and private agencies from all sectors, namely the energy, the transportation, the industrial, and the agricultural sectors. Therefore, the following should become apparent in 2022:

1. Electricity production model that does not emit carbon-dioxide is a future energy trend
2. Appropriate modern technology will be used and creating a group of electricity producers who bring renewable energy to supplement in various forms, consisting of:
  - 2.1 The use of solar cells (Solar Cell) to generate electricity will increase due to the reduced-price factor and from the installation of solar on the water surface. In order not to compete for space and reduce the evaporation of the water surface.
  - 2.2 The use of wind energy is another trend that will play a role in electricity production.

## **The Company Business Overview**

### **An overview of the bidding and awarded project in 2021 as follows:**

The Company participated in the bidding for 63 projects with a total value of THB 26,281 million and the company was awarded 12 projects with a total value of THB 6,876 million, with the proportion of the tendered projects to projects awarded at 5.3:1; and of value of the tendered projects to value awarded at 3.8:1, with the work being primarily of private buildings, followed by industrial plants and government infrastructure projects.

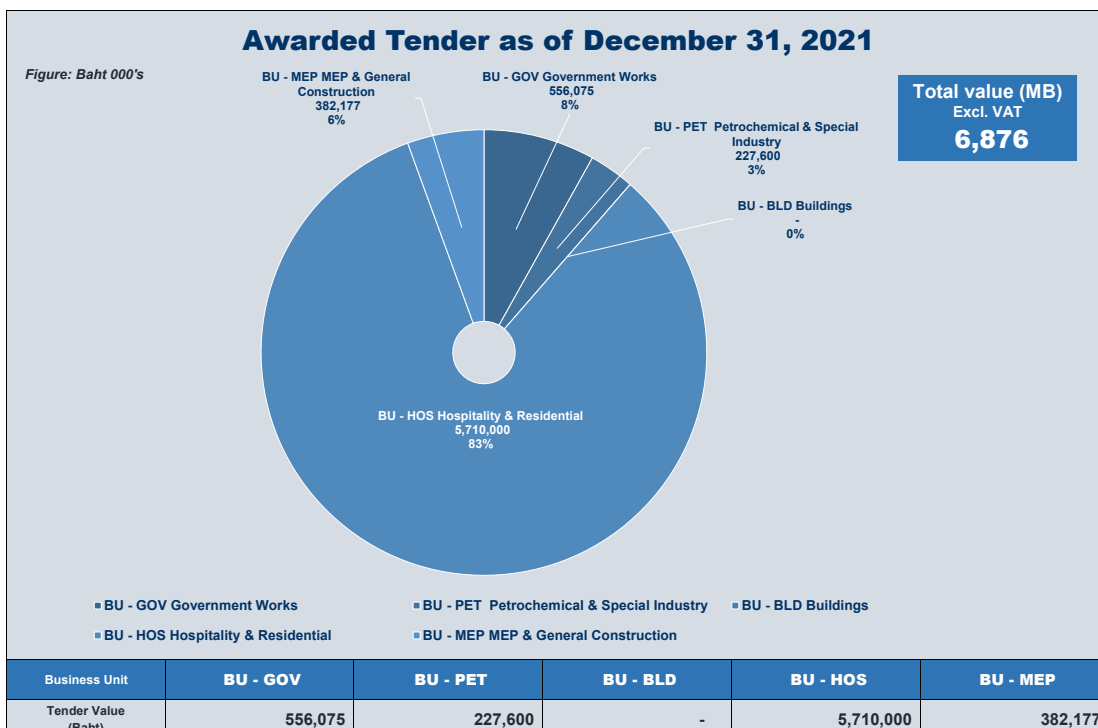
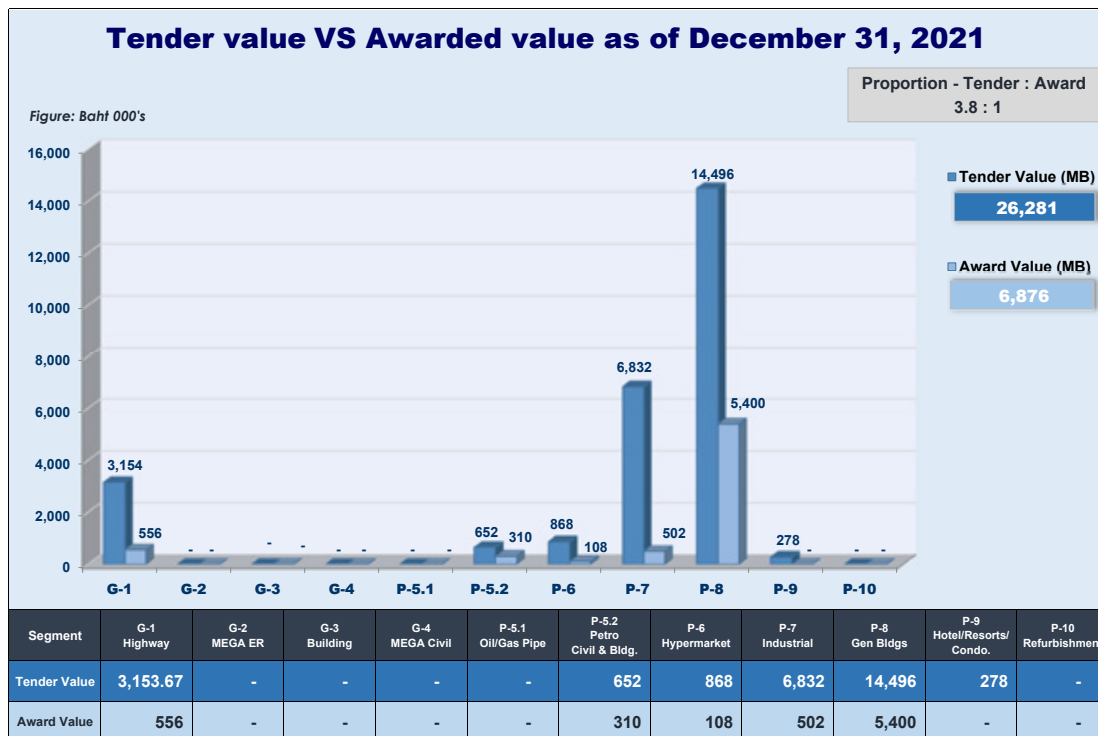
### **Market and Competing Situation:**

Infrastructure works of Government Sector came out as Mega Projects which required the specific and special qualifications in many parts. Private Sector works experienced a slow-down and the project commencement postponed, leading to very few biddable projects which subsequently led to very high competition due to much lower demand for construction companies.

## Major Construction Project Contracts in 2021

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 and on 14 September 2021, the Company received a binding letter of intent to enter into a contract with the Company as the main contractor for the construction of the main building in the Forestias Mixed-use project, which are two large

projects. This resulted in the backlog of the Company at the end of 2021 of approximately THB 12,566 million, a slight increase from the end of 2021, despite the depressing market conditions caused by the COVID-19 situation and intense competition mentioned above. From the remaining works brought forward from 2 large building construction projects as mentioned above, construction revenue is expected to increase in year 2022.



## Overview of the Company Tender Strategy in 2022

Estimated value of the projects targeted to be bid is about THB 21,000 million. We target and expect to get awarded about THB 6,500 million, being THB 2,500 million from the Government Sector and THB 4,000 million from the Private Sector. The key factor would be to address the adverse impact of the COVID-19 epidemic and the economic recovery. In the beginning of the year, within 45 days into 2022, we have already been awarded THB 450 million which is rather good considering no project is usually awarded in the first couple of months of the year.

## COVID-19 impact

COVID-19 has had a major impact on the Thai construction industry, particularly the order by the Centre for Covid-19 Situation Administration (CCSA) to lock down construction sites and labor camps in Bangkok in July and enforce a Bubble and Seal policy. As a result, the Company's Projects' Sites in Bangkok remained closed for a prolonged period during the quarter. Many imported construction equipment and materials were also delivered very late. Together with the shortage of labor due to COVID-19 and the lock down of construction sites, these have caused construction delays and subsequently reduced revenue from construction. Also, steel and rebar price rises attributed to a significant increase in the construction cost.

The Government sector was the only driver of the construction industry in 2021, particularly by megaprojects, while construction in the private sector including property development, office buildings, residential buildings, commercial and industry buildings, declined due to COVID-19.

## Energy Solutions Business (Subsidiary Company)

In 2020, the meeting of the Board of Executive Directors of the Company 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" (CNES), (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 the new company.

In 2021, two meetings of the Board of Directors of Christiani & Nielsen Energy Solutions Company Limited (subsidiary) passed two resolutions approving to increase the registered share capital of CNES D1 Co., Ltd., from the registered share capital of THB 2 million (20,000 ordinary shares of THB 100 each) to Baht 150,000,000 (1,500,000 ordinary shares of Baht 100 each).

## Company Business Overview (CNES)

With the growing need for sustainable means of living & increased oil (& thus electricity) price; the revenues for CNES have grown significantly. With a significant revenue growth in 2021, CNES is getting prepared to meet these challenges forward, both in terms of enhanced Technical Strength, enhancing the skill set within the team and adding more alliances. While domestically CNES has a backlog to assure the maintenance of similar amount of Revenues in 2022 as 2021, CNES has started initiatives to expand regionally as well.

## Performance Overview

### Financial Performance

The financial results audited by EY Office Ltd. show the latest financial performance and position of the Company. For the year ended 31 December 2021, the Company recorded total revenues of THB 6,199 million, a decrease of THB 1,341 million or 17.8% from THB 7,540 million in the same period of the previous year, and a gross profit of THB 177 million, a decrease of 52.7% from THB 373 million in year 2021 due primarily to a drop of THB 1,447 million in construction revenue due to the reasons explained above. The Company posted a net loss of THB 130 million in this year vs. the net profit of THB 76 million in the previous year, mainly due to the lockdown of the Company's construction sites, higher construction costs, especially steel which is important cost for construction, and has set aside allowance for doubtful account of a debtor in the amount of THB 49 million.

As of 31 December 2021, the Company had total assets of THB 5,552 million, total liabilities of THB 3,626 million and total shareholder's equity of THB 1,926 million.

## INCOME STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	(unit : Million Baht)			
	Consolidated financial statements			
	2021	2020	Var.	
			Inc. (Dec.)	% Inc. (Dec.)
<b>Revenues</b>				
Construction income	6,015.5	7,462.1	(1,446.6)	(19.4%)
Revenue from sales and services	158.8	63.4	95.4	150.5%
Total Construction income & revenue from sales and services	6,174.3	7,525.5	(1,351.2)	(18.0%)
% of total revenues	99.61%	99.81%	-	-
Other income	24.3	14.0	10.3	73.6%
Total revenues	6,198.6	7,539.5	(1,340.9)	(17.8%)
<b>Cost</b>				
Cost of construction	5,854.5	7,102.4	(1,247.9)	(17.6%)
Cost of sales and services	143.0	49.7	93.3	187.7%
Total costs of construction & cost of sales and services	5,997.5	7,152.1	(1,154.6)	(16.1%)
<b>Gross Profit</b>	<b>176.8</b>	<b>373.4</b>	<b>(196.6)</b>	<b>(52.7%)</b>
% Gross Margin	2.86%	4.96%	-	-
Expected credit losses / Bad debts	52.6	3.0	49.6	1,653.3%
Administrative expenses	249.1	286.0	(36.9)	(12.9%)
% Administrative expenses / Total revenues	4.02%	3.79%	-	-
<b>Profit (Loss) from operating activities</b>	<b>(100.6)</b>	<b>98.4</b>	<b>(199.0)</b>	<b>(202.2%)</b>
Finance income	7.4	7.1	0.3	4.2%
Finance cost	(11.6)	(23.5)	(11.9)	(50.6%)
<b>Profit (Loss) before income tax expenses</b>	<b>(104.8)</b>	<b>82.0</b>	<b>(186.8)</b>	<b>(227.8%)</b>
Corporate income tax	(25.6)	(6.0)	(19.6)	326.7%
<b>Net Profit (Loss) for the period</b>	<b>(130.4)</b>	<b>76.0</b>	<b>(206.4)</b>	<b>(271.6%)</b>
% Net Profit (Loss) / Total revenues	(2.1%)	1.0%	-	-
<b>Earnings per share</b>				
Basic earnings per share				
Profit (Loss) attributable to equity holders of the Company (Baht)	(0.13)	0.07	(0.19)	(271.4%)

Consolidated construction income and revenue from sales and services of the Company and its subsidiaries in 2021 was THB 6,174 million, a decrease of THB 1,351 million from THB 7,526 million or 18% from year 2020, representing 99.6% of total revenues of THB 6,199 million. This resulted in THB 1,341 million or 17.8% decrease of total revenues from year 2020 due to the effects of the COVID-19 situation, the lockdown of many projects by the Centre for Covid-19 Situation Administration (CCSA)'s order, and a significant number of labor contracted COVID-19. The gross margin in 2021 dropped from 5% in 2020 to 2.9%, also due to material cost overruns, particularly the sharp increase in steel prices, which coupled with the effect of the lockdowns, resulted in the Company's absolute gross profit decreasing by THB 197 million compared to the year 2020.

In year 2021, total income of the Company dropped by THB 1,341 million or 17.8%, but other income apart from the construction income and revenue from sales and services of the Company and its subsidiaries, in year 2021, increased by THB 10 million since, in year 2021, a subsidiary company has reversed long outstanding balance of retention monies of subcontractors, net of advance payment of THB 5 million. Furthermore, the profit from disposal of construction equipment was higher by THB 2 million, exchange gain on foreign exchange and other income were also higher by THB 1 million and THB 2 million, respectively.

The main costs of construction were for construction materials, subcontractors and labor, all of which depend on market conditions. The consolidated costs of construction of the Company and its subsidiaries in year 2021 were THB 5,855 million, a decrease of THB 1,248 million from year 2020, equivalent to 17.6%, which was lower than the rate of decline in revenue due to more efficient construction project management.

Administrative expenses in year 2021 decreased by THB 37 million due to improved cost management. Other expenses shrank by THB 33 million, and depreciation

was THB 4 million less than last year since some assets were fully depreciated during the year. Finance costs in 2021 dropped by THB 12 million since the average short term loans and bank overdrafts from financial institutions, to use as the Company working capital over this year, were lower than year 2020.

The Company and some subsidiaries in Thailand incurred no corporate income tax burden for year 2021 due to accumulated tax losses carried forward which can be deducted as expenses in annual tax calculations. However, in 2021, a subsidiary in Thailand had an accrued corporate income tax burden of THB 1 million and the Company has posted deferred corporate income tax of THB 26 million.

The consolidated financial statements of year 2021 show a net loss after tax of THB 130 million, with a decrease in net profit of THB 206 million compared to a net profit after tax of THB 76 million in the year 2020, mainly because the gross profit margin decreased from 5% in 2020 to 2.9% in 2021, resulting in the Company's gross margin in absolute terms decreasing by THB 197 million. Furthermore, in year 2021, the Company has expected credit losses from trade accounts receivable increased by THB 47 million and there are bad debts from trade accounts receivable of THB 3 million. Other income apart from the construction income & revenue from sales and services increased by THB 10 million, administrative expenses decreased by THB 37 million. Financial costs decreased by THB 12 million and deferred corporate income tax increased by THB 19 million as mentioned above.

The sales and service segment by a subsidiary with operations carried out in Thailand to provide energy solutions in solar, wind and other renewable energy sectors, had revenue from sales and service for the year 2021 of THB 159 million with net loss before tax of THB 23 million, with a decrease in net profit of THB 24 million compared to a net profit of THB 2 million in the year 2020.



## STATEMENTS OF COMPREHENSIVE INCOME

(unit : Million Baht)

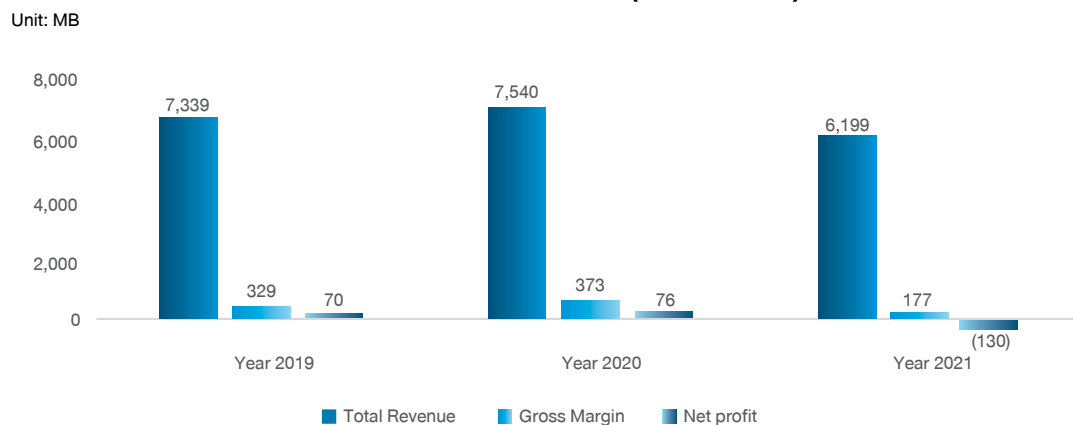
	Consolidated financial statements		
	2021	2020	Var Inc./ ( Dec.)
<b>Net profit (loss) for the period</b>	<b>(130.4)</b>	<b>76.0</b>	<b>(206.4)</b>
<b>Other comprehensive income:</b>			
- Exchange differences on translation of financial statements in foreign currency	1.1	0.5	0.6
- Fair value reserve of financial assets at FVOCI - net of deferred income tax effect	(6.6)	(10.4)	3.8
- Actuarial loss - net of derred income tax effect	10.1	(20.7)	30.8
<b>Other comprehensive income for the period</b>	<b>4.6</b>	<b>(30.6)</b>	<b>35.2</b>
<b>Total comprehensive income for the period</b>	<b>(125.8)</b>	<b>45.4</b>	<b>(171.2)</b>
Equity holders of the parent	(124.4)	44.9	(169.3)
Non-Controlling interests of the Subsidiary	(1.4)	0.5	(1.9)
	(125.8)	45.4	(171.2)

### Comprehensive income

The total comprehensive income in the consolidated financial statements for year 2021 decreased by THB 171 million, derived from the THB 206 million decrease in net profit from year 2020, less a decrease of fair value reserve of financial assets at fair value (net of deferred

income tax) of THB 4 million, an increase in actuarial gain from change of discount rate (net of deferred income tax) of THB 31 million, and, exchange differences on conversion of financial statements to foreign currency increased by THB 1 million.

### STATEMENT OF INCOME (Consolidated)



# Statements of Financial Position Analysis

## STATEMENTS OF FINANCIAL POSITION

(unit : Million Baht)

	Consolidated financial statements			
	31 Dec. 21	31 Dec. 20	Inc. (Dec.)	% Inc. (Dec.)
<b>Assets</b>				
Cash and cash equivalents	303.6	239.1	64.5	27.0%
Trade and other receivables	664.1	1,488.6	(824.5)	(55.4%)
Contract assets	1,888.7	1,751.5	137.2	7.8%
Inventories	64.4	59.6	4.8	8.1%
Advance payments to subcontractors	308.6	439.3	(130.7)	(29.8%)
Withholding tax deducted at source	262.4	306.7	(44.3)	(14.4%)
Other current assets	10.4	22.5	(12.2)	(54.2%)
<b>Total current assets</b>	<b>3,502.2</b>	<b>4,307.3</b>	<b>(805.2)</b>	<b>(18.7%)</b>
Other non-current financial assets	98.4	106.7	(8.3)	(7.8%)
Investment properties	287.5	287.5	-	0.0%
Property, plant and equipment	1,498.0	1,352.2	145.8	10.8%
Right-of-use assets	140.3	281.7	(141.4)	(50.2%)
Other non-current financial assets	25.1	25.5	(0.4)	(1.6%)
<b>Total non-current assets</b>	<b>2,049.3</b>	<b>2,053.6</b>	<b>(4.3)</b>	<b>(0.2%)</b>
<b>Total assets</b>	<b>5,551.5</b>	<b>6,360.9</b>	<b>(809.5)</b>	<b>(12.7%)</b>

### Assets

As of 31 December 2021, the Company and its subsidiaries had total assets of THB 5,552 million, a decrease of THB 810 million or 12.7% compared to 31 December 2020. This was due to a decrease in current assets of THB 805 million and a decrease in non-current assets of THB 4 million for the following reasons.

Current assets reduced by THB 805 million as a result of a decrease in trade and other receivables of THB 825 million which was caused by more debt collection and lower construction income during the year. In addition, the Company set a provision for expected credit loss of THB 49.6 million. Advance payments to subcontractors

decreased by THB 131 million and withholding tax deducted at source decreased by THB 44 million because the Company received a refund of prepaid tax from the Revenue Department of THB 184 million and prepaid tax withheld/deducted during the year of THB 140 million. Furthermore, other current assets decreased by THB 12 million. On the other hand, cash and cash equivalent increased by THB 65 million which came from operating activities of THB 238 million, spent in investing activities of THB 85 million and financing activities of THB 91 million and an increase in foreign exchange gain of THB 1 million. Contract assets (unbilled receivables) increased by THB 137 million and Inventory increased by THB 5 million.

In the year 2021, Non-current assets dropped by THB 4 million, since the net depreciation of property, plant and equipment rose by THB 146 million, attributed primarily to investments in 7 powerplant projects by a subsidiary under the executed Power Purchase Agreements (PPA). These projects are under construction. The right-of-use

assets decreased by THB 141 million (transfer to PP&E of THB 109 million, acquisition in the period of THB 12 million and depreciation for the period of THB 44 million) and other non-current assets declined by THB 8 million as a decrease of value of equity investments designated at fair value.

## AGING CONSTRUCTION CONTRACT RECEIVABLES BASED ON DUE DATES ARE DETAILED BELOW:

Age of receivables	(unit : Million Baht)		
	Consolidated financial statements		
	31 Dec. 21	31 Dec. 20	31 Dec. 19
Not yet due	502	1,268	633
Past due			
Not over 1 month	48	16	13
	550	1,284	646
<i>% of total construction contracts debtors</i>	<i>77.6%</i>	<i>85.7%</i>	<i>69.4%</i>
1 - 3 months	3	39	113
3 - 6 months	3	42	1
6 - 12 months	36	17	-
Over 12 months	116	116	170
<b>Total construction contract debtors</b>	<b>708</b>	<b>1,498</b>	<b>931</b>

The Company has construction contract debtors categorized by the aging of balances in 2021 of THB 708 million, 77.6% 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 2021, the Company had an allowance for doubtful accounts for loss of THB 74 million which is

about 10% 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 material 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.

## STATEMENTS OF FINANCIAL POSITION

(unit : Million Baht)

	Consolidated financial statements			
	31 Dec. 21	31 Dec. 20	Inc. (Dec.)	% Inc. (Dec.)
<b>Liabilities</b>				
Bank overdraft and short-term loans from financial institutions	116.3	40.3	76.0	188.6%
Trade and other payables	1,942.4	1,977.3	(34.9)	(1.8%)
Contract liabilities	932.8	1,517.0	(584.2)	(38.5%)
Short term provision	235.3	218.4	16.9	7.7%
Liabilities under lease agreements	84.9	185.8	(100.9)	(54.3%)
Provision for long-term employee benefits	184.9	185.8	(0.9)	(0.5%)
Deferred tax liabilities	74.8	49.1	25.7	52.3%
Other liabilities	54.3	84.4	(30.2)	(35.8%)
<b>Total liabilities</b>	<b>3,625.7</b>	<b>4,258.1</b>	<b>(632.5)</b>	<b>(14.9%)</b>

### Liabilities

As of 31 December 2021 the Company had liabilities totaling THB 3,626 million, a decrease of THB 633 million or 14.9% of THB 4,258 million compared to 31 December 2020. Contract liabilities (advances received and advance construction costs) decreased by THB 584 million or 39%, since in year 2020, the Company received advance payments from new large construction projects (including advance for building construction project at Medical Specialty Service Centre for Srinagarind Hospital at the Faculty of Medicine, Khon Kaen University). In addition, the Company's new projects in 2021 decreased according to the COVID situation as mentioned above. Liabilities under lease agreements reduced by THB 101 million (due to an increase in right-of-use assets of THB 16 million and contractual repayments of THB 117 million), trade

and other payables decreased by THB 35 million or 1.8%, due to a decrease in the construction work. However, in year 2021 a subsidiary company had increased loans from financial institutions for its working capital of THB 76 million. Short-term provisions for the estimated expenses for construction projects of the Company increased by THB 17 million due to additional estimated expenses for construction projects that will be incurred in some projects partly because of COVID-19 pandemic. In addition, in year 2021, deferred tax liabilities of the Company increased by THB 26 million since the Company reduced the amount of deferred tax assets that could not be calculated to reduce the future tax expenses whereas other liabilities decreased by THB 30 million mainly due to a decrease in deferred output VAT.

## STATEMENTS OF FINANCIAL POSITION

(unit : Million Baht)

	Consolidated financial statements			
	31 Dec. 21	31 Dec. 20	Inc. (Dec.)	% Inc. (Dec.)
<b>Shareholders' equity</b>				
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	99.0	-	0.0%
Unappropriated	126.5	294.5	(168.0)	(57.1%)
Other components of shareholders' equity	461.8	469.4	(7.6)	(1.6%)
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%
<b>Equity attributable to Owners of the Company</b>	<b>1,905.5</b>	<b>2,081.1</b>	<b>(175.6)</b>	<b>(8.4%)</b>
Non-controlling interests of the subsidiary	20.3	21.7	(1.4)	(6.5%)
<b>Total shareholders' equity</b>	<b>1,925.8</b>	<b>2,102.8</b>	<b>(177.0)</b>	<b>(8.4%)</b>

### Shareholders' equity

As of 31 December 2021, shareholders' equity of the Company was THB 1,926 million, a THB 177 million decrease from year 2020, equivalent to 8.4%, due to the Company having a reported net loss in 2021 of THB 130 million, as well as dividends paid to the shareholders based on the operation results of the year 2020, amounting to THB 51 million. In addition, in the year 2021, the Company had a gain arising from financial

assumption changes from the provision for long-term employee benefits, net of the impact of income tax of THB 10 million and loss from impairment of fair value on the other non-current financial assets, net of the impact of income tax of THB 7 million and an exchange difference on conversion of financial statements to foreign currency of THB 1 million.

### STATEMENT OF FINANCIAL POSITION



## Cash Flow

Cash and cash equivalents as of the year ended 2021 was THB 304 million, an increase of THB 65 million from a balance of THB 239 million at the end of 2020

or beginning of 2021. Details of cash flow by activities are as follows:

## STATEMENTS OF CASH FLOW

For the year ended ended 31 December 2021

	(unit : Million Baht)		
	Consolidated Financial Statements		
	2021	2020	Var. Inc. / (Dec.)
Cash from (used in) operating activities	238.6	571.5	(332.9)
Interest income	7.4	7.2	0.2
Cash paid for interest expenses	(3.2)	(12.2)	9.0
Refund of withholding tax deducted at source	183.9	190.8	(6.9)
Cash paid for income tax	(139.7)	(122.8)	(16.9)
<b>Net cash from (used in) operating activities</b>	<b>287.0</b>	<b>634.6</b>	<b>(347.6)</b>
Decrease in restricted bank deposits and investments	-	13.3	(13.3)
Cash paid for acquisitions of property, plant and equipment	(155.1)	(21.7)	(133.4)
Proceeds from disposals of plant and equipment	25.9	23.2	2.7
<b>Net cash from (used in) investing activities</b>	<b>(132.5)</b>	<b>13.9</b>	<b>(146.4)</b>
Increase (decrease) in bank overdrafts and loans from bank and financial institution	76.0	(361.2)	437.2
Cash paid for long term loan and liabilities under financial lease agreements	(117.1)	(194.0)	76.9
Dividend paid	(51.4)	(41.1)	(10.3)
<b>Net cash from (used in) financing activities</b>	<b>(91.0)</b>	<b>(591.7)</b>	<b>500.7</b>
<b>Increase in cash and cash equivalents</b>	<b>64.5</b>	<b>57.2</b>	<b>7.3</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>239.1</b>	<b>181.9</b>	<b>57.2</b>
<b>Cash and cash equivalents at end of period</b>	<b>303.6</b>	<b>239.1</b>	<b>64.5</b>

Net cash earned from operating activities decreased from 2020 by THB 348 million, mainly due to the advance payments received for new construction projects in 2020, including building construction project at Medical Specialty Service Centre for Srinagarind Hospital at the Faculty of Medicine, Khon Kaen University, and the withheld income tax refunded by the Revenue Department, was lower than 2020 by THB 7 million.

Net cash used in investing activities decreased by THB 146 million, attributed primarily to investments in 7 powerplant projects by a subsidiary under the executed Power Purchase Agreements mentioned above. As a result, cash paid for the acquisition of property, plant

and equipment increased by THB 133 million, and cash received from sales of construction equipment increased by THB 3 million. Restricted bank deposits and investments decreased by THB 13 million.

Net cash used in financing activities decreased from 2020 by THB 501 million since short-term loans and bank overdrafts used as working capital decreased by THB 437 million, cash paid for financial leases and long-term loans decreased by THB 77 million since in year 2020, the Company paid off certain long-term loans before maturity. However, the dividends paid to shareholders for the operating profit in 2020 increased by THB 10 million.



## FINANCIAL RATIO

(unit : Million Baht)

		Consolidated Financial Statements	
		2021	2020
<b>Liquidity Ratios</b>			
Current Ratio	Times	1.05	1.09
Quick Ratio	Times	0.29	0.44
Cash Flow Liquidity Ratio	Times	0.08	0.15
<b>Activity Ratios</b>			
Account Receivable Turnover	Times	5.60	6.20
Average collection period	Days	65.18	58.87
Account Payable Turnover	Times	3.06	3.68
Average Payment Period	Days	119.28	99.18
Fixed Asset Turnover	Times	4.35	4.80
Inventory Turnover	Times	96.77	103.19
Average Sale (Inventory) Period	Days	3.77	3.54
Cash Cycle	Days	(50.33)	(36.77)
<b>Profitability Ratios</b>			
Gross Profit Margin	%	2.86	4.96
Operation Profit (Loss) Margin	%	(1.63)	1.31
Quality of Earnings (%)	%	(285.47)	644.68
Net Profit (Loss) Margin	%	(2.10)	1.01
Return on Equity	%	(6.47)	3.63
<b>Efficiency Ratios</b>			
Return on Asset	%	(2.19)	1.16
Return on Fixed Asset	%	(0.76)	12.65
Total Asset Turnover	Times	1.04	1.15
<b>Financial Policy Ratios</b>			
Debt to Equity Ratio	Times	1.88	2.02
Interest Coverage Ratio	Times	(31.78)	8.08
Dividend payout ratio	%	-	70.00

## Liquidity

As of the end of year 2021, there was no adverse impact on liquidity since the Company had sufficient cash reserves. The financial liquidity or current ratio of the Company per the consolidated financial statements was 1.05, which has slightly decreased compared to the end of year 2020, with the quick ratio at 0.29 which was lower than 0.44 at the end of year 2020. The average debt collection period was 65 days which was slightly longer than the Company's credit term policy of 30 - 60 days. The average period for debt service to creditors was 119

days which was slightly higher than the Company's debt settlement policy of 30 - 90 days due to slight delays in payment from customers caused by the COVID-19 pandemic in 2021. The repayment period in 2020 was approximately 99 days. Return on Equity was (6.47%) compared to 3.63% in year 2020 and Return on Assets was (2.19%) compared to 1.16% in year 2020. Debt to Equity ratio was 1.88 which was better than 2.02 in year 2020.

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

### Statements of financial position

Comparison of the past 3 years

Description	2021				2020				2019			
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Assets</b>												
<b>Current assets</b>												
Cash and cash equivalents	303,598	5.5	216,558	4.0	239,142	3.8	125,623	2.0	181,906	2.7	101,327	1.5
Trade and other receivables	664,100	12.0	651,882	12.1	1,488,612	23.4	1,488,777	23.8	928,734	13.8	928,411	13.9
Contract assets	1,888,717	34.0	1,850,559	34.3	1,751,489	27.5	1,709,238	27.3	2,540,666	37.8	2,538,964	37.9
Inventories	64,406	1.2	63,250	1.2	59,553	0.9	58,436	0.9	79,072	1.2	78,048	1.2
Short-term loan to related party	-	-	103,500	1.9	-	-	18,500	0.3	-	-	7,000	0.1
Current portion of long-term loans to related parties	-	-	-	-	-	-	-	-	764	0.0	-	-
Advance payments to subcontractors	308,561	5.5	308,510	5.7	439,329	6.9	434,454	6.9	386,132	5.7	384,088	5.7
Withholding tax deducted at source	262,433	4.7	254,573	4.7	306,689	4.8	306,082	4.9	374,914	5.6	374,500	5.6
Other current assets	10,345	0.2	10,284	0.2	22,472	0.4	22,060	0.4	57,825	0.9	57,352	0.9
<b>Total current assets</b>	<b>3,502,160</b>	<b>63.1</b>	<b>3,459,116</b>	<b>64.1</b>	<b>4,307,285</b>	<b>67.7</b>	<b>4,163,170</b>	<b>66.5</b>	<b>4,550,014</b>	<b>67.7</b>	<b>4,469,690</b>	<b>66.7</b>
<b>Non-current assets</b>												
Restricted bank deposits and investments	1,549	0.0	1,549	0.0	1,546	0.0	1,546	0.0	14,815	0.2	14,815	0.2
Investments in subsidiaries	-	-	52,203	1.0	-	-	48,884	0.8	-	-	58,724	0.9
Other long-term investments	-	-	-	-	-	-	-	-	104,950	1.6	104,950	1.6
Other non-current financial assets	98,400	1.8	98,400	1.8	106,677	1.7	106,677	1.7	-	-	-	-
Investment properties	287,476	5.2	287,476	5.3	287,476	4.5	287,476	4.6	237,476	3.5	237,476	3.5

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

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2021			2020			2019		
	Consolidated financial statements		Separate financial statements	Consolidated financial statements		Separate financial statements	Consolidated financial statements		Separate financial statements
	Amount	%	Amount	%	Amount	%	Amount	%	Amount
Property, plant and equipment	1,497,962	27.0	1,343,691	24.9	1,352,202	21.3	1,788,490	26.6	1,784,849
Right-of-use assets	140,343	2.5	137,012	2.5	281,723	4.4	-	-	-
Intangible assets	23,559	0.4	23,539	0.4	23,950	0.4	25,701	0.4	25,656
<b>Total non-current assets</b>	<b>2,049,289</b>	<b>36.9</b>	<b>1,943,870</b>	<b>35.9</b>	<b>2,053,575</b>	<b>32.3</b>	<b>2,171,432</b>	<b>32.3</b>	<b>2,226,471</b>
<b>Total assets</b>	<b>5,551,449</b>	<b>100.0</b>	<b>5,402,986</b>	<b>100.0</b>	<b>6,360,860</b>	<b>100.0</b>	<b>6,721,446</b>	<b>100.0</b>	<b>6,696,161</b>
<b>Liabilities and shareholders' equity</b>									
<b>Current liabilities</b>									
Bank overdraft and short-term loans from financial institutions	116,309	2.1	-	-	40,279	0.6	401,454	6.0	400,000
Trade and other payables	1,942,425	35.0	1,922,669	35.6	1,977,270	31.1	1,908,388	28.4	1,897,118
Short-term loan from related party	6,000	0.1	-	-	4,500	0.1	-	-	-
Current portion of liabilities under finance lease agreements	-	-	-	-	-	-	136,302	2.0	136,302
Current portion of lease liabilities	65,397	1.2	64,070	1.2	111,909	1.8	-	-	-
Current portion of long-term loans	-	-	-	-	-	-	38,400	0.6	38,400
Corporate income tax payable	601	0.0	-	-	-	-	-	-	-
Contract liabilities	932,784	16.8	929,676	17.2	1,516,966	23.8	1,546,675	23.0	1,544,584
Short-term provisions	235,323	4.2	235,323	4.3	218,363	3.4	194,131	2.9	192,983
Other current liabilities	47,645	0.9	43,416	0.8	79,917	1.3	39,828	0.6	39,699
<b>Total current liabilities</b>	<b>3,346,484</b>	<b>60.3</b>	<b>3,195,154</b>	<b>59.1</b>	<b>3,949,204</b>	<b>62.1</b>	<b>4,265,178</b>	<b>63.5</b>	<b>4,249,086</b>
									<b>63.4</b>

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

Comparison of the past 3 years

Description	2021				2020				2019			
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Non-current liabilities</b>												
Liabilities under finance lease agreements -												
net of current portion	-	-	-	-	-	-	-	-	159,231	2.4	159,231	2.4
Lease liabilities - net of current portion	19,487	0.4	17,483	0.3	73,842	1.2	70,548	1.1	-	-	-	-
Long-term loans - net of current portion	-	-	-	-	-	-	-	-	-	-	-	-
Provision for long-term employee benefits	184,865	3.3	184,865	3.4	185,823	2.9	185,823	3.0	162,165	2.4	162,165	2.4
Deferred tax liabilities	74,847	1.3	74,847	1.4	49,052	0.8	49,052	0.8	48,094	0.7	48,094	0.7
<b>Total non-current liabilities</b>	<b>279,199</b>	<b>5.0</b>	<b>277,195</b>	<b>5.1</b>	<b>308,717</b>	<b>4.9</b>	<b>305,424</b>	<b>4.9</b>	<b>369,490</b>	<b>5.5</b>	<b>369,490</b>	<b>5.5</b>
<b>Total liabilities</b>	<b>3,625,683</b>	<b>65.3</b>	<b>3,472,349</b>	<b>64.2</b>	<b>4,257,922</b>	<b>66.9</b>	<b>4,171,462</b>	<b>66.6</b>	<b>4,634,668</b>	<b>69.0</b>	<b>4,618,576</b>	<b>69.0</b>
<b>Shareholders' equity</b>												
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	
Issued and fully paid up												
1,027,904,144 ordinary shares of Baht 1 each	1,027,904	18.5	1,027,904	19.0	1,027,904	16.2	1,027,904	16.4	1,027,904	15.3	1,027,904	15.4
Share premium	100,000	1.8	100,000	1.9	100,000	1.6	100,000	1.6	100,000	1.5	100,000	1.5

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

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2021				2020				2019			
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Retained earnings												
Appropriated - statutory reserve	98,987	1.8	97,426	1.8	98,986	1.6	97,426	1.6	95,286	1.4	93,726	1.4
Unappropriated	126,454	2.3	242,933	4.5	294,572	4.6	393,776	6.3	282,466	4.2	384,129	5.7
Other components of shareholders' equity	461,785	8.3	462,374	8.6	469,409	7.4	471,098	7.5	469,595	7.0	471,825	7.0
Premium on sales of investment in subsidiary	21,431	0.4	-	-	21,431	0.3	-	-	21,431	0.3	-	-
Premium on sales of own shares held by subsidiary	68,924	1.2	-	-	68,924	1.1	-	-	68,924	1.0	-	-
<b>Equity attributable to owners of the Company</b>	<b>1,905,485</b>	<b>34.3</b>	<b>1,930,637</b>	<b>35.8</b>	<b>2,081,227</b>	<b>32.7</b>	<b>2,090,205</b>	<b>33.4</b>	<b>2,065,608</b>	<b>30.7</b>	<b>2,077,585</b>	<b>31.0</b>
Non-controlling interests of the subsidiaries	20,281	0.4	-	-	21,711	0.3	-	-	21,170	0.3	-	-
<b>Total shareholders' equity</b>	<b>1,925,766</b>	<b>34.7</b>	<b>1,930,637</b>	<b>35.8</b>	<b>2,102,938</b>	<b>33.1</b>	<b>2,090,205</b>	<b>33.4</b>	<b>2,086,778</b>	<b>31.0</b>	<b>2,077,585</b>	<b>31.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>5,551,449</b>	<b>100.0</b>	<b>5,402,986</b>	<b>100.0</b>	<b>6,360,860</b>	<b>100.0</b>	<b>6,261,666</b>	<b>100.0</b>	<b>6,721,446</b>	<b>100.0</b>	<b>6,696,161</b>	<b>100.0</b>



# **Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries** **Income statements**

Comparison of the past 3 years

Description	2021				2020				2019			
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Revenues</b>												
Construction income	6,015,496	97.0	6,015,496	99.6	7,462,158	99.0	7,462,158	99.8	7,239,527	98.6	7,220,219	98.6
Revenue from sales and services	158,830	2.6	-	-	63,405	0.8	-	-	730	0.0	-	-
Reversal of allowance for doubtful accounts	-	-	-	-	-	-	-	-	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
Other income	24,343	0.4	24,915	0.4	13,998	0.2	17,602	0.2	4,088	0.1	10,093	0.1
<b>Total revenues</b>	<b>6,198,669</b>	<b>100.0</b>	<b>6,040,411</b>	<b>100.0</b>	<b>7,539,561</b>	<b>100.0</b>	<b>7,479,760</b>	<b>100.0</b>	<b>7,339,291</b>	<b>100.0</b>	<b>7,325,258</b>	<b>100.0</b>
<b>Expenses</b>												
Cost of construction	5,854,472	94.4	5,857,745	97.0	7,102,385	94.2	7,109,292	95.0	6,911,142	94.2	6,901,357	94.2
Cost of sales and services	143,016	2.3	-	-	49,727	0.7	-	-	574	0.0	-	-
Administrative expenses	249,088	4.0	219,195	3.6	286,016	3.8	262,587	3.5	329,341	4.5	305,554	4.2
Expected credit losses	52,610	0.9	52,610	0.9	3,000	0.0	3,000	0.0	-	-	-	-
Other expenses	-	-	-	-	-	-	9,840	0.1	-	-	-	-
<b>Total expenses</b>	<b>6,299,186</b>	<b>101.6</b>	<b>6,129,550</b>	<b>101.5</b>	<b>7,441,127</b>	<b>98.7</b>	<b>7,384,720</b>	<b>98.7</b>	<b>7,241,058</b>	<b>98.7</b>	<b>7,206,910</b>	<b>98.4</b>
<b>Operating profit (loss)</b>	<b>(100,517)</b>	<b>(1.6)</b>	<b>(89,139)</b>	<b>(1.5)</b>	<b>98,434</b>	<b>1.3</b>	<b>95,040</b>	<b>1.3</b>	<b>98,234</b>	<b>1.3</b>	<b>118,347</b>	<b>1.6</b>
Finance income	7,363	0.1	8,755	0.1	7,052	0.1	7,051	0.1	8,567	0.1	8,174	0.1
Finance cost	(11,593)	(0.2)	(6,335)	(0.1)	(23,502)	(0.3)	(23,300)	(0.3)	(21,505)	(0.3)	(22,210)	(0.3)
<b>Profit (loss) before income tax expenses</b>	<b>(104,747)</b>	<b>(1.7)</b>	<b>(86,719)</b>	<b>(1.5)</b>	<b>81,985</b>	<b>1.1</b>	<b>78,792</b>	<b>1.1</b>	<b>85,296</b>	<b>1.2</b>	<b>104,311</b>	<b>1.4</b>
Income tax expenses	(25,603)	(0.4)	(24,927)	(0.4)	(5,971)	(0.1)	(5,778)	(0.1)	(14,850)	(0.2)	(15,306)	(0.2)
<b>Profit (loss) for the year</b>	<b>(130,350)</b>	<b>(2.1)</b>	<b>(111,646)</b>	<b>(1.9)</b>	<b>76,013</b>	<b>1.0</b>	<b>73,013</b>	<b>1.0</b>	<b>70,446</b>	<b>1.0</b>	<b>89,005</b>	<b>1.2</b>

**Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries**  
**Income statements (continued)**

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2021				2020				2019			
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Other comprehensive income :												
Other comprehensive income to be reclassified to profit or loss in subsequent periods:												
Exchange differences on translation of financial statements in foreign currency	1,100	0.0	-	-	541	0.0	-	-	(1,430)	(0.0)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	1,100	0.0	-	-	541	0.0	-	-	(1,430)	(0.0)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods												
Revaluation surplus on assets	-	-	-	-	-	-	-	-	565,706	7.7	565,706	7.7
Loss on changes in value of equity investments designated at fair value through other comprehensive income	(8,277)	(0.1)	(8,277)	(0.1)	(12,946)	(0.2)	(12,946)	(0.2)	-	-	-	-
Actuarial gain (loss)	12,616	0.2	12,616	0.2	(25,825)	(0.3)	(25,825)	(0.3)	-	-	-	-
Less: Income tax effect	(868)	(0.0)	(868)	(0.0)	7,754	0.1	7,754	0.1	(113,141)	(1.5)	(113,141)	(1.5)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	3,471	0.1	3,471	0.1	(31,017)	(0.4)	(31,017)	(0.4)	452,564	6.2	452,564	6.2
<b>Other comprehensive income for the year</b>	<b>4,571</b>	<b>0.1</b>	<b>3,471</b>	<b>0.1</b>	<b>(30,476)</b>	<b>(0.4)</b>	<b>(31,017)</b>	<b>(0.4)</b>	<b>451,134</b>	<b>6.1</b>	<b>452,564</b>	<b>6.2</b>
<b>Total comprehensive income for the year</b>	<b>(125,779)</b>	<b>(2.0)</b>	<b>(108,175)</b>	<b>(1.7)</b>	<b>45,537</b>	<b>0.6</b>	<b>41,996</b>	<b>0.6</b>	<b>521,580</b>	<b>7.1</b>	<b>541,570</b>	<b>7.4</b>

**Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries**  
**Income statements (continued)**

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2021						2020						2019					
	Consolidated financial statements			Separate financial statements			Consolidated financial statements			Separate financial statements			Consolidated financial statements			Separate financial statements		
	Amount	%		Amount	%		Amount	%		Amount	%		Amount	%		Amount	%	
<b>Total comprehensive income attributable to:</b>																		
Equity holders of the Company	(124,349)	(2.0)		(108,175)	(1.8)		44,996	0.6		41,996	0.6		524,229	7.1		541,570	7.4	
Non-controlling interests of the subsidiaries	(1,430)	(0.0)		-	-		541	0.0		-	-		(2,649)	(0.0)		-	-	
	(125,779)	(2.0)		(108,175)	(1.8)		45,537	0.6		41,996	0.6		521,580	7.1		541,570	7.4	
Profit (loss) attributable to:																		
Equity holders of the Company	(128,920)	(2.1)		(111,646)	(1.8)		75,472	1.0		73,013	1.0		73,095	1.0		89,005	1.2	
Non-controlling interests of the subsidiaries	(1,430)	(0.0)		-	-		541	0.0		-	-		(2,649)	(0.0)		-	-	
	(130,350)	(2.1)		(111,646)	(1.8)		76,013	1.0		73,013	1.0		70,446	1.0		89,005	1.2	
Earnings per share																		
Basic earnings per share																		
Profit attributable to equity holders of the Company	(0.13)	-		(0.11)	-		0.07	-		0.07	-		0.07	-		0.09	-	
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	2021		2020		2019	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
<b>Cash flows from operating activities</b>						
Profit (loss) before tax	(104,747)	(86,718)	81,985	78,792	85,296	104,311
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities						
Depreciation and amortisation	167,281	165,409	204,823	202,314	216,329	214,779
Bad debt	3,000	3,000	-	-	-	-
Write off of other receivable	1,651	147	-	-	-	-
Write off of other payables	(6,314)	(71)	-	-	-	-
Allowance for expected credit losses (reversal allowance for doubtful accounts)	49,610	49,610	3,000	3,000	(64,223)	(64,223)
Allowance for diminution in inventory value (reversal)	(661)	(661)	(589)	(589)	1,567	1,567
Allowance for impairment loss of investment in subsidiary (reversal)	-	(3,319)	-	9,840	-	-
Allowance for impairment loss of other current asset	5,675	5,675	-	-	-	-
Allowance for impairment loss of assets (reversal)	-	-	(1,654)	(1,654)	2,781	2,781

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

Comparison of the past 3 years

(Unit : Thousand Baht)

Description	2021		2020		2019	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
(Gain) on disposals/write off of equipment and right-of-use assets loss	(12,517)	(12,517)	(9,310)	(9,087)	217	217
Loss on disposals of intangible assets	-	-	-	-	74	74
Gain on disposals investment properties	-	-	-	-	(237)	(237)
Estimated expenses for construction projects (reversal)	16,960	17,476	24,232	24,864	(49,570)	(45,747)
Provision for long-term employee benefits	18,066	18,066	7,574	7,574	48,847	48,847
Gain from changes in fair value of investment properties	-	-	-	-	(30,723)	(30,723)
Unrealised (gain) on exchange loss	(329)	(329)	(726)	(726)	234	234
Finance income	(7,363)	(8,755)	(7,052)	(7,051)	(8,567)	(8,174)
Finance cost	7,461	4,229	20,313	20,230	18,332	19,073
Profit from operating activities before changes in operating assets and liabilities	137,773	151,242	322,594	327,505	220,357	242,781

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

Comparison of the past 3 years

Description	2021		2020		2019	
	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	772,099	784,482	(613,071)	(613,644)	252,745	241,961
Contract assets	(137,228)	(141,321)	789,177	829,727	(539,163)	(546,263)
Inventories	(4,192)	(4,152)	20,108	20,201	34,021	35,045
Advance payments to subcontractors	129,262	125,944	(53,196)	(50,366)	(234,363)	(234,871)
Other current assets	6,437	6,085	36,091	36,029	(47,994)	(48,535)
Operating liabilities increase (decrease)						
Trade and other payables	(42,721)	(19,872)	69,040	45,881	(64,386)	(52,454)
Contract liabilities	(584,181)	(585,420)	(29,709)	(29,488)	144,944	142,853
Other current liabilities	(32,272)	(36,355)	40,211	40,194	(29,318)	(29,273)
Provision for long-term employee benefits	(6,408)	(6,408)	(9,741)	(9,741)	(10,925)	(10,925)
Cash from (used in) operating activities	238,569	274,225	571,505	596,298	(274,081)	(259,681)
Interest income	7,363	8,755	7,234	7,318	8,500	8,021
Cash paid for interest expense	(3,163)	(415)	(12,186)	(12,431)	(9,610)	(10,352)
Refund of withholding tax deducted at source	183,894	183,870	190,806	190,635	382,053	381,520
Cash paid for income tax	(139,712)	(132,360)	(122,773)	(122,217)	(183,666)	(183,885)
Net cash from (used in) operating activities	286,951	334,075	634,586	659,604	(76,804)	(64,377)
Cash flows from investing activities						
Increase in short-term loan to related party	-	(85,000)	-	(11,500)	-	(7,000)
(Increase) decrease in long-term loans to related parties	-	-	764	-	(764)	-
Decrease in restricted bank deposits and investments	(3)	(3)	13,269	13,269	11,509	11,509
Increase in investment in subsidiary	-	-	-	-	-	(11,544)



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

Comparison of the past 3 years

Description	2021		2020		2019	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Increase in other long-term investment	-	-	-	-	-	-
Cash paid for acquisitions of property, plant and equipment	(155,074)	(13,626)	(21,673)	(23,535)	(90,330)	(88,937)
Proceeds from disposals of plant and equipment	25,895	25,895	23,217	21,808	4,835	4,835
Proceeds from disposals of investment properties	-	-	-	-	162	162
Cash paid for intangible assets	(3,300)	(3,300)	(1,691)	(1,691)	(7,991)	(7,952)
<b>Net cash from (used in) investing activities</b>	<b>(132,482)</b>	<b>(76,034)</b>	<b>13,885</b>	<b>(1,650)</b>	<b>(82,576)</b>	<b>(98,926)</b>
<b>Cash flows from financing activities</b>						
Increase in bank overdraft and short-term loans from financial institutions	278,180	-	3,350,279	3,310,000	3,396,454	3,395,000
Decrease in bank overdraft and short-term loans from financial institutions	(202,150)	-	(3,741,454)	(3,710,000)	(2,995,000)	(2,995,000)
Increase in short-term loans from related party	1,500	-	4,500	-	-	-
Cash paid for long-term loans	-	-	(38,400)	(38,400)	(29,560)	(29,560)
Dividend paid	(51,394)	(51,394)	(41,115)	(41,115)	-	-
Cash received from non-controlling interest of subsidiary	-	-	-	-	1,500	-
<b>Net cash from (used in) financing activities</b>	<b>(90,999)</b>	<b>(167,106)</b>	<b>(591,741)</b>	<b>(633,658)</b>	<b>234,972</b>	<b>232,018</b>
<b>Increase (decrease) in translation adjustments</b>	<b>986</b>	<b>-</b>	<b>506</b>	<b>-</b>	<b>(1,234)</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>64,456</b>	<b>90,935</b>	<b>57,236</b>	<b>24,296</b>	<b>74,356</b>	<b>68,715</b>
Cash and cash equivalents at beginning of year	239,142	125,623	181,906	101,327	107,550	32,612
<b>Cash and cash equivalents at end of year</b>	<b>303,598</b>	<b>216,558</b>	<b>239,142</b>	<b>125,623</b>	<b>181,906</b>	<b>101,327</b>
Payment of principal portion of leases liabilities	(113,057)	(111,792)	(147,266)	(146,062)	(129,767)	(129,767)
Cash paid for interest expenses of leases liabilities	(4,078)	3,920)	(8,285)	(8,081)	(8,655)	(8,655)

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

## FINANCIAL RATIOS

Comparison of the past 3 years

Description	2021		2020		2019	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
<b>Liquidity Ratios</b>						
Current Ratio	1.05	1.08	1.09	1.08	1.07	1.05
Quick Ratio	0.29	0.27	0.44	0.42	0.26	0.24
Cash Flow Liquidity Ratio	0.08	0.09	0.15	0.16	(0.02)	(0.02)
<b>Activity Ratios</b>						
Account Receivable Turnover	5.60	5.47	6.20	6.15	6.38	6.41
Average collection period	65.18	66.73	58.87	59.35	57.21	56.94
Account Payable Turnover	3.06	3.03	3.68	3.70	3.56	3.59
Average Payment Period	119.28	120.46	99.18	98.65	102.53	101.67
Fixed Asset Turnover	4.35	4.48	4.80	4.77	4.81	4.82
Inventory Turnover	96.77	96.28	103.19	104.18	71.35	71.62
Average Sale (Inventory) Period	3.77	3.79	3.54	3.50	5.12	5.10
Cash Cycle	(50.33)	(49.94)	(36.77)	(35.80)	(40.20)	(39.63)
<b>Profitability Ratios</b>						
Gross Profit Margin	2.86	2.62	4.96	4.73	4.54	4.42
Operation Profit (Loss) Margin	(1.63)	(1.48)	1.31	1.27	1.36	1.64
Quality of Earnings (%)	(285.47)	(374.78)	644.68	694.03	(78.19)	(54.40)
Net Profit (Loss) Margin	(2.10)	(1.85)	1.01	0.98	0.96	1.22
Return on Equity	(6.47)	(5.55)	3.63	3.50	3.86	4.93

**Christiani & Nielsen (Thai) Public Company Limited and its subsidiaries**  
**FINANCIAL RATIOS (continued)**

Comparison of the past 3 years

Description	2021		2020		2019	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
<b>Efficiency Ratios</b>						
Return on Asset	%	(2.19)	(1.91)	1.16	1.13	1.43
Return on Fixed Asset	%	(0.76)	0.54	12.65	12.39	19.84
Total Asset Turnover	Times	1.04	1.04	1.15	1.17	1.18
<b>Financial Policy Ratios</b>						
Debt to Equity Ratio	Times	1.88	1.80	2.02	2.00	2.22
Interest Coverage Ratio	Times	(31.78)	(214.84)	8.08	7.65	10.22
Dividend payout ratio	%	-	-	-	70.00	-
						46.00

## Details of the Company

### Christiani & Nielsen (Thai) Public Company Limited

Business type	Construction
Registration number	0107535000281
ISIN Number	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 : <a href="http://www.cn-thai.co.th">http://www.cn-thai.co.th</a>
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: <a href="mailto:surasakos@cn-thai.co.th">surasakos@cn-thai.co.th</a>
Investor Relations	Mrs. Phanee Charoencharoenchai Telephone : +66 2 338 8077 E-mail: <a href="mailto:phaneech@cn-thai.co.th">phaneech@cn-thai.co.th</a>

### 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 Co., Ltd.

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

#### CNES D1 Co., Ltd.

<b>Business type</b>	Developing renewable energy based power producing facilities
<b>Registered capital</b>	150,000,000 Baht (1,500,000 ordinary shares of 100 Baht each)
<b>Issued and fully paid-up</b>	118,680,000 Baht
<b>Registered Office Address</b>	727 La Salle Road, Bangna-Tai Subdistrict, Bangna, Bangkok 10260 Telephone / Facsimile : +66 2 004 9199 Email address : cnes@cn-es.co.th

#### References

<b>Auditor</b>	Ms. Patcharawan Koonarangsri CPA (Thailand) - Licence no. 6650 and/or Mrs. Sarinda Hirunprasurtwutti CPA (Thailand) - Licence no. 4799 and/or Ms. Satida Ratananurak CPA (Thailand) - Licence no. 4753 EY Office Limited 33 <sup>rd</sup> 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
<b>Registrar</b>	<b>Thailand Securities Depository Company Limited</b> No. 93, 14 <sup>th</sup> Floor, Ratchadapisek Road, Dindaeng, Bangkok 10400 Tel : +66 2 009 9690-91 Fax : +66 2 009 9992
<b>Main Banks</b>	<b>Bangkok Bank Public Company Limited (Head Office)</b> 333 Silom Road, Bangrak, Bangkok 10500 Tel : + 66 2 626 4413 Fax : +66 2 353 5726 Website : <a href="http://www.bangkokbank.com">http://www.bangkokbank.com</a> <b>Bank of Ayudhya Public Company Limited (Head Office)</b> 1222 Rama 3 Road, Bangphongphang Yannawa, Bangkok 10120 Tel : +66 2 296 4604 Fax : +66 2 208 2962 Website : <a href="http://www.krungsri.com">http://www.krungsri.com</a> <b>Kasikorn Bank Public Company Limited</b> 400/22 Phahon Yothin Road, Sam Sen Nai Sub-district, Phaya Thai District, Bangkok 10400 Tel : +66 2 470 2710 Fax : +66 2 470 2881 Website : <a href="http://www.kasikornbank.com">http://www.kasikornbank.com</a> <b>TMBThanachart Bank Public Company Limited (Head Office)</b> 3000 Phahon yothin Road, Chomphon Chatuchak, Bangkok 10900 Tel : +66 2 299 2469 Fax : +66 2 299 1354 Website : <a href="http://www.ttbank.com">http://www.ttbank.com</a>

## Legal Disputes

As of 31 December 2021, there are no material Legal Disputes which the Company and/or its Subsidiaries are involved in;

- (1) any lawsuit that negatively affect the assets of the Company or a subsidiary at an amount higher than 5 percent of the shareholders' equity at the end of the financial year ended 2021;
- (2) any lawsuit that affected the business undertaking of the Company or a subsidiary materially but the assessment whereof cannot be quantified in numbers, and
- (3) any lawsuit that is not caused by normal business undertaking of the Company or a subsidiary.





**CORPORATE GOVERNANCE**

# Corporate Governance Policy



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 interests 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.

## Overview of Corporate Governance Policy and relevant Guidelines

### Corporate Governance Policy

The Board of Directors recognize 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 has 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 Corporate Governance Policy Manual consists of:

- Rights and Equitable Treatment of Shareholders and various group of Stakeholders
- Structure, Rules, Duties, Responsibilities, and Independence of the Board of Directors

- Information Disclosure and Transparency
- Supervision of Subsidiaries and Associated Companies
- Controlling System and Risk Management
- Business Ethics

The Board of Directors, through the Audit and Corporate Governance Committee annually reviews and provide their opinion 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 sustainability of the Company. The Company has adopted the terms of the CG Code which are suitable for its business.

## Corporate Governance Policy and Guidelines in relation to Directors

### Nomination of Director and Senior Management

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 Nomination Committee reviews the structure and the composition of the Board of Directors and search for candidates with qualifications appropriate for the Company's situation and needs.

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 best practice recommendations as set out in the SET Corporate Governance Principles.

### Directors and Management Remunerations

#### Directors Remuneration

The Board of Directors has designated a Remuneration Committee to recommend guidelines for setting Directors and Management remuneration which 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. Directors' remuneration will be subjected to approval at the Shareholders' Meeting.

### Remuneration Criteria

- The remuneration for Directors and members of sub-committees must be agreed by Board of Directors and recommended to the shareholders for their approval.
- The remuneration for Directors and members of sub-committees is paid as fixed monthly amount in addition to meeting attendance fees and bonuses, which are approved at the Shareholders' meeting.
- The remuneration criterion includes 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, financial status/performance of the Company both in long term and short term and their respective individual performances.

### Remuneration for Senior Management

The remuneration of the Senior Management shall be according to guidelines set out by the Remuneration Committee. The Senior Management including their salary, bonus and other remuneration e.g. provident fund contribution (voluntary basis), medical benefits, life insurance, etc. 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 herein under the subject of "Governance Structure".

### 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 management. 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 evaluates the performance of the Managing Director annually, whilst the Managing Director evaluates the performance of executive officers who report to him. Evaluation is 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 under the subject "Governance Structure" of the Annual Report.

#### **Sub-Committees**

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

The Audit and Corporate Governance Committee comprises entirely of Independent Directors.

The details of these committees such as names and number of members, qualifications, duties and responsibilities are disclosed on the website of the Company and under the subject "Governance Structure" of this Annual Report.

#### **Assessment of Board of Directors and Sub-Committee**

The Board and its sub-committees perform an annual self-assessment based on the criteria for assessment that are in line with the guidance of The Securities Exchange of Thailand (SET). The assessment is used as a framework for reviewing their performance. The result of the assessments is reported to the Board of Directors by Company Secretary and disclosed in Corporate Governance Report section in the Annual Report.

#### **Director and Management Training**

The 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.

#### **Director's Orientation**

The Company Secretary provides any newly appointed director with the Director's Manual, the Memorandum and Articles of Association of the Company, Corporate Governance Policy Manual, Business Ethics and Code of Conduct, Anti-Corruption Policy including laws, regulations and practices which are related to the trading of Company's shares.

### **Corporate Governance Policy and Guidelines for Shareholders' Rights of Shareholders and Equitable Treatment of Shareholders**

The Company and the Board recognize the rights of shareholders as well its fiduciary duty to ensure equitable treatment of all shareholders and to safeguard the interests of all shareholders. The basic legal rights comprise the right to buy/sell or to transfer securities held, the right to share in profits of the Company, the right to receive dividend, the right to attend the shareholders meetings, the right to propose agenda items in the shareholders meetings, the right to vote for the appointment of Directors and fixing of Director Remuneration, the right to vote for the appointment of auditors and fixing of auditors' fees and the right to take part in decision-making of the Company's material issues, such as approval of key activities affecting business direction.

Apart from the basic rights of shareholders above, the shareholders have the right to receive information on operating performance, newsletters from 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 encouraging 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 Board of Directors respects the rights of shareholders by way of facilitating the following for them to attend the annual general meetings of shareholders.

- All shareholders including the institutional shareholders are continuously encouraged to participate and vote in the shareholders' meetings.
- Proxy forms for attending the shareholders' meetings, and proxy delegation process are enclosed with the meeting invitations.
- Duty stamps are available to facilitate the proxies.
- In case of face-to-face meetings, the Company arranges the shareholders' meetings at the center of town, where it is convenient for the shareholders to get to the venue. In case of electronic meetings, the Company ensures that the selected e-meeting platform for the shareholders' meetings is secure, reliable, and user-friendly.
- The Board is committed to not adding any new agenda item without notice to shareholders in advance.

The Company takes care and treats all shareholders, both major shareholders and minority shareholders as well as foreign shareholders on a fair and equal basis. The Board ensures that all shareholder rights are protected and that they all get fair treatment.

## Business Ethics

The Company has set up a code of ethics for Directors, management and employees as a guideline to carry out their respective work for the Company in a transparent, honest, faithful and justifiable manner.

The Company had reviewed its Business Ethics and Code of Conduct to include the topics of Diversity and Inclusion, IT Security, and Antitrust.

The following policies and practices are included in the Company's Business Ethics and Code of Conduct Manual.

- Policy on Compliance with the Law and Relevant Rules and Regulations
- Policy on Conflicts of Interest

- Policy on Confidentiality of Information
- Policy on Safeguarding Company Property
- Policy on Use of Computer and Information Technology Security
- Cyber Security Management
- Ethics for Intellectual Properties Rights
- Policy on Preventing Corruption and Offering a Bribe
- Policy on Giving and Accepting Gifts and excessive or undue Hospitality
- Tax Policy
- Anti-Money Laundering & Counter Terrorism Financing (AML/CTF)
- Antitrust Policy
- Procurement
- Transactions with Government
- Policy on Safety, Occupational Health and Environment
- Diversity and Inclusion Policy
- Whistleblowing Policy
- Policy and Practices toward Stakeholders

The Business Ethics and Code of Conduct manual is provided to all executives and staff members and posted on the Company's website.

This Manual and Anti-Corruption policy are also made as a compulsory training course in the E-Learning System. All employees learn and pass the test to meet the required criteria.

## Guidelines and enforcement of Corporate Governance Policy, 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 & Code of Conduct. Moreover, the Company has 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.



## Significant changes and development of Corporate Governance Policy, Guidelines and other related systems

### Significant development of Corporate Governance Policy, Guidelines and other related systems during the year 2021

In the Board of Directors' meeting held on 17 December 2021, 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" rating. 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 2022.

The Company established a "Diversity and Inclusion Policy" which is published in the Business Ethics and Code of Conduct to ensure that all job applicants and employees are treated with fairness and dignity at the workplace, regardless of their gender and background.

## Compliance with Principles of Good Corporate Governance in Other Matters

The following principles below from the Corporate Governance code 2017 published by the SEC are the principles which the Company has not yet applied within year 2021:

Principles of Corporate Governance	The opinion from the Board of Directors
The Board should establish the policy that the tenure of an independent director should not exceed accumulative term of nine years for the first day of service. However, depending on the reasonable needs of the business and ease or difficulty in finding suitably qualified candidates as Independent Directors.	It is difficult to obtain suitable and qualified Candidates repeatedly and therefore, such a term limit cannot be implemented presently. However, the Board of Directors considers various factors including independence of any independent directors who retire by rotation in order to propose for the shareholders' approval at the shareholders' meeting.
The Company should declare an intention to join with Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)	The Board of Directors determined to sign its Declaration of Intent with CAC to fight against Corruption with target to be certified as a member in the near future. The Company's anti-corruption policy which is in accordance with the guidelines set out by CAC was announced and put on Company's website including No Gift Policy signed by Managing Director was sent to employees and all business partners.
The Company should establish a proper incentive and remuneration policy for its Senior Executives and Directors.	The Company may consider this and structure a plan based on advice from an external expert but it was not possible to complete it in this year.

## Recognitions for Good Corporate Governance.

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 2021, the Company received assessment by the regulatory units as below.

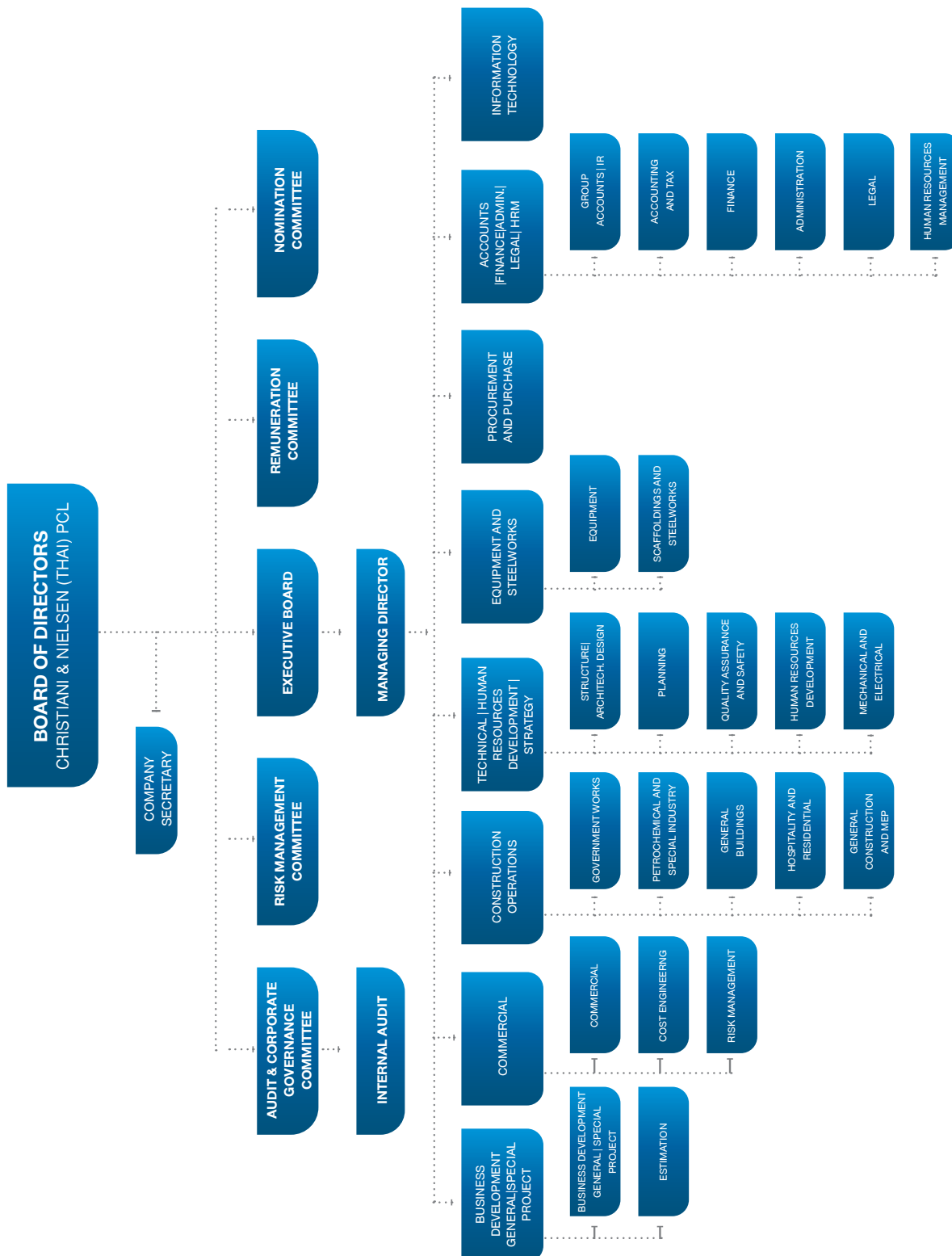
- The Company achieved 100% in quality assessment despite intense criteria made by the Thai Investors Association in the Annual General Meeting of Shareholders.
- The Company received an "Excellent" rating by Thai Institute of Directors Association for Thai listed companies.



# Governance Structure and Significant Information Related to the Board of Directors, Sub-Committees, Executives, Employees and others

## Governance Structure

As at 31 December 2021, organization structure of the company comprised Board of Directors and 5 Sub-Committees appointed by the Board of Directors viz. Executive Committee, Audit and Corporate Governance Committee, Remuneration Committee, Nomination Committee and Risk Management Committee. The management team led by the Managing Director is the top/senior management of the Company.



## The Board of Directors

### Board Composition

According to the Company's 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.

### Definitions

Independent Director is a director whose qualifications are as specified by the Company and as prescribed by the announcements of the Stock Exchange of Thailand and the Securities and Exchange Commission, Thailand.

Non-executive Director is a director who is not a Company's employee and not involved in day-to-day management of the Company. He/she may or may not be independent director.

Executive Director is a director who is part of the Management and is the Company's employee and involved in day-to-day management of the Company on a full-time basis. He/she receives a regular monthly remuneration from the Company in the form of salary or its equivalent.

The number of members on the Board of Directors is commensurate with the size and complexity of the Company's business. As of 31 December 2021, there are 12 Directors on the Board of Directors of the Company which consists of:

- 3 Executive Directors (as full time employees of the Company)
- 9 Non-Executive Directors equivalent to 75% of the Board of Directors. Including this there are 6 Independent Directors which is 50% of the Board of Directors out of which 1 Independent Director is female.
- There are 11 male and 1 female Directors. The number of directors who are 30-50 years old is 4 persons and more than 50 years old is 8 persons.

As of 31st December 2021, the Board members (who are mature, highly qualified and widely experienced) of the Company are as follows:

Director's Name		Position	The latest Appointment Date
1.	Mr. Santi Grachangnetara	Independent Director* Chairman of the Board of Directors	15 July 2020
2.	Mr. Kasemsit Pathomsak	Independent Director Chairman of Audit and Corporate Governance Committee Chairman of Nomination Committee Chairman of Remuneration Committee	21 April 2021
3.	Ms. Nampung Wongsmith**	Independent Director Chairperson of Risk Management Committee Audit and Corporate Governance Committee Member	22 April 2019
4.	Mr. Kris Thirakaosal	Independent Director Audit and Corporate Governance Committee Member Nomination Committee Member Remuneration Committee Member	21 April 2021
5.	Mr. Suriyon Tuchinda	Independent Director Audit and Corporate Governance Committee Member	22 April 2019
6.	Mr. Suphon Tubtimcharoon	Independent Director	15 July 2020
7.	Mr. Kirit Shah	Director Vice-Chairman of the Board of Directors Nomination Committee Member Remuneration Committee Member Executive Director (Executive Committee Member)***	21 April 2021
8.	Mr. Ishaan Shah	Director Executive Director (Executive Committee Member)***	21 April 2021
9.	Mr. Khushroo Kali Wadia	Managing Director Risk Management Committee Member Executive Director (Executive Committee Member)***	22 April 2019
10.	Mr. Surasak Osathanugraha	Assistant to Managing Director (Finance and Accounting) Company Secretary Risk Management Committee Member Executive Director (Executive Committee Member)***	15 July 2020
11.	Mr. Vites Ratanakorn	Operations Director Executive Director (Executive Committee Member)***	15 July 2020
12.	Mr. John Scott Heinecke	Director	22 April 2019

Details of Directors are disclosed in "Directors and Management Detail" in page 124 and details of Directors in subsidiary please refer to "Connected Transactions" in page 167-171 of this Annual Report.

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

\*\* As at 4 January 2022, Ms. Nampung Wongsmith, Independent Director resigned as director and sub-committees member with effect from 1st February 2022 and therefore, the number of Company's Directors as on date is 11 persons.

\*\*\* Executive Board of Directors (Executive Committee) was appointed by the Board of Directors as a subcommittee of the Board of Directors whose members are referred as Executive Director (Executive Committee Member)

## Terms 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 his requirement may be waived by the Board of Directors after due consideration.

**Sub-Committee Members:** Each member of the Sub-committee 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 shall normally hold office for three consecutive terms or not exceeding nine 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 suitable qualified candidates as Independent Directors, an extension may be considered.

## Role of Board of Directors

### 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 with care and exercise their duty of care to preserve the interests of the Shareholders and the Company both present and long term 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 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.

3. 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.

4. Annually review and approve the Mission Vision Statement, Values and Code of Business Conduct.

5. 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.

6. 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.

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

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

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

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

11. 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.

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

13. 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.

14. 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.

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

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

## **Authorized Directors who have the power to bind the Company**

According to the Company's Affidavit as at 31 December 2021, the authorized directors (or 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.

## **The Appointment of Directors**

Directors are elected by the Shareholders' meeting. Each shareholder has one vote and can use all of his or her votes to elect one or more directors. Individuals with the most votes in descending order are elected as directors. The number of directors is determined by the number of directors required to have or required to have at the time of the election. If the directors elected in descending order all get the same number of votes, then the Chairman of the Board should decide who will be elected.

## **Directors' qualifications**

1) Qualified according to the Public Limited Companies Act, Securities and Exchange Act including other relevant laws and regulations and in accordance with the Good Corporate Governance Policy of the Company.

2) Knowledgeable, possess good background experience, capable, independent to perform director's duties with care and loyalty, and able to attend Directors' meetings regularly.

3) Having knowledge in one or more of the following fields: Construction, International Trading, Business Strategy, International Accounting, International Finance, Law and Corporate Governance.

4) Not holding board positions in more than 5 listed companies (including the Company) and certainly not in any competing construction business for both listed and non-listed company.

5) Should complete the Thai IOD Director's Certification Program within 6 months of appointment.

6) Age not more than 70 years unless specifically extended at the discretion of the Board of Directors keeping in mind the availability of qualified candidates, the experience, qualifications and health of the concerned person.

## **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.

## Details of Sub-Committees

### The Board had appointed the following five sub-committees

#### Executive Board of Directors (Executive Committee)

The Executive Board of Directors (Executive Committee) consists of 5 Directors and is appointed by the Board of

Directors as a subcommittee of the Board of Directors whose members are referred herein as Executive Board (Executive Committee Members). As at 31 December 2021, the members of the Executive Committee Board are as follows:

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

#### Powers, duties and responsibilities of the Executive Committee (Sub-committee) 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 Committee (the Subcommittee) shall report on the business operations conducted by the Executive Committee (the Subcommittee) 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 Committee (the Subcommittee) 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.

## 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 16th November 2000 according to the resolutions of the Board of Directors' meeting No. 340. Thereafter on 20th 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 (Audit & CG 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.

As at 31 December 2021 the Committee comprised of 4 Independent Directors, each of whom to hold their position on the Committee for a period of 3 years from the date of their respective appointment or until their term expires on the Board of Directors.

	Name	Position	Status	Duration on the Committee
1.	Mr. Kasemsit Pathomsak*	Chairman of Audit & CG Committee	Independent Director	2 years 2 months
2.	Ms. Nampung Wongsmith**	Audit & CG Committee Member	Independent Director	2 months
3.	Mr. Kris Thirakaosal	Audit & CG Committee Member	Independent Director	2 years 2 months
4.	Mr. Suriyon Tuchinda	Audit & CG Committee Member	Independent Director	1 year 2 months
	Mr. Gridsana Pothin***	Secretary to Audit & CG Committee		

\* Audit & CG 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.

\*\* Ms. Nampung Wongsmith resigned from the Board and as Sub-committees member on 4 January 2022 with effect from 1 February 2022.

\*\*\* Secretary to the Audit & CG Committee was appointed by the Committee to assist the operation of the Committee.

## **Roles and Duties of the Audit and Corporate Governance Committee**

Audit & Corporate Governance Committee has a duty to review and report to the Board of Directors as follows:

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.

## **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 20th February 2013.

As at 31 December 2021 the Committee comprised of 3 members with Independent Director as the Chairman of the Committee, each of them to hold their position on the Committee for a period of 3 years from the date of their respective appointment or until their term expires on the Board of Directors.

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

Chairman of Remuneration Committee and all members were re-elected for another term in the Shareholders Meeting 2021 (AGM 88).

### Duties and Responsibilities 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.
5. Prepare the Committee report of its activities carried out in a year and disclose in the Annual Report.

### 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 Director approved to appoint the Nomination Committee on 20 February 2013.

As at 31 December 2021 the Committee comprised of 3 members with Independent Director as the Chairperson of the Committee, each of them to hold their position on the Committee for a period of 3 years from the date of their respective appointment or until their term expires on the Board of Directors.

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

Chairman of Nomination Committee and all members were re-elected for another term in the Shareholders Meeting 2021 (AGM 88).

## Duties and Responsibilities 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.
7. Prepare the Committee report of its activities carried out in a year and disclose in the Annual Report.

## 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 20th February 2013.

As at 31 December 2021 the Committee comprised of 3 members with Independent Director as the Chairperson of the Committee, each of them to hold their position on the Committee for a period of 3 years from the date of their respective appointment or until their term expires on the Board of Directors.

	Name	Position	Status	Duration on the Committee
1.	Ms. Nampung Wongsmitth*	Chairperson of Risk Management Committee	Independent Director	2 months
2.	Mr. Khushroo Kali Wadia	Risk Management Committee Member	Executive Director and Managing Director	2 months
3.	Mr. Surasak Osathanugraha	Risk Management Committee Member	Executive Director and Assistant to Managing Director	1 year 2 months

\* Ms. Nampung Wongsmitth resigned as Chairperson of the committee on January 2022 with effect date on 1 February 2022

## 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 of 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.
8. Prepare the Committee report of its activities carried out in a year and disclose in the Annual Report.

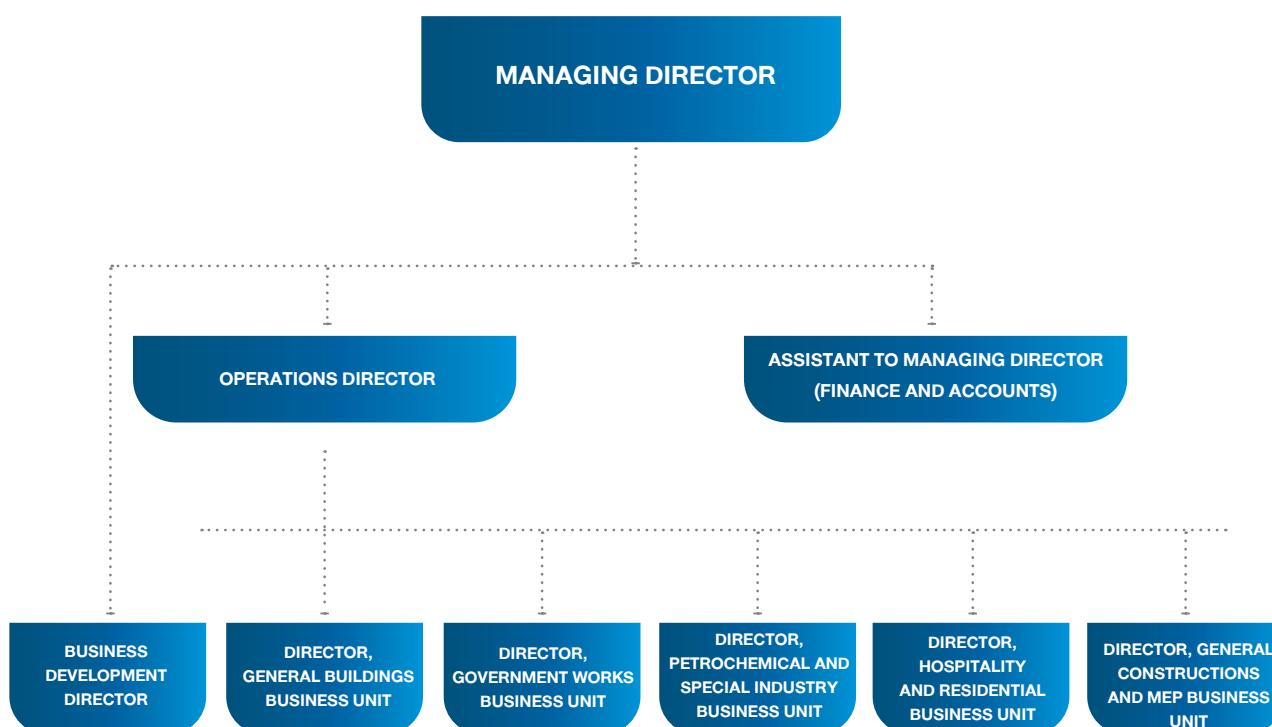
The detailed of Boards and Subcommittees compositions and qualifications are disclosed in the Corporate Governance Policy Manual which is disclosed on Company's Website.

Controlling persons of the Company and subsidiaries (As at 31 December 2021)

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

## Management

### Top/Senior Management



As at 31 December 2021, Senior Management (as defined by SEC) are 8 persons as follows:

Name				Position
1.	Mr. Khushroo	Kali	Wadia	Managing Director
2.	Mr. Surasak		Osathanugraha	Assistant to Managing Director (Finance and Accounts)
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 Advisor, Commercial

Detail of Company's executives are described in "Directors and Management Details" in this Annual Report. During the year there is no change in number of persons in Senior Management and there are no violations



## 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.

The Security Holding Report of Directors and Senior Management as of year ended 2021

Director's Name	As of 1-Jan-2021	Acquisition in 2021	Disposal in 2021	Inc. (Dec.) in 2021	As of 31-Dec-2021
1. Mr. Santi Grachangnetara	-	-	-	-	-
2. Mr. Kirit Shah	-	-	-	-	-
3. Mr. Kasemsit Pathomsak	-	-	-	-	-
4. Mr. Kris Thirakaosal	-	-	-	-	-
5. Ms. Nampung Wongsmith	-	-	-	-	-
8. Mr. Ishaan Shah held by Victor Investment Holdings Pte. Ltd	94,372,280	-	-	-	94,372,280
9. Mr. John Scott Heinecke held by Mr. William Ellwood Heinecke	66,275,410	-	-	-	66,275,410
<b>Directors / Senior Management</b>					
10. Mr. Khushroo Kali Wadia held by Dashing Delight Limited	3,088,200	1,000,000	-	1,000,000	4,088,200
11. Mr. Surasak Osathanugraha	-	-	-	-	-
12. Mr. Vites Ratanakorn	-	-	-	-	-
<b>Senior Management</b>					
1. Mr. Pichet Nimpanich	-	-	-	-	-
2. Mr. Manu Benjaminee	-	-	-	-	-
3. Mr. Pongsak Dittapongpakdee	-	-	-	-	-
4. Mr. Watchara Promkhunthong	-	-	-	-	-
5. Mr. Pongsak Suthapreeda	-	-	-	-	-

## 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 construction business. 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.

## Senior Management Remuneration

Senior Management Remuneration during the year are as follows:

	(Unit : Thousand Baht)	
	2021	2020
No. of persons on Senior Management (as defined by SEC)	8	9
Total Salary	32,868	33,784
Total Bonus	3,244	2,870
Total Provident Fund and Social Security Fund	1,487	1,787
Total Remuneration paid	37,599	38,441

Health Insurance Premium paid for Senior Management during the year was 107,732 Baht.

Remuneration paid to Managing Director including Salary and Bonus, during the year is as follows:

	(Unit : Thousand Baht)	
Remuneration	2021	2020
Salary	9,000	9,000
Bonus	2,250	1,875
Total	11,250	10,875

3 persons in Senior Management who received the remuneration as a director of the Company as at 31 December are as follows:

	(Unit : Thousand Baht)	
Remuneration	2021	2020
Monthly Director Fee	360	360
Meeting Allowance	540	630
Bonus	237	190
Total	1,137	1,180

## Employee Information

Employees are pivotal to corporate operations, and their quality is a key to its business success. The Company, therefore, stresses the development of Human Resources (HR) by setting its manpower plans in line with its operations, including the risk of the shortage of some specific skills and experiences which are required for the Company's operations. While there has been no change

in the core management team and the number of key people, the total number of employees have reduced over the past 3 years in line with the reduced turnover (top line or total revenues) of the Company. Number of employees as at 31 December in each of the past 3 years is as follows:

### Summary of employee development figures

	Persons		
Number of Employees	2021	2020	2019
Head Office	213	227	241
Construction Sites	509	573	684
Plant and Equipment (Sri Racha)	54	60	63
Total	776	860	988

## HR Development

The Company always provide regular training to Company Employees. The orientation for new employees includes the training for principles of good corporate governance and work procedures for their respective duties and responsibilities.

Apart from this, to encourage Company Employees to enhance their skills, the Company also provides the opportunity for them to attend seminars or courses internally and externally.

### Summary of employee development figures

	Unit: hours/person		
Number of training hours per employee per year (average)	2021	2020	2019
Staff	19	13	13
Manager	18	16	16

	Unit: Baht/person/year		
Training cost per employee per year (average)	2021	2020	2019
Staff and Manager	569	1,843	1,854

In 2021, the cost of trainings was reduced since the Company's training had changed from physical to electronic. Moreover, we could reduce the associated costs including the use of paper. Furthermore, because the majority of the

training was conducted by Company employees who have experience in specific fields related to our business operations, the cost of paying external instructors was reduced.

## Remuneration for employees

Remuneration for employees (excluding Managing Director and Senior Management) for the year is as follows:

Remunerations	2021	2020	2019
Salary (Total)	363,945	417,480	438,691
Bonus (Total)	14,741	16,072	21,079
Provident Fund (Voluntary Basis)	20,502	22,616	23,179
Other Remunerations	113,252	158,827	188,668
<b>Total</b>	<b>512,440</b>	<b>614,995</b>	<b>671,617</b>
Remuneration paid to staff in Subsidiary in Thailand (Total)	12,450	11,109	12,358

Remuneration is paid on fair basis and appropriate with abilities, duties and responsibilities against individual performance. Details of Company's Employee Performance are disclosed in "Sustainability Report" in this Annual Report.

## Labour Disputes

The Company had no labour disputes.

## Other important Information 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, Head of Internal audit, and Head of Legal are provided in Enclosure 1 "Information on the relevant persons in the Company" of this Annual Report as well on the Company website.

## 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 & Accounts) 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

## 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 is 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.

## Audit Fee

The total audit fee and non-audit fee paid in 2021 and 2020 for the Company and its subsidiaries were as following:

Unit: Baht/person/year

Training cost per employee per year (average)	2021 Baht	2020 Baht
Audit fee & Non-audit fee – paid to EY Office Limited		
Audit fee for the Company	2,750,000	2,840,000
Audit fee for the Subsidiaries in Thailand	550,000	550,000
<b>Total Audit Fee</b>	<b>3,300,000</b>	<b>3,390,000</b>
Non-audit fee services	-	-
<b>Total Non-audit fee services</b>	<b>-</b>	<b>-</b>
<b>Total Audit fee &amp; Non-audit fee – paid to EY Office Limited</b>	<b>3,300,000</b>	<b>3,390,000</b>

# Corporate Governance Report

The Board of Directors is the main driver in defining the direction of the Company's performance, achieving its goals and objectives and defining 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 achieve the Company's objectives in accordance with Company's policy and in accordance with the law.

At the Board of Directors' meeting held on 17 December 2021, the Board reviewed the Company's Vision and Mission Statement and Core Values and found that they are in line with the Company's strategic objectives and the principles of sustainable development.

This Corporate Governance Report not only captures the relevant principles of corporate governance that the Company follows, but also the key performance of the Board in respect of corporate governance for the year 2021.

## Nomination, Development and Performance Assessment of the Board

The Nomination Committee recommended candidates to the Board of Directors to replace retiring Directors or to fill any other vacancy.

### Independent Director

The Independent Directors are independent from the Management and have no business or activities with the Company and are not 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.

### Qualifications of Independent Directors of the Company

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.

- The Independent Director do not hold shares 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 (being a Director employed by the Company), 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
- The Independent Director is not 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 have nor used to have a business relationship pursuant to the regulations of the SEC and are 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.
  - The term "business relationship" under the above paragraph, means transactions 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 or extending loans, guarantee, providing assets as collateral, including any other similar action.
- Neither is 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 is not a significant shareholder, controlling person or partner of the provider



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 are not acting as nominee or representative of any Director, major shareholder or shareholders (or other persons who are a relative of any major shareholders of the Company).
- They are not undertaking any business of same nature and in competition to the business of the Company or its subsidiary company or are a significant partner, or 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.
- The Independent Director must be able to carry out their duties, exercise their judgment, and report the committee's performances, which are assigned by the Board of Directors without being influenced by Executive Directors or major shareholders of the Company, including related persons or relatives.

## Independent Directors' Roles and Duties

- Independent Directors have access to financial and other business information adequately for them to perform their duties effectively.
- They 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 possess abilities and display willingness to learn about the Company's business and also express their views independently, as well as dedicate time and attention to the Company as needed.
- Independent Directors 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 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 are also 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.

## Independence of the Chairman

At the Board of Directors Meeting No. 455 held on 25 February 2021 resolved the redesignation of Mr. Santi Grachangnetara, Director and Chairman of the Board of Directors from Director to Independent Director since his qualifications complied with the required qualifications as Independent Director of the Company. As an Independent Director Mr. Santi Grachangnetara continues to remain the Chairman of the Board of Directors. This was done in accordance with the 2017 CG Code for listed companies to ensure the work of the Chairman to be independent and boost confidence in the transparency of operations and fair treatment of all stakeholders

## Nomination and selection of Directors and Executives

The Nomination Committee 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.

### Criteria to nominate/appoint 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 is not 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 is qualified in accordance with the independent director's qualifications.
- None of the Independent Directors have any conflict of interests with the Company by :
  - Engaging, or being a partner in an ordinary partnership, an unlimited liabilities partnership, or in a limited partnership or being an executive, or director in a company or other listed company in the business similar to or competing with the Company and its subsidiaries.
  - Being a party in a contract, or a concession contract or is the stakeholder of the Company in such manner or as a partner in an ordinary partnership, an unlimited liabilities partnership or in a limited partnership or being an executive, or director in a company or other

listed company operating in such manner and as a party to the same contract.

- Any other cases under the Public Companies Act and/or as specified by laws.
- Consideration of 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 which were all followed during the year 2021 wherever applicable and appropriate:

- 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 that were followed during the year 2021 are as follows:

- The Nomination Committee considered 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 submitted its recommendations to the Board of Directors, which was proposed for the shareholder's approval at the shareholders' meeting.

#### **Criteria to nominate/appoint Top Management including 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.

#### **Procedure for nominating/appointing Top Executives including the Managing Director**

The Company follows the following procedure when selecting and appointing new executives including the Managing Director:

- The Nomination Committee identifies the qualifications, skills, knowledge, experience, and expertise of candidates for any top executive position that the Company needs which should be in line with the Company's strategic direction.
- The Nomination Committee screens profiles of the applicants, interviews them, and shortlists the preferred candidates who fit the criteria. The Nomination Committee then proposes such suitable candidate for the Board's consideration by way of submitting its recommendations to the Board.
- The Board may interview such candidate as the Board deems fit before the Board concludes its decision.

#### **Nomination of Directors for the year 2021**

The Company invited the shareholders to nominate a candidate to be elected as a member of the Board of Directors in the Annual General Meeting of Shareholders (AGM) 2021) through the Company's website from 1 October 2020 to 31 December 2020. However, there were no proposals from the shareholders.

The Board of Directors proposed the re-election of the following directors who retired by rotation at the AGM 2021 for the shareholders' consideration and approval:

- |    |                        |   |
|----|------------------------|---|
| 1. | Mr. Kirit Shah         | Director / Vice-Chairman of the Board of Directors<br>Nomination Committee Member / Remuneration Committee Member<br>Executive Director (Executive Committee Member)* |
| 2. | Mr. Kasemsit Pathomsak | Independent Director / Chairman of Audit and Corporate Governance Committee /<br>Chairman of Nomination Committee and Chairman of Remuneration Committee              |
| 3. | Mr. Kris Thirakaosal   | Independent Director / Audit and Corporate Governance Committee Member/<br>Nomination Committee Member and Remuneration Committee Member                              |
| 4. | Mr. Ishaan Shah        | Executive Director (Executive Committee Member)*  |

\* Executive Committee was appointed by the Board of Directors as a subcommittee of the Board of Directors and the members of the committee are referred as “Executive Director (Executive Committee Member)”.

The Board of Directors, on the recommendation of the Nomination Committee, was of the opinion that the above four directors were eligible to be, and should be nominated for re-election. They were mature, highly qualified and widely experienced in local and international business and have vast experience, specifically in general business, trading, finance and accounts. It was expected that the Company would benefit immensely from their knowledge, ideas and suggestions that they would bring to the Board of Directors.

The Shareholders approved the re-election of the four Directors who retired by rotation, with the majority votes cast by all shareholders who were present and eligible to vote. The shareholders who were eligible to vote had one vote for each share they held.

### **Directors’ Development**

The 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).

The Company encourages every director to acquire further knowledge through training imparted by the Thai Institute of Directors Association (IOD), Thai listed Companies Association (TLCA) and other leading organizations as well as attend seminars to enhance their ability to perform their roles.

### **Details of Directors attended training programs/seminars in 2021**

During year 2021, 1 director namely Mr. Surasasak Osathanugraha had attended various training programs and seminars as under:

Organized by	Course	No of hours
N Y C Management Co., Ltd.	CFO 2022	7
Thai Listed Companies Association	COVID 19 Implications for Financial Reporting and Audit	2
	Low carbon for sustainable development	2
	Fraud & Cyber Security Risk	2
	Risk manager under Corona Virus 2019 pandemic (COVID 19)	1.5
	ESG Integration in Sustainable Investing	2
	Guidelines for supporting and enhancing liquidity to listed companies' suppliers during COVID-19	1.5
	Economic Update for CFO	2
	Putting Circular Economy Principles into Practice	1.5
Institutions of Thai Directors (IOD)	Where's trending in the capital market	1.5
	Sustainability, ESG and Company's Reporting	1.5
	Risk Analysis from Transferring Pricing audited	1.5
	The consideration for outbound investment (BEP 2.0)	1.5
	How companies can respond to cyber risk in the current business environment	1.5
	Alternatives in settling disputes under COVID-19	
EY Office Co., Ltd.	Required information in TP Documentation and the Reportings (CbCR)	1
SET	Significant criteria and strategy for the successful of M&A	5
Nation Multimedia Group PCL	Go Green – Mega trend for the Green World	3.5
	Thailand Economic Outlook 2022	3
Bank of Ayudhaya PCL	Thailand after COVID-19/Business opportunities and transformation	2

### 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 such as the Director's handbook, the Company's corporate documents, CG Policy Manual, Business Ethics and Code of Conduct Manual, Anti-Corruption Policy, laws, regulations and practices which are related to the trading of Company's shares.

There was no new director appointed in year 2021 and therefore, there was no Director Orientation held.

### Performance Evaluation of the Board, the Sub-committees and the Managing Director

The Company conducts evaluation of the performance

of the Board of Directors, the Sub-committees and the Managing Director at least once a year.

### Board Self-Assessment

In the Board of Directors Meeting held on 17 December 2021, the Board members conducted a self-assessment through a questionnaire following the SET guidelines which covered the subjects as follows:

- Structure and quality of the Board;
- Duties and Responsibilities of the Board;
- Board meetings;
- The performance of the Board;
- The Board's relationship with Management;
- Self-development of Directors on the Board and Executives.

The overall performance of the Board of Directors was excellent. The Board of Directors intends to use this result to further improve its performance. The Company intends that the self-assessment be done every year and accordingly this exercise will be conducted again in year 2022.

#### **The Sub-Committees' Self-Assessment**

The Company has 5 Sub-committees i.e., the Executive Board of Directors (Executive Committee), the Audit & Corporate Governance Committee, the Nomination Committee, the Remuneration Committee and the Risk Management Committee. In the Board of Directors'

Meeting held on 17 December 2021, 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 Meetings
- Roles and responsibilities of the respective Board Committees

The ratings of each sub-committee's self-assessment are summarized as follows

Sub-Committee	2021 Results
The Executive Board of Directors (Executive Committee)	Excellent
Audit and Corporate Governance Committee	Excellent
Nomination Committee	Very Good
Remuneration Committee	Very Good
Risk Management Committee	Very Good

#### **Assessment of Board members 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 and the Committees
- Board and Committees Meetings
- Roles and responsibilities of the Board members in each particular committee

The scores of Board members and each Sub-committee member fall in the level of "Excellent". Overall performance of the Board is good and appropriate. The Board of Directors is able to perform its duties efficiently as can be seen from the ability to monitor the Company's business operations to achieve its objectives and goals in accordance with its strategies and policies.

Each Committee intends to use this result to further improve its performance. The Company intends that the self-assessment be done every year and accordingly, this exercise will be conducted again in year 2022.

#### **Assessment of Managing Director and Senior Management**

The Board of Directors (guided by the Remuneration Committee) has the duty to review the targets and performance criteria and assess the performance of the Managing Director and the Senior Management. Assessment of the Managing Director's performance is conducted on a quarterly basis as a part of the review of the operating results of the Company, by the Board of Directors under the guidelines set by the Remuneration Committee. The assessment of the Managing Director falls in the level of "Good". The next assessment of the Managing Director will be conducted again in year 2022. However, to comply with Good Corporate Governance practice, the Company shall consider whether 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 under similar guidelines set up by the Remuneration Committee by considering key performance indicators (KPI) following the goals and strategies for each year, and monitor and assess the performance on a regular basis.

## **Meeting Attendance and Remuneration of Directors**

### **Board of Directors' 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 follow up of outstanding issues.

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.

The Company Secretary prepares the meeting schedule in advance and distributes to all board members, so as to allow them to arrange the time to attend the meeting. Moreover at every Board of Directors Meeting, Company Secretary regularly informs 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. Directors are free to contact an Executive Director directly, should they feel the need to obtain additional clarification.

Since 2020 when the COVID-19 Pandemic hit Thailand, the Board of Directors Meetings have been held via electronic means and are conducted in accordance with relevant laws and regulations concerning electronic meetings.

For the year 2021, 6 meetings were held via electronic means and almost every meeting's duration was 2-3 hours. The Company Secretary recorded the minutes, and after each meeting, the draft minutes were proposed to all Directors for their consideration. Such drafts were distributed to Board members before the minutes were adopted at the next meeting, and are kept for scrutiny by Board members and other concerned parties.

The attendance of the Directors in Board of Directors meetings, Sub-committee meetings and shareholders' meetings in the year 2021 was as follows:

	Company Board of Directors & Sub-committees Number of meetings / Total number of meetings									
	Company Board of Directors		Executive Director			Audit & CG Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Annual Generation Meeting
	E Meeting	Percent of attendance	Physical	E Meeting	Total	E Meeting	E Meeting	E Meeting	E Meeting	E Meeting
Mr. Santi Grachangnetara	6/6	100%								1/1
Mr. Kirit Shah	5/6	83%	2/2	2/2	4/4		2/2	2/2		1/1
Mr. Surasak Osathanugraha	6/6	100%	2/2	2/2	4/4				4/4	1/1
Mr. Khushroo Kali Wadia	6/6	100%	2/2	2/2	4/4				4/4	1/1
Mr. Kasemsit Pathomsak	6/6	100%				5/5	2/2	2/2		1/1
Mr. Ishaan Shah	6/6	100%	2/2	2/2	4/4					1/1
Mr. Kris Thirakaosal	4/6	67%				3/5	2/2	2/2		1/1
Mr. John Scott Heinecke	6/6	100%								1/1
Ms. Nampung Wongsmith	6/6	100%				5/5			4/4	1/1
Mr. Suphon Tubtimcharoon	6/6	100%								1/1
Mr. Vites Ratanakorn	6/6	100%	2/2	2/2	4/4					1/1
Mr. Suriyon Tuchinda	6/6	100%				5/5				1/1

For the year 2021, 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.

The non-executive directors held one meeting during the year among themselves to discuss business management issues and performance of the Executive Directors.

### Directors' 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 (if necessary). The remuneration of directors and sub-committee members is proposed 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 and under "Governance Structure" in the Annual Report.

In the years 2021 and 2020 the Company proposed the remuneration, meeting allowance and bonus without any other compensation, to the Board of Directors to recommend the same to the shareholders for their approval. The Directors' remuneration approved by the shareholders' meetings are as follows:

(Unit: Baht)

Description	Meeting Allowance						Bonus	
	Audit & CG Committee		Director		Remuneration			
	Baht/Attendance/ Person		Baht/Attendance/ Person		Bath/Month/ Person			
	2021	2020	2021	2020	2021	2020	2021	2020
1. Chairman of the Board	-	-	60,000	60,000	20,000	20,000	2% of total cash dividend payment, in prior year The allocation of the approved Bonus within the Board members is subject to the discretion of the Board of Directors	2% of total cash dividend payment, in prior year The allocation of the approved Bonus within the Board members is subject to the discretion of the Board of Directors
2. Director	-	-	30,000	30,000	10,000	10,000		
3. Chairman of Audit & CG Committee	60,000	60,000	30,000	30,000	30,000	30,000		
4. Audit & CG Committee	45,000	45,000	30,000	30,000	25,000	25,000		
5. Chairman of other Sub-committees	-	-	-	-	-	-		
6. Member of other Sub-committees	-	-	-	-	-	-		

At present (as at the end of the Year 2021), the Company's Board of Directors consists 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 between the Company and other listed companies and other listed construction companies is as follows:

Comparison for regular remuneration

(Unit:Thousand Baht/person/year)

Position	**Other Listed Companies***										
	* CNT		Listed Companies Property and Construction			Listed Companies with Revenue 5,001-10,000 MB			All Listed companies		
	2021	2020	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 Member ***	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 between the Company and other listed companies and other listed construction companies is as follows:

Comparison for regular remuneration, meeting allowance and bonus

(Unit : Thousand Baht/person/year)

Position	**Other Listed Companies***										
	* CNT		Listed Companies Property and Construction			Listed Companies with Revenue 5,001-10,000 MB			All Listed companies		
	2021	2020	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	758	787	2,125	400	12,240	1,647	239	6,115	1,993	78	17,640
Executive Directors	379	393	1,330	322	7,560	988	158	4,037	1,187	78	8,880
Non-Executive Directors	379	393	1,244	206	7,560	1,034	181	3,856	1,197	86	8,880
Chairman of Audit & CG Committee***	859	873	963	415	1,940	834	348	2,375	890	211	4,730
Audit & CG Committee Member ***	739	753	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 Survey 2018

\*\*\* Additional remuneration as Chairman of Audit & CG Committee I Audit & CG Committee Member

## Directors Remuneration

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

		Amount (Unit : Baht)					
Period: 1 January – 31 December		2021			2020		
Directors	Designation	Board of Directors	Audit & Corporate Governance Committee	Total	Board of Directors	Audit & Corporate Governance Committee	Total
Mr. Santi Grachangnetara	Chairman of the Board of Directors Independent Director	758,135	-	758,135	786,511	-	786,511
Mr. Kirit Shah	Vice-chairman of the Board of Director Director	349,067	-	349,067	393,256	-	393,256
Mr. Surasak Osathanugraha	Executive Director	379,067	-	379,067	393,256	-	393,256
Mr. Khushroo Kali Wadia	Executive Director	379,067	-	379,067	393,256	-	393,256
Mr. Kasemsit Pathomsak	Chairman of Audit & CG Committee	259,067	600,000	859,067	273,256	600,000	873,256
	Independent Director			-			-
Mr. Ishaan Shah	Director	379,067	-	379,067	363,256	-	363,256
Mr. Kris Thirakaosal	Audit & CG Committee Member Independent Director	199,067	390,000	589,067	243,256	435,000	678,256
Mr. John Scott Heinecke	Director	379,067	-	379,067	393,256	-	393,256
Ms. Nampung Wongsmith	Audit & CG Committee Member Independent Director	259,067	480,000	739,067	243,256	435,000	678,256
Mr. Suphon Tubtimcharoon	Independent Director	379,067	-	379,067	363,256	-	363,256
Mr. Vites Ratanakorn	Executive Director	379,067	-	379,067	393,256	-	393,256
Mr. Suriyon Tuchinda	Audit & CG Committee Member Independent Director	259,067	480,000	739,067	273,752	385,000	658,752
(22 Apr. – 31 Dec. 19)							
Mr. Maxwell Fedebush	Director			-	19,504		19,504
(1 Jan. – 22 Apr. 19)					(Bonus)		

### Details of Directors Remuneration in Year 2020 and 2021

- Chairman of the Board of Directors : Meeting Allowance 60,000 Baht per time, Monthly Remuneration 20,000 Baht per month and Bonus in 2021 158,135 Baht (2020 : 126,511).
- Board of Directors : Meeting Allowance 30,000 Baht per time, Monthly Remuneration 10,000 Baht per month and Bonus in 2021 = 79,067 Baht (2020:63,256).
- Chairman of the Audit & CG Committee : Meeting Allowance 60,000 Baht per time, Monthly Remuneration 30,000 Baht per month.
- Audit & CG Committee Members: Meeting Allowance 45,000 Baht per time, Monthly Remuneration 25,000 Baht per month.

(2) Other remuneration - None -

### **Supervision of Subsidiaries and Associated Companies**

The Company established a supervisory policy for management of its subsidiaries and associates with the objective of establishing direct and indirect measures and mechanisms to enable the Company to supervise and manage affairs of its subsidiaries and associates, including monitoring and supervising its subsidiaries and associates to comply with the measures and mechanisms stipulated as if it was the Company's own unit and in accordance with the Company's policies, including the Civil and Commercial Code, Public Company Law, Securities laws and relevant notifications, rules and regulations of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand, in order to protect the interests of the investment of the Company in its subsidiaries and associates.

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 in respect of a subsidiary's matter, the candidate who is nominated should act in the best interests of the subsidiary and not the Company.

The Company has also set an outline for the authorized persons 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.

### **The Company's implementation of Good Corporate Governance Principles is outlined in 5 sections hereunder:**

#### **1. Rights of the Shareholders**

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 is 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 as follows:

##### **1.1 Appointment of Board members**

The Company regularly updates the information pertaining to nominees/existing Directors, so that all stakeholders can make an informed decision in respect of their appointment. This information is in the Company's Annual Report and is also presented to the Company's shareholders in the Annual General Meeting of shareholders ("AGM"). The information is provided so that the Company's shareholders can get correct and complete information, which is relevant and required for their appointment, and includes the following:

- Nominee's/Director's profile: name, position, age, education, relevant knowledge, occupation, working experience, no. of shares held 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).

##### **1.2 Consideration of the policy on Directors' remuneration**

The Company follows the policy of obtaining the approval of the policy on Directors' remuneration from the shareholders in the AGM and has also disclosed



guidelines/procedures for determining Directors' remuneration in the 'Corporate Governance Policy' of this report.

### 1.3 Appointment of Auditors

The Company follows the policy of obtaining the approval of appointment of auditors from the shareholders in the AGM and has improved the information disclosure for the correctness and completeness of the information required for the decision on the appointment of auditors. The information provided in the AGM 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).

### 1.4 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.

### 1.5 Shareholders' Meetings

In 2021, the Company held one shareholders' meeting, which was the AGM No. 88 on 21 April 2021 at 10.30 a.m. To reduce and prevent the chance of the spreading of Coronavirus Disease (COVID-19), the Board of Directors Meeting resolved to hold this AGM via electronic media (E-meeting), and 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

Standards for the Meeting through Electronic means B.E. 2563 (2020), and the Security Standards of the Monitoring System of the Meeting. In order to facilitate and encourage all shareholders to attend this E-AGM, the Company sent the User's Manual for E-Meeting and Voting System which explained the procedures and practices 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 followed the recommended practices of Stock Exchange of Thailand ("SET")/SEC for holding shareholders' meeting as follows:

#### Before the date of 2021 Annual General Meeting of Shareholders (AGM)

- For the AGM of shareholders as of year 2021, 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 2020 until 31 December 2020, 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. The Company does not amend

the agenda of the shareholders' meetings without giving notice to shareholders.

- For the AGM 2021, the Company disclosed the AGM schedule and the AGM Agenda through the SET and Company's website from 19 March 2021 (33 days before the AGM date) for shareholders to plan their schedule for the meeting.
- Provided an opportunity to the shareholders to post questions to be addressed at the AGM 2021 in advance. This practice will be continued for AGM 2022 as well.
- The Company assigned the Thailand Securities Depository Co., Ltd., which is the Company's Registrar, to send the AGM 2021 notice to each of the shareholders on 30 March 2021 (22 days in advance of the AGM). Shareholders could also 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](http://www.cn-thai.co.th) | [ir@cn-thai.co.th](mailto:ir@cn-thai.co.th)
- The Company published the notices of AGM 2021 in both Thai and English newspapers for 3 consecutive days from 7 April 2021 to 9 April 2021 (14 days before the AGM date).
- Facilitated 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 were unable to attend in the meeting, the Company had designated Independent Director to attend and to vote on their behalf in the meeting. Full details for this purpose were 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.

- Since this AGM was held on electronic platform, the Company provided detailed guidelines for attending the E-AGM which was held electronically on 21 April 2021.
- The Company sent special E-AGM registration Form together with a list of required documents for shareholders who wished to attend the E-AGM by themselves and for shareholders who wished 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 around 1 hour before the meeting.
- In the Meeting, each Agenda item was considered serially as it appeared in the notice submitted to the shareholders. The requisite information was presented for each agenda item and allowed shareholders to ask questions before voting on that agenda item.
- One share had one vote for each agenda item and the shareholders had the option to vote "Approve", "Disapprove" or "Abstain".
- For the agenda item in relation to the nomination of Directors, to increase transparency, the voting options were provided for the selection of each Director.
- The Company ensured that the E-AGM's electronic system which had been selected for the shareholders' meeting was secure, reliable and user friendly. A Technical team was also on standby in case any shareholders faced any technical problems with the E-AGM system before or during the meeting.

- A question function was provided on the E-AGM system, so that the shareholders could send their questions/comments to the Directors and/or the Company Secretary during the meeting, and the questions were answered at the meeting. In case any shareholders had questions which did not correspond to the current Agenda item that was being considered, the shareholder was requested to wait for the final part of the meeting instead when the shareholder's question was answered.
- The shareholders were able to log in to the E-AGM system for registration even after the meeting started in order to ensure the participation of all shareholders who attended the meeting.
- The Company appointed independent legal personnel to be inspectors of the vote-counting process.
- To enable shareholders to make a decision, the Company also provided adequate information in the Notice to the meeting on each of the Agenda items.
- All 12 directors (representing 100% of the Board) including the 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 attended the AGM 2021. The Auditors also attended the AGM to answer any questions raised by shareholders in respect of the accounts or the conduct of the Audit.
- 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 arranged a video recording of the entire meeting and posted this on the Company website.

#### **Procedure for voting, vote casting and counting, queries and comments**

Before commencing the meeting, the Chairman informed all attendees about the voting procedure, vote casting and counting, the use of ballot and disclosure of votes

counted in each agenda item, including the shareholders' rights to express their opinion or raise questions in each agenda item. The Meeting was in order, there were shareholders holding 755,405,730 shares in aggregate equal to 73.4899 percent of the total paid-up shares of the Company present at the Meeting in person and by proxy. The agenda items of this AGM of Shareholders were considered in serial order 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 item. 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 recorded that it had informed the Shareholders of the AGM's quorum, voting methods, vote-counting and the use of ballots 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, comments, and resolutions 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 if required.

The Company prepared 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 included 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 by way of letter to SET on

the Meeting date 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 has always ensured 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.
- Ensuring a reliable electronic meeting platform (in case of an E-AGM)
- Offering one-share-one-vote to ensure equitable treatment towards the shareholders.
- Registration period commences at least 1-2 hours in advance to ensure adequate time for completion of registration.
- Arranging barcode system/electronic system by using 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 by voting on the given ballot papers/ electronic voting system for each of the Directors separately.
- 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 by an Extraordinary General Meeting in case of any serious situation that affects the Company's operations. This year there was only 1 shareholders meeting called Annual General Meeting.
- The Company follows the policy of regularly reviewing 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 always disclose their interests and those of their related parties to the Board.
- Directors report their ownership of Company's shares to the Board regularly.
- Directors and Executives disclose and report their conflicts of interest, 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.
- The Company has 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.
- The Company follows an appropriate policy and has laid down procedures for monitoring the use of insider information as explained under the “Supervision of the use of Insider Information” in this report. No cases of insider trading involving the Directors and/or the Management have been detected.

### 3. Role of Stakeholders

The Company recognizes the importance of the rights of all stakeholder groups, whether it is the internal stakeholders such as directors, 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 helps establish the Company’s competitive advantages and profitability, which contributes 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 treats such information seriously and maintains utmost confidentiality. If the complaints are not unfounded, the Board would take all remedial action that may be necessary. “Stakeholders Engagement” measures are disclosed in the “Sustainability Report” in this Annual Report.

**Shareholders :** The Company ensures the equitable treatment of shareholders in terms of the participation in important decision making issues. 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 all 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 policies including remuneration are 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 Managing Director or 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, and political or other beliefs. Human resource policies conform to local labour law and regulations and promote the employment of disabilities persons.

The Company has emphasized its awareness and commitment to the importance of gender equality

by adding a policy of “Diversity and Inclusion” in the Business Ethics and Code of Conduct. This is to ensure that all employees and job applicants are treated fairly and respect in workplace regardless of gender and background. 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. Some of the features of the Employee 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 is able to compete in the same industry by considering Company’s profitability as well as individual’s Key Performance Indicators (KPI) and Competency. For long term incentives such as Employees Stock Option Plan (ESOP), the Company has yet to consider implementation this year since there are still many factors which Company is yet to carefully consider.

**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 operations as an annual bonus based on the individual performance against performance of the Company and individual assessment with specified quantitative targets.

#### **Other benefits (some of which are not required by law)**

to promote employee’s quality of life and well-being such as financial aid, and activities to promote good relationship among employer and employees and management. So as to promote employee’s financial sustainability, the Company has voluntarily set up the Provident Fund the contributions are made from Employees and the Company. The contribution rate from the Company is increased in accordance with number of Employees’ years of service in the Company to promote morale and serve as a long term financial stability for Employees who have many years of service with the Company.

#### **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 improve their abilities and keep them updated by following Industry trends and Company future growth plans 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. The Company always supports good relationship between all employees including the Management.

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. In 2021, there were no major accident cases which caused to stop the work.

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 factor of success, who provide funds and finance facilities which are essential for the Company’s high working capital intensive business. The Company complies with all terms of borrowings and financing facilities, 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 and Subcontractors :** The Company recognizes the importance of satisfied Suppliers and Subcontractors, and the Company always ensures that terms and conditions for Suppliers and Subcontractors 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 non-contractual benefit from Suppliers or Subcontractors.

**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 customer 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’ reputation 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. The Company is certified for Occupational Health and Safety Assessment Series: ISO 45001:2008 for all Worksites. Further, specifically for the protection of the environment, the Company is also preparing to apply for the ISO 14000 Certification which is the set of standards created to help organizations to minimize the environment impact from operations.

**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 Audit Manager. 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 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 all employees 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. In 2021, the Company did not receive any complaints for the violation of intellectual property rights.

## **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.

### **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 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.

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

The Company participates in the investor relations activities held by SET called “Opportunity Day” quarterly, including interaction with press, which are attended by 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
2021	5	6	5	7	23
2020	5	6	5	8	24
2019	5	6	5	2	18

## 5. Responsibilities of the Board

### 5.1 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 is involved in all the matters that may have a significant impact on the Company’s business. The following specific 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 and Company Secretary.
- 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. However, these matters may be delegated to the Executive Board which may be authorized to act according to the resolutions and approvals of the Board of Directors.
- 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 that may have a significant impact on 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 “Governance Structure” section of this Annual Report.

## 5.2 Board Diversity

The Company developed Board Skills Matrix in order to create a wide range of expertise in line with the Company’s business operations. The Company considers 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 consider the candidate’s qualifications, having regard to the mix of skills, diversity and in line with the Company’s strategic direction.

The number of members on the Board of Directors is commensurate with the size and complexity of the Company’s business. As of 31st December 2021, there are twelve Directors on the Board of Directors of the Company which consists of three Executive Directors (as full-time employees of the Company/Subsidiary) and nine Non-Executive Directors, six of whom are Independent Directors (50% of the Board). Moreover, the Board consists of 1 female director.

## 5.3 Succession Plan

The Board of Directors ensures a systematic nomination for the proper candidate to replace a Director of executive position suitable in line with the succession plan and policy. The Nomination Committee is appointed to propose

the appointments of new Directors and key Executives (Managing Director and Executive Directors) to the Board by considering the proper candidates both from internal and external sources. The Nomination Committee is responsible for considering candidates’ skills, experience, and specific qualifications for the best interest of the Company.

To support its succession planning process, in 2021 the Company has hitherto been quite successful in retaining such highly skilled and qualified personnel. The Company continues to take a number of initiatives including establishing a detailed Succession Plan to attract and retain talent. Moreover, the Company has prepared and enhanced critical mechanisms, for instance, knowledge management, succession plan, management and leadership development programs as part of the Company’s Management Development and Succession Planning Cycle.

Operating Guidelines (In case the Managing Director or the Executive Directors are 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.

## 5.4 Controlling System and Internal Audit

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 also 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 under the subject of Corporate Governance Policy and "Internal Control and Internal Audit" in this Annual Report.

The Company also assigned the Internal Audit Department to review and evaluate compliance issues/concerns within the organization in order to mitigate legal risk and to ensure the Board of Directors, Management

and employees are in compliance with the rules and regulations of regulatory agencies, that Company policies and procedures are being followed, and that behavior in the organization meets the Company's Standards of Conduct.

#### **Guidelines & enforcement of the Corporate Governance Policy**

Guidelines 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 has put in place a whistleblowing policy and the internal audit processes as mechanisms to monitor compliance to assure that all operations abide by such policies and principles. If the Directors, Executives, and staff violate these principles, they face strict disciplinary punishment.

#### **1. Conflict of Interest**

The Board of Directors, through the Audit & Corporate Governance Committee, has stipulated a policy outlining the process through which transactions with a potential conflict of interest are approved:

#### **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, 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, counterparty, reason and necessity of the transaction is made in this Annual Report.

In addition to the above, the Audit & Corporate Governance Committee and the Internal Audit Department prepared the annual audit plan to review transactions that may cause conflict of interest. For the year 2021, the internal auditors audited the aforesaid transactions and reported the results thereof to the Audit & Corporate Governance Committee in the Audit & Corporate Governance Committee's Meeting No. 1/2022 held in February 2022. The Audit & Corporate Governance Committee found that the Company has a proper policy for approval and prevention of abuse in such transactions. The existing conflict of interest transactions are made only on the basis of proper comparison of market prices and for the benefit of the Company. Adequate disclosures of all such material transactions have been made in this Annual Report.

Moreover, the Internal Audit Department has reviewed the compliance of the Company in respect of 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. TorChor. 21/2551 Re: Rules on Connected Transactions as amended from time to time including the circular 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 Meeting held on 28 February 2022. The Board of Directors of the Company approved the transactions with the opinion that such transactions are fair and for the full benefit of the Company and the disclosure of the transactions in the Annual Report are adequate.

## **2. Reporting changes in Company share ownership**

To prevent abuse of inside information, all Directors and Senior Management 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 of the Directors are reported to the Board of Directors meeting every quarter.

## **3. Supervision of the use of Insider Information**

Christiani & Nielsen (Thai) Public Company Limited has a policy of disseminating all significant information (both financial and non-financial) to shareholders, investors and the general public on a timely basis. Strong internal controls are in place to ensure that information released is comprehensive and accurate.

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 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 Group Finance & Accounts Departments and the Investor Relations Department who are close to the relevant inside information of the Company.

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/warrants (as the case may be) at least a day in advance.

In addition to the above, the Company's Corporate Governance Policy sets out an investor relation policy which stipulates that for a period of two weeks prior to the planned release of financial reports (known as the "silent" or "quiet" period), the spokesperson as a representative of the Company will not discuss matters related to the Company's future financial performance or expectations with financial media, analysts and investors.

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

#### 4. Anti-Corruption

##### **Policy on preventing corruption and offering bribes:**

The Company has a policy prohibiting all forms of bribery or corruption, either directly or indirectly to advance its business interests or those of its associates. The Company has a zero-tolerance policy for fraudulent and/or corrupt behavior and takes corruption and bribery transactions, if any, very seriously. Any violation of this policy is regarded as a serious matter by the Company and will result in disciplinary action, including termination, consistent with local law.

The Company implemented the "No Gift Policy" in accordance with the suggestion from the CAC, whereby the Company requested all business partners to not give any gifts for any occasion to any of its personnel, including its directors, executives, employees at all levels. The Company continued with this practice in 2021. This No Gift Policy reinforces the Company's compliance with the Anti-Corruption Policy and good corporate governance principles.

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, in the last year, the actions taken were 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.

- Made it a compulsory training course in the E-Learning system. All employees learn and pass the test to meet the required criteria.
- Added it as one of the conditions in the standard subcontract agreement.
- The Company 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.
- Conducted corruption risk analysis and ensured 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 any corruption or violation was found. The punishment for any misconduct or violation and the protection 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 if required.
- The Company determine to sign its Declaration of Intent with CAC and with the target to be certified by CAC and ensured 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.

## **5. Whistle-blowing Policy**

To ensure fair treatment of all stakeholders under the Code of Conduct, the Company has set up a channel to contact the Board of Directors directly (without passing through the Management of the Company) for any business suggestions, complaints, or recommendations indicating impact or risks of impact on stakeholders arising from its business or from wrongful action, or violation of the Code of Conduct, and complaints for special cases like immoral/dishonest acts of Management, breach of Code of Conduct, illegal acts, etc. Any staff member or any other stakeholder is accordingly welcome to send a message by email or mail a letter to Mr. Kasemsit Pathomsak, Independent Director and Chairman of the Audit and Corporate Governance Committee, at the following address:

### **By mail:**

Mr. Kasemsit Pathomsak  
Merchant Partners Securities Public Company Limited  
2/F Charn Issara Tower 1, No. 942/81  
Rama 4 Road, Suriyawong, Bangrak, Bangkok  
10500 Thailand

### **By e-mail:**

[kasemsit@merchant.co.th](mailto:kasemsit@merchant.co.th)

## **The Complaint handling procedure**

When the whistle is blown or complaint is filed, the Company will collect evidence, evaluate and formulate measures to relieve damages caused to the affected person(s) by considering the overall impact. Afterwards, the person responsible for the case will follow up results

of the relief and report to the appropriate staff and the filer of the complaint. Results of action will be reported to the Chairman of the Board of Directors, the Chairman of Audit & Corporate Governance Committee and/or all relevant Directors, respectively, depending on each case.

#### **Confidentiality**

The Company recognizes that some individuals who observe a Breach and wish to report it will seek to do so in confidence under this Policy. In principle, the Company will handle all reports confidentially and equally expects employees reporting a Breach keeping this confidential. Confidentiality will always be maintained to the largest extent possible. Therefore, the Company will protect the identity of an employee who discloses a Breach according to this Policy.

The Company does however acknowledge that in some circumstances the investigation process may reach a point where the employee who reported the Breach is required to make a statement or provide evidence. In such circumstances, where finding the truth would be hindered by maintaining complete confidentiality, the Company may not be able to guarantee complete confidentiality to the reporting employee. The Company will maintain confidentiality as much as possible in such situations. Finally, the Company will not disclose employees' identity without his/her knowledge and consent.

#### **Protection of Whistleblower**

In order to protect the rights of whistleblowers, the Company will not reveal the name, address, picture or other information of the whistleblower or those who participated in the investigation. No whistleblower who in good faith reports a violation of the Code of Conduct or files a complaint or expresses concern involving matters covered by the Whistleblowing Policy shall

suffer harassment, retaliation or adverse employment consequences as a result of such a report. Persons affected by the damage will be relieved with procedures that are appropriate and fair. An employee who retaliates against someone who has reported a violation, complaint or concern in good faith is subject to disciplinary action up to and including termination of employment.

The Complaint handling procedure and guidelines to protect whistleblowers have been presented in the "Business Ethics and Code of Conduct" which is informed to all employees and posted on the Company's website.

#### **Penalties for offenses**

Penalties for offenses shall be in accordance with the Company regulations and/or applicable laws.

#### **Monitoring the Implementation of Anti-Corruption Measures**

The Board of Directors has assigned the Audit & Corporate Governance Committee to monitor actions concerning anti-corruption measures. The Internal Audit Manager as this Committee's secretary, gathers such outcomes to annually report to the Committee and the Board of Directors and summarized for the shareholders in the annual report of violation.

In 2021, the Board of Directors or the Audit & Corporate Governance Committee did not receive any Whistleblower complaints

# 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 Wongsmit, 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 2021, 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:

### Giving Consent towards Financial Statements

The Audit and Corporate Governance Committee reviewed and consented on quarterly financial statements and Annual Financial Statement for 2021 which have been verified and audited by the Auditor before proposing to the Board of Directors for consideration and approval, inquired the auditor and executives on the issues of accuracy and completeness of financial statements and adequacy of information disclosure, The committee attended also meeting with the auditor without the presence of the Management for independent discussion on important issues in preparation for financial statements and disclosure of information which are useful for the users of financial statements. The Audit and Corporate Governance Committee remarked the opinion the accounting and finance report preparation process of

the Company has adequate control to ensure that the financial report properly presents financial position and operating result of the Company according to Accounting Standard, and discloses adequate information in financial statements.

### Governance and Revision of Internal Audit

The Audit and Corporate Governance Committee has reviewed and considered the mission, objectives, scope of work, responsibilities, independency, and audit plan of internal audit department. In 2021, based on the internal audit report, the Audit and Corporate Governance Committee has an opinion that the internal auditing has been conducted in line with the audit plan with proper monitoring to ensure that their recommendation are carried out in line with the policy, operating procedure, laws, relevant rules including Information and Technology system which possible results in business risks by regularly monitoring and submitting the report to enhance effectiveness of the internal control system along with taking other issues and opportunities leading to improper operation in all business unit.

### Review of Risk Management

The Audit and Corporate Governance Committee reviewed the risk management system to ensure its adequacy and efficiency. The Company emphasized and improved risk management system by assessing internal and external risks as well as potential impacts and likelihood. The Committee also prepared the Risk Management Plan to prevent or mitigate potential impacts that may occur to the business operations to be within acceptable levels. In addition, regular monitoring of the changes of the impact factors and risk reviews were conducted to ensure up to date risk management and the Company's efficient and response to changes were in a timely manner. The Board of Directors appointed the Risk Management Committee to determine the scope of the Risk Management Policy and oversee the corporate risk management as well as regularly report on the progress of risk management to the Board of Directors on a quarterly basis. The Audit and Corporate

Governance Committee reviewed the effectiveness of the risk management performance, had an opinion that the Company's risk management practices are maintained and managed at acceptable levels.

### **Review of Legal Compliance**

The Audit and Corporate Governance Committee reviewed and supervised the Company's business operations to ensure compliance with the Securities and Stock Exchange laws, and regulations of the Stock Exchange of Thailand, including policies, regulations, rules and other laws relating to the Company's operations. The Audit and Corporate Governance Committee agreed that the Company has a complete and effective internal control process in place which ensure compliance with the aforementioned laws and regulations.

### **Review of Good Corporate Governance**

The Audit and Corporate Governance Committee recognizes the importance of management practices in adherence to the Corporate Governance Code to promote confidence and assure accountability to all shareholders and stakeholders. The Company reviewed and implemented the corporate governance principles with prudence, fairness, and transparency. The Committee also reviewed complaint and whistleblowing procedures in conformity with the Corporate Governance Code. All information was fully disclosed in compliance with the regulations of the Stock Exchange of Thailand.

### **Review of Connected Transaction or Conflict of Interest**

The Audit and Corporate Governance Committee considered and reviewed connected transaction or conflict of interest according to the Stock Exchange of Thailand and the Office of Securities and Exchange Commission's announcement. The Audit and Corporate Governance Committee was of the opinion that in 2021, the company transaction were in line with general business condition in a fair, reasonable manner and with sufficient information 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 2021, the Audit and Corporate Governance Committee 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 2021 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 stakeholder. 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.

15 February 2022

For and on behalf of the Audit and Corporate  
Governance Committee

Christiani & Nielsen (Thai) Public Company Limited



(Mr. Kasemsit Pathomsak)

Chairman of Audit and Corporate Governance Committee

# Nomination Committee's Report

## To 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 2021, 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 2021, 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 2020 to 31 December 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.88 held on 21 April 2021, 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 2021 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 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 2021 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 2021 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. 88 held on 21 April 2021, the shareholders approved the remuneration of the Directors for the year 2021 as proposed by the Board of Directors, on the recommendation of the Remuneration Committee.

The Remuneration Committee conducted a self-assessment for 2021 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 2021, the Risk Management Committee held four meetings with 100% attendance by three members to carry out duties and responsibilities, as summarized below.

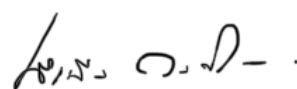
- Defined and reviewed the risk management framework throughout the organization. The committee shall ensure that the framework is appropriate and consistent with the Company's strategy and operation despite the shifting circumstances.
- Commented on issues and scope of the corporate's risks from the 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.
- In 2021, the COVID-19 outbreak posed a risk to the organization's overall goals. The company has evaluated the risks that may affect the business and the project, as well as the management plan for mitigating those risks. By adhering to government standards, the Company aims to protect its employees and contractors from virus transmission. Temperature screening was implemented at the head office, plant, and construction sites including the administration

of antigen test kits (ATKs) and self-quarantine if found at risk. Work-From-Home was implemented in response to the increase in COVID-19 cases. Additionally, an Emergency Plan was established to ensure that business operations continued uninterrupted in the event of a severe outbreak. Additionally, the Company has ensured that its employees and contractors are educated on risk factors associated with future changes and uncertainty.

- Prepare the organization for compliance with the Personal Data Protection Act (PDPA) that will be effective on June 1, 2022.
- Reviewed the Risk Management Committee Charter. The Committee shall ensure that the charter enables the Company to manage risks effectively and efficiently.
- 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 informed 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 2021, 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

The Company and its subsidiaries have entered into certain transactions with connected persons. All of these transactions are made in the ordinary course of business and on general trading conditions. Internal auditors have reviewed the connected transactions according to the Notifications of the Stock Exchange of Thailand 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 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 Company had eight connected transactions which are categorized as follows:

Company	Relations	Transactions	Value of Transactions (MB)			The necessity and reasons	Policy on future connected Transactions
			31 Dec 2021	31 Dec 2020	31 Dec 2019		
Maxwin Builders Limited.	<ul style="list-style-type: none"> <li>- Mr. Ishaan Shah, Director of the Company, is a Director and Shareholder of Maxwin Builders Limited.</li> <li>- Mr. Kirit Shah and Mr. Khushroo Kali Wadia, Directors of the Company, are Directors of Maxwin Builders Limited.</li> <li>- Ms. Nishita Shah who is a Director and shareholder of Globex Corporation Limited, the Major shareholder of the Company, is also a Director and shareholder of Maxwin Builders Limited.</li> </ul>	Expenses for hotel services provided by Maxwin Builders Limited.	0.3	0.02	0.2	<ul style="list-style-type: none"> <li>- Normal business operation. The Company held Annual General meeting, seminars, trainings and banquet services.</li> <li>- In 2021 the Company paid for accommodation for employees who are subject to alternative state quarantine according to the measures to prevent the spread of COVID-19.</li> </ul>	Price and services will be compared according to standard market competition for the utmost benefit of the Company.



Company	Relations	Transactions	Value of Transactions (MB)			The necessity and reasons	Policy on future connected Transactions
			31 Dec 2021	31 Dec 2020	31 Dec 2019		
Maestro Controls Limited.	<ul style="list-style-type: none"> <li>- Mr. Ishaan Shah, Director of the Company, is a Director and Shareholder of Maestro Controls Limited.</li> <li>- Mr. Kirit Shah, Director of the Company, is a Director of Maestro Controls Limited.</li> <li>- 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.</li> </ul>	The Company employed Maestro Controls Limited as a subcontractor for air-conditioning and ventilation systems.	-	0.05	-	<p>The Company provided construction services for civil works and M&amp;E works. Therefore, the Company was in need of hiring experienced M&amp;E subcontractor.</p> <ul style="list-style-type: none"> <li>- Price and services will be compared according to standard market competition for the utmost benefit of the Company.</li> <li>- Selection of subcontractors will be based on past experience, capability and price.</li> </ul>	
Precious Shipping Public Company Limited.	<ul style="list-style-type: none"> <li>- Mr. Ishaan Shah, Mr. Kirit Shah and Mr. Khushroo Kali Wadia, Directors of the Company, are Directors of Precious Shipping Public Company Limited.</li> <li>- Ms. Nishita Shah, Director and shareholder of Globex Corporation Limited, is also a Director and shareholder of Precious Shipping Public Company Limited.</li> <li>- Globex Corporation Limited, is a major shareholder of the Company and Precious Shipping Public Company Limited.</li> </ul>	The Company received for the meeting venue.	-	0.02	-	<p>Normal business operation.</p> <p>Normal business support as the meeting venue is necessary for the company's operations.</p>	

Company	Relations	Transactions	Value of Transactions (MB)			The necessity and reasons	Policy on future connected Transactions
			31 Dec 2021	31 Dec 2020	31 Dec 2019		
Maxwin Apartments Limited.	<ul style="list-style-type: none"> <li>- Mr. Ishaan Shah, Director of the Company, is a Director and Shareholder of Maxwin Apartments Limited</li> <li>- Mr. Kirit Shah, Director of the Company, is a Director of Maxwin Apartments Limited</li> <li>- Ms. Nishita Shah who is a Director and shareholder of Globex Corporation Limited, the Major shareholder of the Company, is also a Director of Maxwin Apartments Limited</li> </ul>	The Company provided architectural contracting services for Maxwin Apartment renovation project.	2.0	-	-	<p>Normal business operations. The Company provided services for the repair of exterior painting works for Maxwin Apartment renovation project.</p> <p>Price and services will be compared according to standard market competition for the utmost benefit of the company.</p>	
Christiani & Nielsen (Cambodia) Co., Ltd.	<ul style="list-style-type: none"> <li>- The subsidiary, the Company held 100% of the total shares.</li> <li>- Mr. Khushroo Kali Wadia, Mr. Vites Ratanakorn and Mr. Surasak Osathanugraha, the Directors of the Company, are the Directors of Christiani and Nielsen (Cambodia) Co., Ltd.</li> </ul>	The Company provided construction management to Christiani and Nielsen (Cambodia) Co., Ltd.	-	-	2.3	<p>Normal business transaction. The Company has the experienced construction team to support construction activities of the Subsidiary.</p> <p>Share resources for the utmost benefit of the Company. The service fees are based on the market prices.</p>	

Company	Relations	Transactions	Value of Transactions (MB)			The necessity and reasons	Policy on future connected Transactions
			31 Dec 2021	31 Dec 2020	31 Dec 2019		
Christiani & Nielsen Energy Solutions Co., Ltd. (CNES)	<ul style="list-style-type: none"> <li>- The subsidiary, the Company is a major shareholder, holding 85% of the shares.</li> <li>- Mr. Khushroo Kali Wadia and Mr. Vites Ratanakorn, Directors of the Company, are Directors of CNES.</li> </ul>	<p>The Company provided consultancy services, office rental and received interest on the loan.</p>	4.7	3.9	3.8	<ul style="list-style-type: none"> <li>- Normal business transaction. The Company has an experienced management team to support the activities of the Subsidiary</li> <li>- The office lease is necessary for the operations of the Subsidiary</li> <li>- The company loaned money to be used as working capital for the business of its subsidiary. Interest rate was at 4.00 per annum.</li> </ul>	Sharing resources to maximize utilization. The service fees will be based on market price.
			3.0	14.7	-	<p>The company has a policy to give financial support to its subsidiary.</p> <p>CNES is a subcontractor to install solar power generation systems for the Company's office and construction project.</p>	Price and services will be compared according to standard market competition for the utmost benefit of the company.
CNT Holdings Limited (CNTH)	<ul style="list-style-type: none"> <li>- The subsidiary, the Company is a major shareholder, holding 60% of the shares.</li> <li>- Mr. Khushroo Kali Wadia and Mr. Surasak Osathanugraha, Directors of the Company, are Directors of CNT Holdings Limited.</li> </ul>	<p>The Company paid interest on due Promissory Notes to CNT Holdings Limited.</p>	0.1	0.4	0.7	<p>The Company borrowed money for company working capital.</p> <p>Interest rate of 2.70 - 3.00 in 2019</p> <p>Interest rate of 2.61 - 2.85 in 2020</p> <p>Interest rate of 2.70 - 2.75 in 2021</p>	There is a policy to provide financial support within the Group of companies.

Company	Relations	Transactions	Value of Transactions (MB)			The necessity and reasons	Policy on future connected Transactions
			31 Dec 2021	31 Dec 2020	31 Dec 2019		
Golden Lime Public Company Limited	<ul style="list-style-type: none"> <li>- Ms. Nishita Shah is a Director and shareholder of Globex Corporation Limited, major shareholder of the Company, and is daughter of Mr. Kirit Shah, Director of the Company, is the director of Golden Lime Public Company Limited.</li> <li>- Mr. Ishaan Shah, Director of the Company, is the directors of CE Lime (Thailand) Limited and shareholder of Golden Lime Public Company Limited</li> </ul>	Christiani and Nielsen Energy Solutions Co., Ltd have the contract to install the system of solar farms with Golden Lime Public Company Limited	-	15.8	-	Christiani and Nielsen Energy Solutions Co., Ltd is specialized for installation of solar energy system and Golden Lime PCL need solar farms for their plants.	Price and services will be compared according to standard market competition for the utmost benefit.

## Policy in respect of future transactions with connected parties

The Company has always and will continue to conduct transactions with connected parties very carefully, with a view to maintaining full compliance with the relevant rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, Thailand, and any applicable laws, apart from compliance with the internal policies and guideline set up by the Company. Moreover, such transactions are entered into strictly on an "Arm's Length" basis. The terms and conditions of such transactions are always in compliance with generally acceptable, standard commercial terms and conditions.

## Opinions of the Audit & Corporate Governance Committee and the Board of Director on the connected transactions

Directors and Executives disclose their and their relatives' shareholding, directorships and other interests in other Companies and Firms, and report their conflict of interests if any, to the Company for the company's use in complying with the regulations pertaining to connected party transactions. Such a report disclosing all their interests is also useful in monitoring their adherence to their duties regarding conflict of interest transactions. The Internal Auditors have reviewed the above connected transactions and reported the results of their review to the Audit & Corporate Governance Committee who in turn have discussed and reviewed the transactions in their Audit & Corporate Governance Committee Meeting No. 1/2022 held on 28 February 2022. The Audit & Corporate Governance Committee is of the opinion that the aforesaid transactions are fair and reasonable and for the full benefit of the Company.

The Board of Directors Meeting No. 461 held on 28 February 2022, the Board reviewed the transactions and based on the findings and report of the Audit & Corporate Governance Committee, the Board is of the opinion that the Company has adequate rules, regulations and policies for prevention of conflicted transactions and that the above interested party transactions are entered solely based on the market prices, reasonable and for the full benefit of the Company. Adequate disclosures have also been made in the financial statements.

# 3



**FINANCIAL STATEMENTS**

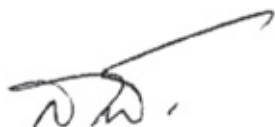
## Report of the Board of Directors' Responsibility for the Financial Report

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 2021 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



# 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 2021, 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 2021, 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 4.1 and Note 5 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 4.16 and Note 27 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.

*P. Koonarangsri*

Patcharawan Koonarangsri

Certified Public Accountant (Thailand) No. 6650

EY Office Limited

Bangkok: 28 February 2022

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

## Statements of financial position

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	303,598,060	239,141,812	216,557,936	125,623,241
Trade and other receivables	6, 8	664,099,902	1,488,611,819	651,882,074	1,488,777,036
Contract assets	9	1,888,717,016	1,751,489,092	1,850,558,638	1,709,237,549
Inventories	10	64,406,171	59,552,846	63,249,804	58,436,227
Short-term loan to related party	6	-	-	103,500,000	18,500,000
Advance payments to subcontractors		308,561,363	439,328,697	308,510,362	434,453,968
Withholding tax deducted at source		262,432,721	306,688,713	254,572,807	306,082,114
Other current assets	11	10,344,537	22,471,933	10,284,537	22,059,805
Total current assets		3,502,159,770	4,307,284,912	3,459,116,158	4,163,169,940
Non-current assets					
Restricted bank deposits and investments	12	1,548,676	1,546,000	1,548,676	1,546,000
Investments in subsidiaries	13	-	-	52,202,866	48,883,866
Other non-current financial assets	14	98,399,776	106,676,916	98,399,776	106,676,916
Investment properties	15	287,476,400	287,476,400	287,476,400	287,476,400
Property, plant and equipment	16	1,497,962,466	1,352,202,413	1,343,691,085	1,352,867,323
Right-of-use assets	20	140,342,828	281,723,360	137,011,819	277,127,986
Intangible assets	17	23,559,133	23,950,071	23,538,853	23,917,916
Total non-current assets		2,049,289,279	2,053,575,160	1,943,869,475	2,098,496,407
Total assets		5,551,449,049	6,360,860,072	5,402,985,633	6,261,666,347

The accompanying notes are an integral part of the financial statements.

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

## Statements of financial position (Continued)

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Bank overdraft and short-term loans from					
financial institutions	18	116,308,918	40,279,113	-	-
Trade and other payables	6, 19	1,942,424,390	1,977,270,388	1,922,668,914	1,942,717,522
Short-term loan from related party	6	6,000,000	4,500,000	-	-
Current portion of lease liabilities	20	65,397,119	111,909,005	64,070,000	110,607,153
Corporate income tax payable		601,318	-	-	-
Contract liabilities	9	932,784,216	1,516,965,853	929,675,877	1,515,095,342
Short-term provisions		235,323,000	218,363,000	235,323,000	217,847,000
Other current liabilities		47,645,071	79,916,997	43,416,087	79,770,852
Total current liabilities		3,346,484,032	3,949,204,356	3,195,153,878	3,866,037,869
Non-current liabilities					
Lease liabilities - net of current portion	20	19,487,041	73,841,785	17,483,151	70,548,263
Provision for long-term employee benefits	21	184,864,773	185,823,296	184,864,773	185,823,296
Deferred tax liabilities	27	74,847,294	49,052,174	74,847,294	49,052,174
Total non-current liabilities		279,199,108	308,717,255	277,195,218	305,423,733
Total liabilities		3,625,683,140	4,257,921,611	3,472,349,096	4,171,461,602

The accompanying notes are an integral part of the financial statements.



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

## Statements of financial position (Continued)

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Shareholders' equity					
Share capital	22				
Registered					
1,102,904,144 ordinary shares of Baht 1 each		1,102,904,144	1,102,904,144	1,102,904,144	1,102,904,144
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	24	98,986,400	98,986,400	97,426,400	97,426,400
Unappropriated		126,453,746	294,571,964	242,932,657	393,776,294
Other components of shareholders' equity		461,784,727	469,409,254	462,373,336	471,097,907
Premium on sales of investment in subsidiary		21,431,362	21,431,362	-	-
Premium on sales of own shares held by subsidiary		68,924,184	68,924,184	-	-
Equity attributable to owners of the Company		1,905,484,563	2,081,227,308	1,930,636,537	2,090,204,745
Non-controlling interests of the subsidiaries		20,281,346	21,711,153	-	-
Total shareholders' equity		1,925,765,909	2,102,938,461	1,930,636,537	2,090,204,745
Total liabilities and shareholders' equity		5,551,449,049	6,360,860,072	5,402,985,633	6,261,666,347

The accompanying notes are an integral part of the financial statements.

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

## Income statements

For the year ended 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
<b>Revenues</b>					
Construction income		6,015,495,843	7,462,158,265	6,015,495,843	7,462,158,265
Revenue from sales and services		158,829,993	63,404,609	-	-
Other income		24,343,645	13,998,287	24,915,037	17,601,537
<b>Total revenues</b>		<b>6,198,669,481</b>	<b>7,539,561,161</b>	<b>6,040,410,880</b>	<b>7,479,759,802</b>
<b>Expenses</b>					
	25				
Cost of construction		5,854,471,920	7,102,384,796	5,857,744,870	7,109,292,360
Cost of sales and services		143,015,726	49,726,699	-	-
Administrative expenses		249,088,469	286,015,559	219,194,656	262,587,330
Expected credit losses	8	52,610,442	3,000,000	52,610,442	3,000,000
Other expenses	13	-	-	-	9,840,000
<b>Total expenses</b>		<b>6,299,186,557</b>	<b>7,441,127,054</b>	<b>6,129,549,968</b>	<b>7,384,719,690</b>
<b>Operating profit (loss)</b>		<b>(100,517,076)</b>	<b>98,434,107</b>	<b>(89,139,088)</b>	<b>95,040,112</b>
Finance income		7,362,970	7,052,214	8,755,332	7,051,492
Finance cost	26	(11,593,191)	(23,501,782)	(6,334,609)	(23,299,926)
<b>Profit (loss) before income tax</b>		<b>(104,747,297)</b>	<b>81,984,539</b>	<b>(86,718,365)</b>	<b>78,791,678</b>
Income tax	27	(25,602,955)	(5,971,284)	(24,927,274)	(5,778,253)
<b>Profit (loss) for the year</b>		<b>(130,350,252)</b>	<b>76,013,255</b>	<b>(111,645,639)</b>	<b>73,013,425</b>
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		(128,920,220)	75,472,416	(111,645,639)	73,013,425
Non-controlling interests of the subsidiaries		(1,430,032)	540,839		
		<b>(130,350,252)</b>	<b>76,013,255</b>		
<b>Earnings (loss) per share</b>					
	28				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company (Baht)					
		(0.13)	0.07	(0.11)	0.07
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.

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

## Statements of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Profit (loss) for the year</b>		<u>(130,350,252)</u>	<u>76,013,255</u>	<u>(111,645,639)</u>	<u>73,013,425</u>
<b>Other comprehensive income:</b>					
<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>1,100,044</u>	<u>540,917</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods		<u>1,100,044</u>	<u>540,917</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Loss on changes in value of equity investments designated at fair value through other comprehensive income	34	(8,277,140)	(12,946,398)	(8,277,140)	(12,946,398)
Actuarial gain (loss)	21	12,616,371	(25,824,958)	12,616,371	(25,824,958)
Less: Income tax effect	27	<u>(867,846)</u>	<u>7,754,271</u>	<u>(867,846)</u>	<u>7,754,271</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>3,471,385</u>	<u>(31,017,085)</u>	<u>3,471,385</u>	<u>(31,017,085)</u>
<b>Other comprehensive income for the year</b>		<u>4,571,429</u>	<u>(30,476,168)</u>	<u>3,471,385</u>	<u>(31,017,085)</u>
<b>Total comprehensive income for the year</b>		<u>(125,778,823)</u>	<u>45,537,087</u>	<u>(108,174,254)</u>	<u>41,996,340</u>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		(124,348,791)	44,996,248	<u>(108,174,254)</u>	<u>41,996,340</u>
Non-controlling interests of the subsidiaries		<u>(1,430,032)</u>	<u>540,839</u>		
		<u>(125,778,823)</u>	<u>45,537,087</u>		

The accompanying notes are an integral part of the financial statements.



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

## Statements of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
Other components of shareholders' equity													
Other comprehensive income													
Note	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	
			Appropriated - statutory reserve	Unappropriated								attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
<b>Balance as at 1 January 2020</b>	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
Profit for the year	-	-	-	75,472,416	-	-	-	-	-	-	75,472,416	540,839	76,013,255
Other comprehensive income for the year	-	-	-	(20,659,966)	540,917	(10,357,119)	-	(9,816,202)	-	-	(30,476,168)	-	(30,476,168)
Total comprehensive income for the year	-	-	-	54,812,450	540,917	(10,357,119)	-	(9,816,202)	-	-	44,996,248	540,839	45,537,087
Unappropriated retained earnings transferred	-	-	-	-	-	-	-	-	-	-	-	-	-
to statutory reserve	24	-	3,700,000	(3,700,000)	-	-	-	-	-	-	-	-	-
Dividend paid	29	-	-	(41,115,103)	-	-	-	-	-	-	(41,115,103)	-	(41,115,103)
Transferred to retained earnings	-	-	-	2,108,620	-	-	(2,108,620)	(2,108,620)	-	-	-	-	-
Non-controlling interest of new subsidiary	-	-	-	-	-	-	-	-	-	-	-	75	75
<b>Balance as at 31 December 2020</b>	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	21,711,153	2,102,938,461
<b>Balance as at 1 January 2021</b>	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	21,711,153	2,102,938,461
Loss for the year	-	-	-	(128,920,220)	-	-	-	-	-	-	(128,920,220)	(1,430,032)	(130,350,252)
Other comprehensive income for the year	-	-	-	10,093,097	1,100,044	(6,621,712)	-	(5,521,668)	-	-	4,571,429	-	4,571,429
Total comprehensive income for the year	-	-	-	(118,827,123)	1,100,044	(6,621,712)	-	(5,521,668)	-	-	(124,348,791)	(1,430,032)	(125,778,823)
Dividend paid	29	-	-	(51,393,954)	-	-	-	-	-	-	(51,393,954)	-	(51,393,954)
Transferred to retained earnings	-	-	-	2,102,859	-	-	(2,102,859)	(2,102,859)	-	-	-	-	-
Non-controlling interest of new subsidiary	-	-	-	-	-	-	-	-	-	-	-	225	225
<b>Balance as at 31 December 2021</b>	1,027,904,144	100,000,000	98,986,400	126,453,746	(588,609)	(5,240,179)	467,613,515	461,784,727	21,431,362	68,924,184	1,905,484,563	20,281,346	1,925,765,909

The accompanying notes are an integral part of the financial statements.

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

## Statements of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

		Separate financial statements						
		Other components of shareholders' equity						Total shareholders' equity
		Other comprehensive income					Total other components of shareholders' equity	
Note	Issued and paid up share capital	Share premium	Retained earnings	Fair value reserve of financial assets at FVOCI	Revaluation surplus on assets			
			Appropriated - statutory reserve	Unappropriated				
<b>Balance as at 1 January 2020</b>	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)	(31,017,085)
Total comprehensive income for the year	-	-	-	52,353,459	-		(10,357,119)	41,996,340
Unappropriated retained earnings transferred to statutory reserve	-	-	3,700,000	(3,700,000)	-		-	-
Dividend paid	-	-	-	(41,115,103)	-		-	(41,115,103)
Transferred to retained earnings	-	-	-	2,108,620	(2,108,620)		(2,108,620)	-
<b>Balance as at 31 December 2020</b>	1,027,904,144	100,000,000	97,426,400	393,776,294	469,716,374		471,097,907	2,090,204,745
<b>Balance as at 1 January 2021</b>	1,027,904,144	100,000,000	97,426,400	393,776,294	469,716,374		471,097,907	2,090,204,745
Loss for the year	-	-	-	(111,645,639)	-		-	(111,645,639)
Other comprehensive income for the year	-	-	-	10,093,097	-		(6,621,712)	3,471,385
Total comprehensive income for the year	-	-	-	(101,552,542)	-		(6,621,712)	(108,174,254)
Dividend paid	-	-	-	(51,393,954)	-		-	(51,393,954)
Transferred to retained earnings	-	-	-	2,102,859	(2,102,859)		(2,102,859)	-
<b>Balance as at 31 December 2021</b>	1,027,904,144	100,000,000	97,426,400	242,932,657	467,613,515		462,373,336	1,930,636,537

The accompanying notes are an integral part of the financial statements.



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

## Cash flow statements

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	(104,747,297)	81,984,539	(86,718,365)	78,791,678
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	167,281,205	204,822,551	165,409,481	202,313,588
Bad debt	3,000,000	-	3,000,000	-
Write off of other receivable	1,651,521	-	146,549	-
Write off of other payables	(6,313,863)	-	(70,456)	-
Allowance for expected credit losses	49,610,442	3,000,000	49,610,442	3,000,000
Reversal allowance for diminution in inventory value	(661,228)	(588,968)	(661,228)	(588,968)
Allowance for impairment loss of investment in subsidiary (reversal)	-	-	(3,319,000)	9,840,000
Allowance for impairment loss of other current asset	5,675,000	-	5,675,000	-
Reversal of allowance for impairment loss of assets	-	(1,654,145)	-	(1,654,145)
Gain on disposals/write off of equipment and right-of-use assets	(12,517,024)	(9,310,419)	(12,517,091)	(9,086,943)
Estimated expenses for construction projects	16,960,000	24,231,515	17,476,000	24,864,000
Provision for long-term employee benefits	18,066,334	7,573,933	18,066,334	7,573,933
Unrealised gain on exchange	(329,415)	(725,985)	(329,415)	(725,985)
Finance income	(7,362,970)	(7,052,214)	(8,755,332)	(7,051,492)
Finance cost	7,460,606	20,313,480	4,229,453	20,229,527
Profit from operating activities before changes in operating assets and liabilities	137,773,311	322,594,287	151,242,372	327,505,193

The accompanying notes are an integral part of the financial statements.

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

## Cash flow statements (Continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Operating assets (increase) decrease				
Trade and other receivables	772,099,352	(613,070,963)	784,482,396	(613,644,331)
Contract assets	(137,227,924)	789,177,254	(141,321,089)	829,726,692
Inventories	(4,192,097)	20,108,154	(4,152,349)	20,200,918
Advance payments to subcontractors	129,262,362	(53,196,222)	125,943,606	(50,365,948)
Other current assets	6,437,214	36,090,782	6,085,086	36,029,233
Operating liabilities increase (decrease)				
Trade and other payables	(42,720,698)	69,040,221	(19,872,276)	45,881,466
Contract liabilities	(584,181,637)	(29,708,693)	(585,419,465)	(29,488,480)
Other current liabilities	(32,271,926)	40,211,302	(36,354,765)	40,194,467
Provision for long-term employee benefits	(6,408,486)	(9,741,040)	(6,408,486)	(9,741,040)
Cash from operating activities	238,569,471	571,505,082	274,225,030	596,298,170
Interest income	7,363,141	7,233,769	8,755,504	7,318,307
Cash paid for interest expense	(3,163,073)	(12,185,672)	(414,911)	(12,430,928)
Refund of withholding tax deducted at source	183,893,662	190,805,653	183,869,613	190,635,396
Cash paid for income tax	(139,712,033)	(122,772,923)	(132,360,306)	(122,217,033)
<b>Net cash from operating activities</b>	<b>286,951,168</b>	<b>634,585,909</b>	<b>334,074,930</b>	<b>659,603,912</b>
<b>Cash flows from investing activities</b>				
Net increase in short-term loan to related party	-	-	(85,000,000)	(11,500,000)
Decrease in long-term loans to related parties	-	763,583	-	-
Decrease (increase) in restricted bank deposits	(2,676)	13,269,017	(2,676)	13,269,017
Cash paid for acquisitions of property, plant and equipment	(155,074,142)	(21,673,113)	(13,625,517)	(23,535,080)
Proceeds from disposals of plant and equipment	25,894,786	23,216,879	25,894,787	21,807,783
Cash paid for intangible assets	(3,300,450)	(1,691,400)	(3,300,450)	(1,691,400)
<b>Net cash from (used in) investing activities</b>	<b>(132,482,482)</b>	<b>13,884,966</b>	<b>(76,033,856)</b>	<b>(1,649,680)</b>

The accompanying notes are an integral part of the financial statements.



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

## Cash flow statements (Continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flows from financing activities</b>				
Increase in bank overdraft and short-term loans				
from financial institutions	278,179,776	3,350,279,113	-	3,310,000,000
Decrease in bank overdraft and short-term loans				
from financial institutions	(202,149,971)	(3,711,454,024)	-	(3,710,000,000)
Increase in short-term loans from related party	1,500,000	4,500,000	-	-
Cash paid for long-term loans	-	(38,400,000)	-	(38,400,000)
Payment of principal portion of leases liabilities	(113,056,372)	(147,265,904)	(111,792,007)	(146,061,822)
Cash paid for interest expenses of leases liabilities	(4,078,254)	(8,285,145)	(3,920,418)	(8,080,927)
Dividend payment	(51,393,954)	(41,115,103)	(51,393,954)	(41,115,103)
Cash received from non-controlling interest of subsidiary	225	75	-	-
<b>Net cash used in financing activities</b>	<b>(90,998,550)</b>	<b>(591,740,988)</b>	<b>(167,106,379)</b>	<b>(633,657,852)</b>
<b>Increase in translation adjustments</b>	<b>986,112</b>	<b>506,004</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>64,456,248</b>	<b>57,235,891</b>	<b>90,934,695</b>	<b>24,296,380</b>
Cash and cash equivalents at beginning of year	239,141,812	181,905,921	125,623,241	101,326,861
<b>Cash and cash equivalents at end of year (Note 7)</b>	<b>303,598,060</b>	<b>239,141,812</b>	<b>216,557,936</b>	<b>125,623,241</b>

### Supplemental disclosure of cash flows information

#### Non-cash transactions

Payables for purchases of equipment	13,969,284	-	-	-
Transfer right-of-use assets to plant and equipment	109,274,242	29,665,336	109,274,242	29,665,336
Additions to right-of-use assets and lease liabilities	12,189,740	12,945,020	12,189,740	12,945,020
Write off trade accounts receivable as bad debts	3,000,000	-	3,000,000	-

The accompanying notes are an integral part of the financial statements.

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

## **Notes to consolidated financial statements**

For the year ended 31 December 2021

### **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 COVID-19 pandemic**

The COVID-19 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>2021</u> Percent	<u>2020</u> Percent
<b><u>Subsidiaries (held by the Company)</u></b>				
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
<b><u>Subsidiary (held by a subsidiary)</u></b>				
CNES D1 Co. Ltd.	Developing renewable energy based power producing facilities	Thailand	100	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**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the 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 adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.



## **4. Significant accounting policies**

### **4.1 Revenue and 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 the Group's project engineers or project managers.

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.

## **4.2 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.

## **4.3 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.

## **4.4 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.

## **4.5 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.

## **4.6 Investments**

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



#### 4.7 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.

#### 4.8 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.

#### **4.9 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 the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to 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.

#### **4.10 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 associates, 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.

#### **4.11 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**

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, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located 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.

### **4.12 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.

### **4.13 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.



#### **4.14 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.

#### **4.15 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.



#### **4.16 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.

#### **4.17 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component or for which at contract inception the Group expected payment by the customer less than one year and the Group has applied the practical expedient regarding not to adjust the effects of a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.



## **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“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.

## **Regular way purchases and sales of financial assets**

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the settlement date, i.e., the date on which an asset is delivered.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

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

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



#### **4.18 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.

### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

#### **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 Group's 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.

## 6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and basis agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<b>Transactions with subsidiary</b>					
(eliminated from the consolidated financial statements)					
Rental and service income	-	-	3.0	3.5	Market price
Interest income	-	-	1.7	0.4	Interest at the rate of 4.00 percent per annum
Interest expense	-	-	0.1	0.4	Interest at the rate of 2.70 - 2.75 percent per annum (2020: 2.61 - 2.85 percent per annum)
Cost of construction	-	-	3.0	7.1	Market price
Purchase construction machinery and equipment	-	-	-	7.6	Market price
<b>Transactions with related companies</b>					
Construction income	2.0	-	2.0	-	Cost plus margin
Revenue from sales and services	-	15.7	-	-	Cost plus margin
Cost of construction	-	0.2	-	0.1	Market price
Rental and service expenses	0.3	-	0.3	-	Market price
Interest expenses	0.2	0.1	-	-	Interest rate of 4.95 percent per annum

The balances of the accounts as at 31 December 2021 and 2020 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Other receivables - related party (Note 8)</b>				
Subsidiary	-	-	4,346	1,148
Total other receivables - related party	-	-	4,346	1,148
<b>Advance to subcontractors</b>				
Subsidiary	-	-	688	707
Total	-	-	688	707
<b>Trade and other payables - related parties (Note 19)</b>				
Subsidiary	-	-	3,919	2,675
Common director	1,680	500	-	-
Total trade and other payables - related parties	1,680	500	3,919	2,675

### Short-term loan to related party

As at 31 December 2021, the Company had short-term loan to a subsidiary amounting to Baht 103.5 million (2020: Baht 18.5 million). The loan carries interest at 4.0 percent per annum (2020: 4.0 percent per annum) and is repayable at call.

During the year ended 31 December 2021, movements of short-term loans to related party in the separate financial statements are as follows. However, there were no movements of short-term loans to related party in the consolidated financial statements during the current year.

(Unit: Thousand Baht)				
	Separate financial statements			
	Balance as at		Balance as at	
	1 January	Increase	Decrease	31 December
	2021	during the year	during the year	2021
<b>Short-term loan to related party</b>				
Subsidiary	18,500	115,000	(30,000)	103,500

### Short-term loans from related party

As at 31 December 2021, the subsidiary had short-term loan from related company amounting to Baht 6.0 million (2020: Baht 4.5 million). The loans carried interest at 4.95 percent per annum (2020: 4.95 percent per annum) and are repayable at call.

During the year ended 31 December 2021, movements of short-term loans from related parties in the consolidated and separate financial statements are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Balance as at		Balance as at
	1 January	Increase	31 December
	2021	during the year	2021
<b>Short-term loans from related party</b>			
Related company (related by common director)	4,500	1,500	6,000

(Unit: Thousand Baht)

	Separate financial statements		
	Balance as at		Balance as at
	1 January	During the year	
	2021	Increase	Decrease
<b>Short-term loans from related party</b>			
Subsidiary	-	122,000	(122,000)

### Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	2021	2020
Short-term employee benefits	46,354	54,369
Post-employment benefits	1,562	1,523
<b>Total</b>	<b>47,916</b>	<b>55,892</b>



## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash	2,181	1,404	422	877
Bank deposits	301,417	237,738	216,136	124,746
Total cash and cash equivalents	<u>303,598</u>	<u>239,142</u>	<u>216,558</u>	<u>125,623</u>

As at 31 December 2021, bank deposits in savings accounts carried interests between 0.05 and 0.40 percent per annum (2020: between 0.05 and 0.50 percent per annum).

## 8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	501,484	1,267,770	499,128	1,267,770
Past due				
Up to 1 month	47,766	15,577	45,118	15,577
1 - 3 months	3,364	39,073	3,364	39,073
3 - 6 months	3,427	42,487	3,427	42,487
6 - 12 months	35,489	16,521	35,489	16,521
Over 12 months	115,988	115,988	115,988	115,988
Total	707,518	1,497,416	702,514	1,497,416
Less: Allowance for expected credit losses	(73,645)	(33,593)	(73,645)	(33,593)
Total trade receivables - unrelated parties - net	633,873	1,463,823	628,869	1,463,823
Total trade receivables - net	<u>633,873</u>	<u>1,463,823</u>	<u>628,869</u>	<u>1,463,823</u>
<u>Other receivables</u>				
Other receivables - related parties	-	-	4,346	1,148
Other receivables - unrelated parties	24,991	11,030	14,059	10,442
Prepaid expenses	12,035	14,000	11,407	13,605
Total other receivables	37,026	25,030	29,812	25,195
Less: Allowance for expected credit losses	(6,799)	(241)	(6,799)	(241)
Total other receivables - net	<u>30,227</u>	<u>24,789</u>	<u>23,013</u>	<u>24,954</u>
Total trade and other receivables - net	<u>664,100</u>	<u>1,488,612</u>	<u>651,882</u>	<u>1,488,777</u>

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 debtor who is overdue for more than one year amounting to Baht 86 million has issued promissory note, availed by the director of debtor's company to guarantee the repayment of debt.

The normal credit term is 30 to 60 days.

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

(Unit: Thousand Baht)		
Consolidated and Separate financial statements		
	<u>2021</u>	<u>2020</u>
Beginning balance	33,593	30,593
Provision for expected credit losses	46,052	3,000
Amount written off	(6,000)	-
Ending balance	<u>73,645</u>	<u>33,593</u>

Set out below is the movement in the allowance for expected credit losses of other receivables:

(Unit: Thousand Baht)		
Consolidated and Separate financial statements		
	<u>2021</u>	<u>2020</u>
Beginning balance	241	241
Provision for expected credit losses	6,558	-
Ending balance	<u>6,799</u>	<u>241</u>



## 9. Contract assets/Contract liabilities

### 9.1 Contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Contract assets				
Unbilled receivables	1,507,040	1,294,356	1,470,783	1,253,921
Retention receivables	381,677	457,133	379,776	455,317
Total contract assets	<u>1,888,717</u>	<u>1,751,489</u>	<u>1,850,559</u>	<u>1,709,238</u>
Contract liabilities				
Construction revenue received in advance	5,758	235,282	4,659	235,282
Advance received from customers	927,026	1,281,684	925,017	1,279,813
Total contract liabilities	<u>932,784</u>	<u>1,516,966</u>	<u>929,676</u>	<u>1,515,095</u>

As at 31 December 2021, the total balance of unbilled receivables is expected to be billed within one year (2020: Baht 1,294 million).

### 9.2 Revenue recognised in relation to contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue recognised that was included in				
contract liabilities at the beginning of the year	677,240	970,731	676,255	968,640

### 9.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2021, revenue aggregating to Baht 12,566 million is expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of contracts with customers (2020: Baht 11,444 million). The Group expects to satisfy the performance obligations within 3 years.

## 10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Materials at sites	58,547	53,377	-	-	58,547	53,377
General materials	3,632	3,287	(302)	(205)	3,330	3,082
Spare parts	2,679	3,970	(846)	(1,619)	1,833	2,351
Steel and others	711	743	(15)	-	696	743
Total	<u>65,569</u>	<u>61,377</u>	<u>(1,163)</u>	<u>(1,824)</u>	<u>64,406</u>	<u>59,553</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Materials at sites	58,547	53,377	-	-	58,547	53,377
General Materials	2,476	2,170	(302)	(205)	2,174	1,965
Spare parts	2,679	3,970	(846)	(1,619)	1,833	2,351
Steel and others	711	743	(15)	-	696	743
Total	<u>64,413</u>	<u>60,260</u>	<u>(1,163)</u>	<u>(1,824)</u>	<u>63,250</u>	<u>58,436</u>

During the current year, the Company reversed the write-down of cost of inventories by Baht 0.7 million (2020: Baht 0.6 million) and reduced the amount of inventories recognised as expenses during the year.

## 11. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Assets under buy-back agreement - net	4,123	13,995	4,123	13,995
Refundable deposits	6,209	8,425	6,149	8,013
Others	12	52	12	52
Total other current assets	<u>10,344</u>	<u>22,472</u>	<u>10,284</u>	<u>22,060</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.

## 12. Restricted bank deposits and investments

		(Unit: Thousand Baht)	
		Consolidated and Separate	
		financial statements	
		2021	2020
Bank deposits		1,549	1,546
Total		1,549	1,546

As at 31 December 2021, bank deposits carried interest between 0.1 and 0.13 percent per annum (2020: 0.13 and 0.25 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.

## 13. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

		(Unit: Thousand Baht)				
Company's name	Paid-up capital		Shareholding percentage		Cost	
	2021	2020	2021	2020	2021	2020
			(%)	(%)		
CNT Holdings Limited	Baht 50.0	Baht 50.0	60	60	1,526,230	1,526,230
	million	million				
Christiani & Nielsen	USD 0.4	USD 0.4	100	100	13,336	13,336
(Myanmar) Limited	million	million				
Christiani & Nielsen	USD 0.1	USD 0.1	100	100	3,375	3,375
(Cambodia) Co., Ltd.	million	million				
Christiani & Nielsen Energy	Baht 10.0	Baht 10.0	85	85	8,500	8,500
Solutions Co., Ltd.	million	million				
Total					1,551,441	1,551,441
Less: Allowance for impairment loss on investment					(1,499,238)	(1,502,557)
Total investments in subsidiaries - net					52,203	48,884

During the year 2021, the Company recorded the reversal of allowance for impairment loss on investment in subsidiary of Baht 3.32 million (2020: recorded the allowance for impairment loss on investment in subsidiary of Baht 9.84 million).



## **Domestic subsidiaries**

### 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. Such company registered its establishment with the Ministry of Commerce on 21 September 2020.

On 24 June 2021, the meeting of the Board of Directors of Christiani & Nielsen Energy Solutions Company Limited (subsidiary) passed a resolution approving to increase the registered share capital of CNES D1 Co., Ltd. from Baht 2,000,000 (20,000 ordinary shares of Baht 100 each) to Baht 42,000,000 (420,000 ordinary shares of Baht 100 each) by issuance of 400,000 new ordinary shares of Baht 100 each. Such company called up all of its shares capital, the subsidiary paid the share subscription of Baht 40 million in September 2021. Such company registered the increase in its registered share capital with the Ministry of Commerce on 10 September 2021.

On 2 November 2021, the meeting of the Board of Directors of Christiani & Nielsen Energy Solutions Company Limited (subsidiary) passed a resolution approving to increase the registered share capital of CNES D1 Co., Ltd. from Baht 42,000,000 (420,000 ordinary shares of Baht 100 each) to Baht 150,000,000 (1,500,000 ordinary shares of Baht 100 each) by issuance of 1,080,000 new ordinary shares of Baht 100 each. Such company called up 71 percent of its shares capital, the subsidiary paid the share subscription of Baht 76.7 million in November 2021. Such company registered the increase in its registered share capital with the Ministry of Commerce on 16 November 2021.

## **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.

## 14. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	31 December 2021	31 December 2020
<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)	98,400	106,677
Total other non-current financial assets	98,400	106,677

## 15. Investment properties

(Unit: Thousand Baht)

	Consolidated and Separate financial statements		
	Condominium		Total
	Land	units	
<b>Fair value</b>			
1 January 2020	233,696	3,780	237,476
Additions during the year	50,000	-	50,000
31 December 2020	283,696	3,780	287,476
31 December 2021	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 2021 and 2020, 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.



## 16. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							
	Cost basis							
	Revaluation basis		Land improvements	Leasehold buildings	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Assets under construction and installation
	Land	Buildings						
<b>Cost/Revalued amount</b>								<b>Total</b>
31 December 2019	764,620	399,157	42,217	819	1,648,541	152,149	244,310	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	57,651
Translation adjustment	-	-	-	(3)	(13)	29	-	13
31 December 2020	764,620	423,466	42,217	816	1,162,063	149,859	177,169	2,723,887
Additions	-	-	-	-	162,222	4,829	1,696	169,043
Disposals/write-off	-	-	-	(910)	(102,754)	(9,011)	(25,773)	(138,448)
Transfer in (transfer out)	-	3,973	-	-	-	-	-	-
Transfer in from right-of-use assets	-	-	-	-	221,424	-	13,266	234,690
Translation adjustment	-	-	-	94	124	18	-	236
31 December 2021	764,620	427,439	42,217	-	1,443,079	145,695	166,358	2,989,408

(Unit: Thousand Baht)

## Consolidated financial statements

	Cost basis							
	Revaluation basis		Land improvements	Leasehold buildings	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Assets under construction and installation
	Land	Buildings						
Accumulated depreciation								
31 December 2019	-	67,742	42,217	557	1,075,100	133,966	160,552	-
Reclassification to right-of-use assets	-	-	-	-	(130,769)	(1,512)	(23,039)	-
Depreciation for the year	-	9,271	-	271	89,842	9,614	13,678	-
Depreciation on disposals/write-off	-	-	-	-	(94,120)	(3,930)	(15,240)	-
Transfer in (transfer out)	-	-	-	-	17,595	1,512	8,878	-
Translation adjustment	-	-	-	(13)	(20)	12	-	-
31 December 2020	-	77,013	42,217	815	957,628	139,662	144,829	-
Depreciation for the year	-	9,291	-	-	94,271	5,692	10,207	-
Depreciation on disposals/write-off	-	-	-	(909)	(93,171)	(8,836)	(22,321)	-
Transfer in from right-of-use assets	-	-	-	-	118,550	-	6,866	-
Translation adjustment	-	-	-	94	10	17	-	-
31 December 2021	-	86,304	42,217	-	1,077,288	136,535	139,581	-
								-
								1,481,925

## Consolidated financial statements

[illegible]



(Unit: Thousand Baht)

Separate financial statements									
		Cost basis							
Revaluation basis		Land		Buildings	Land improvements	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Assets under construction and installation
Land									Total
764,620		399,157	42,217		1,645,435	149,960	244,310	27,986	3,273,685
-		-	-		(438,856)	(2,059)	(68,983)	-	(509,898)
-		-	-		21,560	1,975	-	-	23,535
-		-	-		(101,949)	(3,624)	(17,011)	-	(122,584)
-		24,309	-		36,739	2,059	18,853	(24,309)	57,651
764,620		423,466	42,217		1,162,929	148,311	177,169	3,677	2,722,389
-		-	-		6,804	4,829	1,696	296	13,625
-		-	-		(102,754)	(9,011)	(25,773)	-	(137,538)
-		3,973	-		-	-	-	(3,973)	-
-		-	-		221,424	-	13,266	-	234,690
764,620		427,439	42,217		1,288,403	144,129	166,358	-	2,833,166

**Cost/Revalued amount**

31 December 2019

Reclassification to right-of-use assets

Additions

Disposals/write-off

Transfer in (transfer out)

31 December 2020

Additions

Disposals/write-off

Transfer in (transfer out)

Transfer in from right-of-use assets

31 December 2021

(Unit: Thousand Baht)

## Separate financial statements

	Cost basis							Total
	Revaluation basis		Land improvements	Construction machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Assets under construction and installation	
	Land	Buildings						
<b>Accumulated depreciation</b>								
31 December 2019	-	67,742	42,217	1,073,877	133,273	160,552	-	1,477,661
Reclassification to right-of-use assets	-	-	-	(130,769)	(1,512)	(23,039)	-	(155,320)
Depreciation for the year	-	9,271	-	89,279	9,157	13,678	-	121,385
Transfer in (transfer out)	-	-	-	17,595	1,512	8,878	-	27,985
Depreciation on disposals/write-off	-	-	-	(93,002)	(3,468)	(15,240)	-	(111,710)
31 December 2020	-	77,013	42,217	956,980	138,962	144,829	-	1,360,001
Depreciation for the year	-	9,291	-	93,997	5,370	10,207	-	118,865
Transfer in from right-of-use assets	-	-	-	118,550	-	6,866	-	125,416
Depreciation on disposals/write-off	-	-	-	(93,171)	(8,836)	(22,321)	-	(124,328)
31 December 2021	-	86,304	42,217	1,076,356	135,496	139,581	-	1,479,954
<b>Allowance for impairment loss</b>								
31 December 2019	-	2,902	-	6,306	1,946	21	-	11,175
Decrease during the year	-	-	-	(1,654)	-	-	-	(1,654)
31 December 2020	-	2,902	-	4,652	1,946	21	-	9,521
31 December 2021	-	2,902	-	4,652	1,946	21	-	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
764,620	343,551	-	201,297	7,403	32,319	1,352,867
764,620	338,233	-	207,395	6,687	26,756	1,343,691

**Net book value**

31 December 2020

31 December 2021

**Depreciation for the year**

2020 (Baht 107 million included in cost of construction, and the balance in administrative expenses)

2021 (Baht 109 million included in cost of construction, and the balance in administrative expenses)

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 2021 would have been approximately Baht 298 million and Baht 224 million, respectively (2020: Baht 298 million and Baht 226 million, respectively).

As at 31 December 2021, 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 1,213 million (2020: Baht 1,060 million).

As at 31 December 2021, the Company has mortgaged its 9 plots of land and construction thereon with net book value of approximately Baht 1,054 million (2020: 9 plots of land with net book value of approximately Baht 1,059 million) with banks to secure the short-term and long-term credit facilities granted by those banks.

## 17. Intangible assets

The net book value of intangible assets as at 31 December 2021 and 2020 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Computer software - cost	36,762	33,462	36,697	33,397
Less: Accumulated amortisation	(13,203)	(9,512)	(13,158)	(9,479)
Net book value	<u>23,559</u>	<u>23,950</u>	<u>23,539</u>	<u>23,918</u>

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	23,950	25,701	23,918	25,656
Additions	3,300	1,691	3,300	1,691
Amortisation for the year	(3,691)	(3,443)	(3,679)	(3,429)
Translation adjustment	-	1	-	-
Net book value at end of year	<u>23,559</u>	<u>23,950</u>	<u>23,539</u>	<u>23,918</u>

#### 18. Bank overdrafts and short-term loans from financial institutions

As at 31 December 2021, a subsidiary had bank overdrafts and short-term loans from financial institution of Baht 116.3 million and interest at the rate of 4.50 - 5.75 per annum (2020: Baht 40 million and interest at the rate of 4.75 and 5.88 percent per annum).

During the year ended 31 December 2021, movements of bank overdrafts and short-term loans from financial institutions in the consolidated financial statements are as follows. However, there were no movements of bank overdrafts and short-term loans from financial institutions in the separate financial statements during the current year.

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Balance as at	Increase	Decrease	Balance as at
	1 January	during the	during the	31 December
	2021	year	year	2021
Bank overdrafts	279	138,180	(136,907)	1,552
Short-term loans from financial institution	40,000	140,000	(65,243)	114,757
Total	<u>40,279</u>	<u>278,180</u>	<u>(202,150)</u>	<u>116,309</u>

As at 31 December 2021, the Company had credit facilities for bank overdrafts and short-term loans of Baht 345 million (2020: Baht 345 million). The facilities are secured by the pledge of the bank deposits as discussed in Note 12 and the mortgage of plots of land and construction as discussed in Note 15 and 16.



## 19. Trade and other payables

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	2021	2020
Trade and other payables		
Related party	-	-
Unrelated parties	901,874	1,148,744
Related person	1,680	500
Accrued construction costs		
Related party	-	-
Unrelated parties	1,009,908	792,527
Accrued expenses		
Related party	-	-
Unrelated parties	28,962	35,499
Total trade and other payables	1,942,424	1,977,270

## 20. 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 years ended 31 December 2021 and 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	227,016	-	54,707	281,723
Additions	-	-	12,190	12,190
Disposals	-	-	(167)	(167)
Transfer out	(102,874)	-	(6,400)	(109,274)
Depreciation for the year	(26,601)	-	(17,528)	(44,129)
31 December 2021	97,541	-	42,802	140,343

(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
Additions	-	-	12,190	12,190
Disposals	-	-	(167)	(167)
Transfer out	(102,874)	-	(6,400)	(109,274)
Depreciation for the year	(26,601)	-	(16,264)	(42,865)
31 December 2021	97,541	-	39,471	137,012

**b) Lease liabilities**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Lease payments	87,589	191,604	84,090	186,682
Less: Deferred interest expenses	(2,705)	(5,853)	(2,537)	(5,527)
Total	84,884	185,751	81,553	181,155
Less: Portion due within one year	(65,397)	(111,909)	(64,070)	(110,607)
Lease liabilities - net of current portion	19,487	73,842	17,483	70,548



Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Balance at beginning of year	185,751	316,883	181,155	311,083
Additions	12,190	16,011	12,190	16,011
Accretion of interest	4,078	8,594	3,920	8,390
Repayments	(117,135)	(155,737)	(115,712)	(154,329)
Balance at end of year	<u>84,884</u>	<u>185,751</u>	<u>81,553</u>	<u>181,155</u>

A maturity analysis of lease payments is disclosed in Note 34 under the liquidity risk.

### c) Expenses relating to leases that are recognised in the income statement

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Depreciation expense of right-of-use assets	44,129	78,704	42,865	77,499
Interest expense on lease liabilities	4,181	8,594	4,023	8,390
Expense relating to short-term leases	1,046	3,942	915	2,390
Expense relating to leases of low-value assets	10,182	10,668	10,182	10,668
Expense relating to variable lease payments that do not depend on an index or a rate	84,973	115,241	84,973	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 2021 of Baht 213.9 million (2020: Baht 285.4 million) (the Company only: Baht 212.4 million, 2020: Baht 282.8 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.

## 21. 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>2021</u>	<u>2020</u>
<b>Provision for long-term employee benefits at beginning of year</b>	185,823	162,165
Included in income statement:		
Current service cost	15,645	15,146
Interest cost	2,421	4,453
Past service costs (curtailment)	(5,110)	(12,025)
Included in other comprehensive income:		
Actuarial loss (gain) arising from		
Demographic assumptions changes	-	4,740
Financial assumptions changes	(12,616)	17,305
Experience adjustments	-	3,780
Benefits paid during the year	(1,298)	(9,741)
<b>Provision for long-term employee benefits at end of year</b>	<u>184,865</u>	<u>185,823</u>

The Company expects to pay Baht 7.1 million of long-term employee benefits during the next year (2020: Baht 2.4 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefits is 15 years (2020: 15 years).

Significant actuarial assumptions are summarised below.

	(Unit: Percent per annum)	
	Consolidated and Separate financial statements	
	<u>2021</u>	<u>2020</u>
Discount rate	0.5 - 2.8	0.5 - 2.8
Salary increase rate	3.0 - 6.0	3.0 - 6.0
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 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated and Separate financial statements			
	2021		2020	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(17,499)	19,968	(17,272)	19,610
Salary increase rate	21,683	(18,991)	19,339	(16,997)
	Increase 20%		Increase 20%	
	Decrease 20%		Decrease 20%	
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Staff turnover rate	(9,057)	10,293	(7,905)	8,931

## 22. Share capital

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.

On 21 April 2021, the Annual General Meeting of the Company's shareholders No. 88 passed 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 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 by means of General Mandate to specific investors by way of private placement. The Company registered the change in its registered share capital with the Ministry of Commerce on 28 and 29 April 2021

## 23. Revaluation surplus on assets

This represents surplus arising from revaluation of land and buildings. The surplus arising 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>2021</u>	<u>2020</u>
Balance - beginning of year		587,145	589,781
Less: Amortisation during the year		(2,628)	(2,636)
Balance - end of year		<u>584,517</u>	<u>587,145</u>

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

## 24. 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.

## 25. Expenses by nature

Significant expenses classified by nature are as follows:

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Subcontractors		3,133,448	3,842,791	3,108,270	3,848,601
Construction materials		1,105,991	1,109,610	988,152	1,109,406
Salaries and wages and other employee					
benefits		1,002,344	1,376,782	992,116	1,314,846
Depreciation and amortisation		167,282	204,823	165,409	202,313



## 26. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest expenses on borrowings	3,204	11,101	207	11,362
Interest expenses on lease liabilities	4,181	8,594	4,023	8,390
Others	4,208	3,807	2,105	3,548
<b>Total</b>	<b>11,593</b>	<b>23,502</b>	<b>6,335</b>	<b>23,300</b>

## 27. Income tax

Income tax for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Current income tax:</b>				
Current income tax charge	605	-	-	-
Adjustment in respect of income tax of previous year	71	193	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	24,927	5,778	24,927	5,778
<b>Income tax reported in the income statements</b>	<b>25,603</b>	<b>5,971</b>	<b>24,927</b>	<b>5,778</b>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax relating to				
Loss from the change in value of financial assets measured at FVOCI	(1,655)	(2,589)	(1,655)	(2,589)
Actuarial loss (gain)	2,523	(5,165)	2,523	(5,165)
Income tax recognised in other comprehensive income	868	(7,754)	868	(7,754)



The reconciliation between accounting profit and income tax is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Accounting profit (loss) before tax	(104,747)	81,985	(86,718)	78,792
Applicable tax rate	20%, 25%	20%, 25%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(20,917)	16,333	(17,344)	15,758
Adjustment in respect of income tax of previous year	71	193	-	-
Effects of:				
Non-deductible expenses	1,291	2,873	1,215	2,641
Additional expense deductions allowed	(4,617)	(2,234)	(4,499)	(2,234)
Utilisation of tax loss carry forward	(3,974)	(9,355)	-	(8,615)
Unrecognised deductible temporary differences and unused tax loss (utilised)	53,749	(1,839)	45,555	(1,772)
Total	46,449	(10,555)	42,271	(9,980)
Income tax reported in the income statements	25,603	5,971	24,927	5,778

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>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Deferred tax assets</b>				
Estimated expenses for construction projects	47,064	43,569	47,064	43,569
Provision for long-term employee benefits	36,973	37,165	36,973	37,165
Unused tax losses	10,233	37,598	10,233	37,598
Others	6,680	3,786	6,680	4,045
Total	100,950	122,118	100,950	122,377
<b>Deferred tax liabilities</b>				
Accumulated depreciation - plant and equipment	(27,200)	(21,547)	(27,200)	(21,806)
Revaluation surplus on assets	(148,090)	(148,518)	(148,090)	(148,518)
Lease	(507)	(1,105)	(507)	(1,105)
Total	(175,797)	(171,170)	(175,797)	(171,429)
Net deferred tax liabilities	(74,847)	(49,052)	(74,847)	(49,052)

As at 31 December 2021, the Group has deductible temporary differences and unused tax losses totaling Baht 464 million (2020: Baht 242 million) (the Company only: Baht 1,945 million, 2020: Baht 1,723 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.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
31 December 2021	-	1	-	-
31 December 2022	36	1	36	-
31 December 2023	276	176	276	175
31 December 2024	19	19	-	-
31 December 2026	43	-	43	-
Total	<u>374</u>	<u>197</u>	<u>355</u>	<u>175</u>

## 28. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) 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.

## 29. Dividend paid

For the year ended 31 December 2021 and 2020, the Company had dividend payments as follows:

Dividends	Approved by	Total Dividends (Thousand Baht)	Dividend per share (Baht)	Paid on
<b><u>2021</u></b>				
Dividend from the 2020 profit	Annual General Meeting of the shareholders No. 88 on 21 April 2021	51,394	0.05	7 May 2021
Total		<u>51,394</u>	<u>0.05</u>	
<b><u>2020</u></b>				
Interim dividend 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
Total		<u>41,115</u>	<u>0.04</u>	



### 30. 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 2021, the Company had revenue from 3 major customers in the amount of Baht 3,311 million, arising from general construction (2020: Baht 3,367 million derived from 3 customers).

### 31. 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 2021 of Baht 19 million (2020: Baht 19 million) were recognised as expenses.

## 32. Commitments and contingent liabilities

### 32.1 Service and other commitments

As at 31 December 2021, the Company had commitments in respect of subcontractor agreements payable in the future of approximately Baht 3,808 million (2020: Baht 4,386 million).

### 32.2 Guarantees

- a) As at 31 December 2021, the Company had issued letters of guarantees of approximately Baht 31 million (2020: Baht 31 million), mainly in respect of contractual performance and advance payments.
- b) As at 31 December 2021 and 2020, 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>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Project tender	1	129	1	129
Advances	1,315	1,891	1,298	1,889
Contractual performance	1,603	1,539	1,596	1,532
Retention	372	325	372	325
Payments due to creditors	66	123	66	123
Tax refund	580	786	580	786
Total	<u>3,937</u>	<u>4,793</u>	<u>3,913</u>	<u>4,784</u>

- c) As at 31 December 2021, 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 483 million (2020: Baht 343 million).

Subsequently, on 17 January 2022, the Company issued an additional letter of guarantee to the subsidiary's financial institution to guarantee short-term loan on behalf of the subsidiary of Baht 55 million.



### 32.3 Litigation

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.

### 33. Fair value hierarchy

As at 31 December 2021 and 2020, 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						
2021			2020			
Level 2	Level 3	Total	Level 2	Level 3	Total	
<b>Assets measured at fair value</b>						
Financial assets measured at FVOCI						
Non-listed equity instrument	-	98,400	98,400	-	106,667	106,667
Land	764,620	-	764,620	764,620	-	764,620
Buildings	338,233	-	338,233	343,551	-	343,551
Investment properties	287,476	-	287,476	287,476	-	287,476



## **34. Financial instruments**

### **34.1 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, contract assets, 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 and contract assets***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored. 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 2021					
	Consolidated financial statements					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	296	8	304	0.05 - 0.40
Trade and other receivables	150	-	-	514	664	5.5
Restricted bank deposits	2	-	-	-	2	0.10 - 0.125
	152	-	296	522	970	
<b>Financial liabilities</b>						
Short-term loans from financial institutions	116	-	-	-	116	4.50 - 4.75
Trade and other payables	-	-	-	1,942	1,942	
Short-term loans from related parties	6	-	-	-	6	4.95
Lease liabilities	65	20	-	-	85	3.27 - 3.86
	187	20	-	1,942	2,149	



(Unit: Million Baht)

As at 31 December 2021

## Separate financial statements

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	215	1	216	0.05 - 0.40
Trade and other receivables	150	-	-	502	652	5.5
Loan to related party	104	-	-	-	104	4.0
Restricted bank deposits	2	-	-	-	2	0.10 - 0.125
	<u>256</u>	<u>-</u>	<u>215</u>	<u>503</u>	<u>974</u>	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	1,923	1,923	
Lease liabilities	64	17	-	-	81	3.27 - 3.86
	<u>64</u>	<u>17</u>	<u>-</u>	<u>1,923</u>	<u>2,004</u>	

(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				
<b>Financial assets</b>						
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>	
<b>Financial liabilities</b>						
Short-term loans from financial institutions	40	-	-	-	40	4.75 - 5.88
Trade and other payables	-	-	-	1,977	1,977	
Short-term loans from related parties	5	-	-	-	5	4.95
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				
<b>Financial assets</b>						
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>	
<b>Financial liabilities</b>						
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>	

### Liquidity risk

The Group manages the risk of a shortage of liquidity through the use of bank overdrafts, loans and lease contracts. Approximately 5 % of the Group's debt will mature in less than one year at 31 December 2021 (2020: 4%) (the Company only: 2%, 2020: 3%) 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 2021 and 2020 based on contractual undiscounted cash flows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2021			
	On demand	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>				
Bank overdraft and short-term loans from financial institutions	116,309	-	-	116,309
Trade and other payables	-	1,942,424	-	1,942,424
Short-term loans from related party	6,000	-	-	6,000
Lease liabilities	-	67,217	20,372	87,589
<b>Total non-derivatives</b>	<u>122,309</u>	<u>2,009,641</u>	<u>20,372</u>	<u>2,152,322</u>

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2020			
	On demand	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>				
Bank overdraft and short-term loans from financial institutions	40,279	-	-	40,279
Trade and other payables	-	1,977,270	-	1,977,270
Short-term loans from related party	4,500	-	-	4,500
Lease liabilities	-	115,922	75,682	191,604
<b>Total non-derivatives</b>	<b>44,779</b>	<b>2,093,192</b>	<b>75,682</b>	<b>2,213,653</b>

	(Unit: Thousand Baht)			
	Separate financial statements			
	As at 31 December 2021			
	On demand	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	-	1,922,669	-	1,922,669
Lease liabilities	-	65,822	18,268	84,090
<b>Total non-derivatives</b>	<b>-</b>	<b>1,988,491</b>	<b>18,268</b>	<b>2,006,759</b>

	(Unit: Thousand Baht)			
	Separate financial statements			
	As at 31 December 2020			
	On demand	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	-	1,942,718	-	1,942,718
Lease liabilities	-	114,528	72,154	186,682
<b>Total non-derivatives</b>	<b>-</b>	<b>2,057,246</b>	<b>72,154</b>	<b>2,129,400</b>

## 34.2 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:

- a) 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.
- b) 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.

### 34.3 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 statements
	Non-listed equity instrument
<b>Balance as of 1 January 2020</b>	119,623
Loss recognised into other comprehensive income	(12,946)
<b>Balance as of 31 December 2020</b>	106,677
Loss recognised into other comprehensive income	(8,277)
<b>Balance as of 31 December 2021</b>	98,400

## 35. 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 2021, the Group's debt-to-equity ratio was 1.88:1 (2020: 2.02:1) and the Company's was 1.80:1 (2020: 2.00:1).

## 36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2022.

# ATTACHMENT

Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary, heads of internal audit.

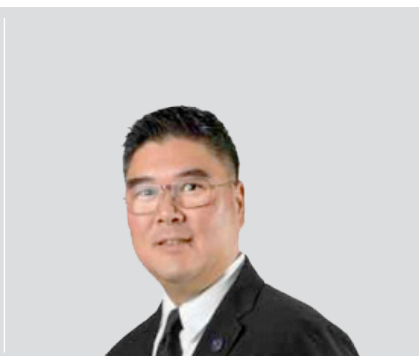


## Board of Directors



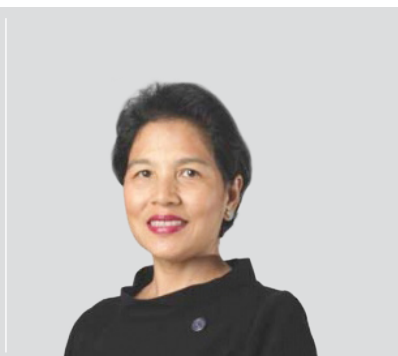
**MR. SANTI GRACHANGNETARA**

- Independent Director
- Chairman of the Board of Directors



**MR. KASEMSIT PATHOMSAK**

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



**MS. NAMPUNG WONGSMITH**

- Independent Director
- Chairperson of Risk Management Committee
- Audit and Corporate Governance Committee Member



**MR. KRIS THIRAKAOSAL**

- Independent Director
- Audit and Corporate Governance Committee Member
- Nomination Committee Member
- Remuneration Committee Member



**MR. SURIYON TUCHINDA**

- Independent Director
- Audit and Corporate Governance Committee Member



**MR. SUPHON TUBTIMCHAROON**

- Independent Director



**MR. KIRIT SHAH**

- Director
- Vice-Chairman of the Board of Directors
- Nomination Committee Member
- Remuneration Committee Member
- Executive Director  
(Executive Committee Member)



**MR. ISHAAN SHAH**

- Director
- Executive Director  
(Executive Committee Member)



**MR. KHUSHROO KALI WADIA**

- Managing Director
- Risk Management Committee Member
- Executive Director  
(Executive Committee Member)



**MR. SURASAK OSATHANUGRAHA**

- Assistant to Managing Director (Finance and Accounting)
- Company Secretary
- Risk Management Committee Member
- Executive Director  
(Executive Committee Member)



**MR. VITES RATANAKORN**

- Operations Director
- Executive Director  
(Executive Committee Member)



**MR. JOHN SCOTT HEINECKE**

- Director

## Board of Directors – Profile

### MR. SANTI GRACHANGNETARA

<b>Position</b>	Independent Director Chairman of the Board of Directors	<b>Occupation</b>	Chairman of the Board of Directors Christiani & Nielsen (Thai) Public Company Limited
<b>Date of appointment on the board</b>	10 April 2008	<b>Directorship and positions held in other companies and other organizations</b>	
<b>Age</b>	77 years	<ul style="list-style-type: none"> <li>Connected Companies : <ul style="list-style-type: none"> <li>Listed Companies : Nil</li> <li>Non-Listed Companies : Nil</li> </ul> </li> <li>Non-Connected Companies : <ul style="list-style-type: none"> <li>Listed Companies : Nil</li> <li>Non-Listed Companies : Nil</li> </ul> </li> <li>Other related Companies : (Subsidiaries/Associated Companies) <ul style="list-style-type: none"> <li>Listed Companies : Nil</li> <li>Non-Listed Companies : Nil</li> </ul> </li> <li>Other Organizations : Nil</li> </ul>	
<b>Education</b>	Master of Engineering, Cambridge University, United Kingdom Bachelor of Engineering, Cambridge University, United Kingdom	<b>No. of Shares held (shares) as of year ended 2021</b>	
<b>Training</b>		<ul style="list-style-type: none"> <li>By himself : Nil</li> <li>By his spouse and minor children (if any) : Nil</li> </ul>	
<b>• 2005</b>	<b>Thai Institute of Directors (IOD)</b> Director Accreditation Program (DAP)	No family relationship with any of the other Directors or any of the Management Team.	
<b>Work Experience</b>			
<b>• Feb, 2021 – Present</b>	Independent Director Chairman of the Board of Directors		
<b>• Apr, 2017 – Feb, 2021</b>	Chairman of the Board of Directors		
<b>• 2012 – Apr, 2017</b>	Chairman of the Board of Directors, Executive Chairman		
<b>• 2008 – 2012</b>	Chairman of the Board of Directors		
<b>• 2001 – 2007</b>	Chairman of the Board of Directors, Chief Executive Officer		
<b>• 1999 – 2001</b>	Director and Chief Executive Officer <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>		
<b>• Jun, 2012 – Apr, 2020</b>	Director, <b>CNT Holdings Limited</b>		
<b>• 1993 – 1997</b>	Managing Director <b>One Holding PCL &amp; Subsidiary Companies</b>		



## MR. KASEMSIT PATHOMSAK

<b>Position</b>	Independent Director   Chairman of Audit and Corporate Governance Committee   Chairman of Nomination Committee   Chairman of Remuneration Committee	<ul style="list-style-type: none"> <li>• Oct, 2019 - Present Member of the Board of Governor, The Civil Aviation Authority of Thailand</li> <li>• Oct, 2019 - 2021 Sub-Committee on International Relation and Strategy, Parliament House</li> <li>• 2005 - Present Executive Chairman <b>Merchant Partners Securities Public Company Limited</b></li> <li>• 2018 - Present Director, <b>WP Energy Public Company Limited</b></li> <li>• 2016 - Present Director, <b>National Power Supplies Public Company Limited</b></li> <li>• 2014 - Present Executive Chairman, <b>Merchant Partners Asset Management Limited</b></li> <li>• 2013 - Present Director and Deputy Secretary General, <b>Board of Trade of Thailand</b></li> <li>• 2016 - 2018 Director and Audit Committee, <b>Asia Aviation Public Company Limited</b></li> <li>• 2010 - 2020 Director, <b>UOB Kay Hian Securities (Thailand) Public Company Limited</b></li> <li>• 2003 - 2004 President of <b>BT Securities Ltd.</b></li> <li>• 1999 - 2003 Country Director, Investment Banking-Thailand <b>CLSA Securities (Thailand) Co., Ltd.</b></li> </ul>
<b>Date of appointment on the board</b>	10 April 2012	
<b>Age</b>	51 years	
<b>Education</b>	Master of Science in Finance from Bentley College, MA, USA Bachelor of Science in Business Administration Northeastern University, Massachusetts, USA	
<b>Training</b>	<p><b>Graduate member of Thai Institute of Directors (IOD)</b></p> <ul style="list-style-type: none"> <li>• 2016 Corporate Governance for Capital Market Intermediaries Program 12/2016</li> <li>• 2010 Audit Committee Program 32/2010</li> <li>• 2010 Monitoring the System of Internal Control and Risk Management 9/2010</li> <li>• 2005 Director Accreditation Program 48/2005</li> <li>• 2003 Director Certification Program 175/2003 <b>Capital Market Academy (CMA), The Stock Exchange of Thailand</b></li> <li>Capital Market Leader Program (Class 9) <b>Commerce Academy, University of Thai Chamber of Commerce</b></li> <li>Top Executive Program in Commerce and Trade (TEPCoT) Class 7 <b>Tourism Authority of Thailand</b></li> <li>Tourism Management for Executives Class 1 <b>Institute of Metropolitan Development Navamindradhiraj University</b></li> <li>Urban Development Executive Program Class 1 <b>National Defense College</b></li> <li>National Defense Program Class 63</li> </ul>	<p><b>Occupation</b></p> <p>Executive Chairman Merchant Partners Securities Public Company Limited Merchant Partners Asset Management Limited</p> <p><b>Directorship and positions held in other companies and other organizations</b></p> <ul style="list-style-type: none"> <li>• Connected Companies : <ul style="list-style-type: none"> <li>- Listed Companies : Nil</li> <li>- Non-Listed Companies : Nil</li> </ul> </li> <li>• Non-Connected Companies <ul style="list-style-type: none"> <li>- Listed Companies : <ol style="list-style-type: none"> <li>1. Director, WP Energy Public Company Limited</li> <li>2. Independent Director and Audit Committee, CMO Public Company Limited</li> </ol> </li> <li>- Non-Listed Companies : <ol style="list-style-type: none"> <li>1. Executive Chairman, Merchant Partners Asset Management Limited</li> <li>2. Executive Chairman, Merchant Partners Securities Public Company Limited</li> <li>3. Director, National Power Supplies Public Company Limited</li> </ol> </li> </ul> </li> <li>• Other related Companies : (Subsidiaries/Associated Companies) <ul style="list-style-type: none"> <li>- Listed Companies : Nil</li> <li>- Non-Listed Companies : Nil</li> </ul> </li> <li>• Other Organizations : Nil</li> </ul>
<b>Work Experience</b>		<b>No. of Shares held (shares) as of year ended 2021</b>
• Feb, 2013 - Present	Independent Director   Chairman of Audit and Corporate Governance Committee   Chairman of Nomination Committee   Chairman of Remuneration Committee	• By himself : Nil
• Apr, 2012 - Feb, 2013	Independent Director, Chairman of Audit and Corporate Governance Committee <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>	• By his spouse and minor children (if any) : Nil
• Dec, 2021 - Present	Independent Director and Audit Committee, <b>CMO Public Company Limited</b>	No family relationship with any of the other Directors or any of the Management Team.
• Oct, 2021 - Present	Executive Director, <b>APEC CEO Summit 2022 Organizing Committee.</b>	

## MS. NAMPUNG WONGSMITH

<b>Position</b>	Independent Director   Chairperson of Risk Management Committee   Audit and Corporate Governance Committee Member	<ul style="list-style-type: none"> <li>• 2002 – 2003 Deputy Management, Financial Institutions Development Fund (FIDF), <b>Bank of Thailand</b></li> <li>• 1997 – 2001 First Vice President, Export Credit Insurance and Foreign Investment Department</li> <li>• 1994 – 1997 Vice President, Banking Department</li> <li>• 1994 Manager, Banking Department, <b>Export-Import Bank of Thailand (EXIM Bank)</b></li> <li>• 1991 – 1993 Assistant Vice President, International Banking Department</li> <li>• 1989 – 1991 Manager, Overseas Branch Administration Division (OBA), International Banking Department</li> <li>• 1988 – 1989 Division Manager, OBA, International Banking Department</li> <li>• 1986 – 1988 Assistant Manager, OBA, International Banking Department</li> <li>• 1984 – 1985 Senior Clerk, OBA, International Banking Department</li> <li>• 1981 – 1982 Checker, Export Documentary Division, International Banking Department</li> <li>• 1980 – 1981 Clerk, International Credit Card Division, International Banking Department</li> </ul>
<b>Date of appointment on the board</b>	8 August 2014	
<b>Age</b>	64 years	
<b>Education</b>	Master of Business Administration Finance Oklahoma State University, USA Bachelor of International Economics, Chulalongkorn University	
<b>Trainings</b>	<p><b>Graduate member of Thai Institute of Directors (IOD)</b></p> <ul style="list-style-type: none"> <li>• 2021 IT Governance and Cyber Resilience Program</li> <li>• 2018 Program Chairman (Role of the Chairman Program (RCP)</li> <li>• 2016 Advanced Audit Committee Program (AACP)</li> <li>• 2007 Director Certification Program (DCP)</li> <li>• 2017 <b>King Prajadhipok's Institute</b> Corporate Governance for Director and Senior Executive of Regulator State Enterprises and Public Organization (No. 17)</li> <li>• 2008 <b>Capital Market Academy (CMA)</b> Leadership Program</li> </ul>	<p><b>Thai Farmers Bank, Public Company Limited</b></p>
<b>Work Experience</b>	<ul style="list-style-type: none"> <li>• 2014 – Jan, 2022 Independent Director   Chairperson of Risk Management Committee   Audit and Corporate Governance Committee Member, <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b></li> <li>• Oct, 2019 – Present Independent Director, <b>Krungthai Card Public Company Limited</b></li> <li>• Feb, 2018 – Present Independent Director, <b>CP All Public Company Limited</b></li> <li>• 2017 – 2019 Independent Director, <b>Bank for Agriculture and Agricultural Cooperatives</b></li> <li>• 2017 – 2018 Independent Director, <b>The Transport Co., Ltd.</b></li> <li>• 2015 – 2017 Risk Management Committee</li> <li>• 2005 – 2012 President, <b>Sukhumvit Asset Management Co., Ltd.</b></li> <li>• 2003 – 2004 Chief Executive Officer, <b>Central Credit Information Co., Ltd.</b> (Currently, the name has been changed to National Credit Bureau)</li> </ul>	<p><b>Occupation</b> Company Director</p> <p><b>Directorship and positions held in other companies and other organizations</b></p> <ul style="list-style-type: none"> <li>• Connected Companies : <ul style="list-style-type: none"> <li>- Listed Companies : Nil</li> <li>- Non-Listed Companies : Nil</li> </ul> </li> <li>• Non-Connected Companies : <ul style="list-style-type: none"> <li>- Listed Companies : <ol style="list-style-type: none"> <li>1. Independent Director, CP All Public Company Limited</li> <li>2. Independent Director, Krungthai Card Public Company Limited</li> </ol> </li> <li>- Non-Listed Companies: Nil</li> </ul> </li> <li>• Other related Companies : (Subsidiaries/Associated Companies) <ul style="list-style-type: none"> <li>- Listed Companies : Nil</li> <li>- Non-Listed Companies : Nil</li> </ul> </li> <li>• Other Organizations : Nil</li> </ul> <p><b>No. of Shares held (shares) as of year ended 2021</b></p> <ul style="list-style-type: none"> <li>• By himself : Nil</li> <li>• By his spouse and minor children (if any) : Nil</li> </ul> <p>No family relationship with any of the other Directors or any of the Management Team.</p> <p>Note : As at 4 January 2022, Ms. Nampung Wongsmith, Independent Director resigned as director and subcommittees member with effect from 1st February 2022.</p>

## MR. KRIS THIRAKAOSAL

<b>Position</b>	Independent Director   Audit and Corporate Governance Committee Member   Nomination Committee Member   Remuneration Committee Member
<b>Date of appointment on the board</b>	6 December 2012
<b>Age</b>	45 years
<b>Education</b>	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
<b>Training</b>	<b>Graduate member of Thai Institute of Directors (IOD)</b> <ul style="list-style-type: none"> <li>• 2018 Investment for Creating Sustainable Wealth</li> <li>• 2013 Director Certification Program (DCP 168/2013) Chula Unisearch, Chulalongkorn University</li> <li>• 2012 Bhumpalung Phandin for Top Executives, Chulalongkorn University</li> <li><b>Commerce Academy, University of the Thai Chamber of Commerce</b></li> <li>• 2012 Top Executive Program in Commerce and Trade (TEPCoT)</li> </ul>
<b>Work Experience</b>	
• 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 <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 2019 - Present	Managing Director <b>Golden Triangle Group Co., Ltd.</b>
• 2018 - 2020	Independent Director, Audit and Corporate Governance Committee Member, Chairman of Nomination Committee and Chairman of Remuneration Committee, <b>Raimon Land Public Company Limited</b>

• 2018 - 2019	Chief Business Development Officer, <b>BCPR Company Limited</b>
• 2014 - 2020	Commercial Director, <b>NIDO Petroleum Limited</b>
• 2010 - 2014	Chairman, <b>Inova Co., Ltd.</b>
• 2008 - 2014	Managing Director, <b>Thai-Australian Resources</b>
• 2007 - 2015	Managing Director, <b>Imail Global (Thailand)</b>
• 2005 - 2015	Executive Director, <b>General outsourcing</b>
• 2005 - 2010	Managing Director, <b>Songnam Co., Ltd.</b>
• 2004 - 2005	Associate Director, <b>Ness Consulting</b>
<b>Occupation</b>	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 : Nil
  - Non-Listed Companies :  
Managing Director, Golden Triangle Group Co., Ltd.
- 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 2021

- 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

<b>Position</b>	Independent Director   Audit and Corporate Governance Committee Member	• 2002 – 2005	<b>SCG Distribution:</b> Special Assignment at <b>Thailand Management Association</b>
<b>Date of appointment on the board</b>	22 April 2019		- CEO, <b>Thailand Management Association (TMA)</b>
<b>Age</b>	64 years		- Director, <b>Japanese Management Association Consulting (JMAC)</b>
<b>Education</b>	University of Hartford, Connecticut USA, Public Administration University of Massachusetts, Lowell Massachusetts USA, MS Computer Science	• 2001 – 2002 • 1999 – 2001	Senior Manager, Overseas office <b>SCG Trading</b> <b>The Siam Cement PCL</b> Special Assignment at <b>Thai Chamber of Commerce and The Board of Trade of Thailand</b>
<b>Training</b>			- Director, <b>The Joint Standing Committee on Commerce Industry and Banking</b>
• 2004	<b>Thai Institute of Directors (IOD)</b> Director Certification Program (DCP)		- Director, <b>WTO Committee</b>
• 2001	<b>University of Pennsylvania</b> Management Development Program		- Managing Director <b>International Chamber of Commerce, Thailand</b>
<b>Work Experience</b>		• 1995 – 1999	Deputy Corporate Treasurer, Corporate Treasurer office
• Feb, 2020 – Present	Independent Director   Audit and Corporate Governance Committee Member	• 1992 – 1995	TQM Manager, Cement TQM office
• 2019 – Feb, 2020	Independent Director, <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>	• 1990 – 1992	Training Officer, Marketing Training Department
• 2020 – Present	Secretary General and Chairman of Commission on Commercial Law and Practice and Executive Board of <b>ICC Thailand National Committee</b> Vice Chairman Border Trade Sub Committee and Director ASEAN and Logistics Committee, <b>The Federation of Thai Industries</b>	• 1988 – 1990 • 1987 – 1988	Coordinator, Customer Service Center Coordinator, Central District Sales & Marketing <b>The Siam Cement PCL</b>
• 2019 – Present	Advisor, Office of the President, <b>SCG Cement Building-Material Co., Ltd.</b>	<b>Occupation</b>	Independent Director, <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b> Advisor, office of the President, <b>SCG Cement Building Material Co., Ltd.</b>
• 2017 – 2018	Head of Steel, Starch & Home and Living Product Division, <b>SCG Trading</b> Executive Director, <b>Eastern Economic Corridor Office (EECO)</b>	<b>Directorship and positions held in other companies and other organizations</b>	
• 2013 – 2017	Head of Steel & Home Improvement Product Division	• Connected Companies :	
• 2009 – 2013	Head of Oil & Gas Division, <b>SCG Trading</b>	- Listed Companies : Nil	
• 2005 – 2009	<b>SCG Distribution:</b> Special Assignment at <b>Thai Chamber of Commerce &amp; Board of Trade of Thailand</b>	- Non-Listed Companies : Nil	
	- Assistant to the Chairman of <b>Thai Chamber of Commerce and Board of Trade of Thailand</b>	• Non-Connected Companies :	
	- Management Commission, <b>Senate of Thailand</b>	- Listed Companies : Nil	
	- East Asia Committee, <b>The Joint Standing Committee on Commerce, Industry and Banking (JSCCIB)</b>	- Non-Listed Companies : Nil	
	- Project Reviewing Committee, <b>Board of Investment</b>	• Other related Companies :	
		(Subsidiaries/Associated Companies)	
		- Listed Companies : Nil	
		- Non-Listed Companies : Nil	
		• Other Organizations : Nil	
		<b>No. of Shares held (shares) as of year ended 2021</b>	
		• 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. SUPHON TUBTIMCHAROON

<b>Position</b>	Independent Director		Refining Business Unit, <b>PTT Public Company Limited</b>
<b>Date of appointment on the board</b>	8 December 2015		Senior Executive Vice President, Commercial Division, <b>PTT Chemical Public Company Limited</b> Director, <b>PTT Polyethylene Company Limited</b>
<b>Age</b>	71 years		Director, <b>PTT Phenol Company Limited</b> Director, <b>PTT Utility Company Limited</b>
<b>Education</b>	Bachelor of Engineering, Civil Engineering, Mapua Institute of Technology, Philippines Diploma in Highway Engineering, KMITL		Senior Executive Vice President, Development and Support organization, <b>National Petrochemical PCL</b>
<b>Training</b>		• 2003 – 2005	Executive Vice President, Petrochemicals & Refining Business Unit, <b>PTT Public Company Limited</b>
• 2009	<b>Capital Market Academy (CMA)</b> Capital Market Academy Executive Leadership Program Class 9		
• 2005	<b>Graduate member of Thai Institute of Directors (IOD)</b> Director Certification Program (DCP) Class 61	<b>Occupation</b>	Independent Director Christiani & Nielsen (Thai) Public Company Limited
<b>Work Experience</b>		<b>Directorship and positions held in other companies and other organizations</b>	
• Dec, 2015 – Present	Independent Director, <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>	<ul style="list-style-type: none"> <li>• Connected Companies : <ul style="list-style-type: none"> <li>- Listed Companies : Nil</li> <li>- Non-Listed Companies : Nil</li> </ul> </li> <li>• Non-Connected Companies : <ul style="list-style-type: none"> <li>- Listed Companies : Nil</li> <li>- Non-Listed Companies : Nil</li> </ul> </li> <li>• Other related Companies : (Subsidiaries/Associated Companies) <ul style="list-style-type: none"> <li>- Listed Companies : Nil</li> <li>- Non-Listed Companies : Nil</li> </ul> </li> <li>• Other Organizations : Nil</li> </ul>	
• 2011 – 2014	Director, <b>International Chamber of Commerce – ICC</b>		
• 2012 – 2013	Director, <b>Bangchak Petroleum Public Company Limited</b>		
• 2011 – 2013	Director, <b>Thai Paraxylene Company Limited</b>		
• 2011 – 2012	Director, <b>Thaioil Power Company Limited</b> Director, <b>Thaioil Energy Solutions Company Limited</b>		
• 2009 – 2012	Director, <b>Independent Power Thailand Company Limited</b>		
• 2009 – 2011	Director, <b>Thai Paraxylene Company Limited</b> Executive Vice President, Petrochemicals & Refining Business Unit, <b>PTT Public Company Limited</b>		
• 2006 – 2009	Executive Vice President, Petrochemicals & Refining Business Unit, <b>PTT Public Company Limited</b> Executive Vice President, Organization Division, <b>IRPC Public Company Limited</b> Managing Director, <b>IRPC A&amp;L Public Company Limited</b> Director, <b>PTT Polymer Marketing Company Limited</b>		
• 2005 – 2006	Executive Vice President, Petrochemicals &		
		<b>No. of Shares held (shares) as of year ended 2021</b>	
		<ul style="list-style-type: none"> <li>• By himself : Nil</li> <li>• By his spouse and minor children (if any) : Nil</li> </ul>	
		No family relationship with any of the other Directors or any of the Management Team.	



## MR. KIRIT SHAH

<b>Position</b>	Director   Vice-Chairman of the Board of Directors   Nomination Committee Member   Remuneration Committee Member   Executive Director (Executive Committee Member)
<b>Date of appointment on the board</b>	11 November 2011
<b>Age</b>	68 years
<b>Education</b>	Bachelor's Degree in Commerce from H.R. College of Commerce, Bombay, India
<b>Training</b>	
• 2005	<b>Graduate member of Thai Institute of Directors (IOD)</b> Director Certification Program (DCP), Class 57/2005
<b>Work Experience</b>	
• Aug, 2014 - Present	Director   Vice-Chairman of the Board of Directors   Nomination Committee Member   Remuneration Committee Member   Executive Director (Executive Committee Member)
• 2011 - Aug, 2014	Vice Chairman   Director   Nomination Committee Member and Remuneration Committee Member <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 2018 - Present	Director, <b>Gammon Engineering and Contractors Private Limited, India</b>
• Mar, 2014 - Present	Director, <b>Maxwin Apartment Limited</b>
• 2007 - Present	Director and Remuneration Committee Member
• 1989 - 2002	Director, <b>Precious Shipping Public Company Limited</b>
• Present	Director, <b>MJets Limited</b>
• Present	Director, <b>Maxwin Builders Ltd.</b>
• Present	Director, <b>Mega Lifesciences Public Company Limited</b>
• Present	Director, <b>Globex Corporation Limited</b>
• Present	Director, <b>Unistretch Limited</b>
• Present	Director, <b>Maestro Controls Limited</b>
• Present	Executive Director, <b>Graintrade Limited</b>

- Present Director, **Premthai International Limited**
- 2011 - 2019 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
    7. Director, Maxwin Apartment Limited\*
- Non-Connected Companies
  - Listed Companies :  
Director, Mega Lifesciences Public Company Limited
  - Non-Listed Companies :
    1. Executive Director, Graintrade Limited
    2. Director, Premthai International Limited
- Other related Companies (Subsidiaries/Associated Companies) :
  - Listed Companies : Nil
  - Non-Listed Companies : Nil
- Other Organizations : Nil

\* **Note:** Please refer to "CONNECTED TRANSACTIONS" on page 167-171 of this Annual Report.

### No. of Shares held (shares) as of year ended 2021

- 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 of the Management Team.

## MR. ISHAAN SHAH

<b>Position</b>	Director   Executive Director (Executive Committee Member)
<b>Date of appointment on the board</b>	10 April 2012
<b>Age</b>	33 years
<b>Education</b>	Bachelor of Science in Business Administration, Concentration in Finance and Law, University of Southern California, Los Angeles, USA
<b>Training</b>	
• 2011	<b>Graduate member of Thai Institute of Directors (IOD)</b> Director Certification Program (DCP)
<b>Work Experience</b>	
• Aug, 2014 - Present	Director   Executive Director (Executive Committee Member)
• Apr, 2012 - Aug, 2014	Director, <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• Sep, 2020 - Present	Director, <b>CNES D1 Company Limited</b>
• 2019 - Present	Director, <b>International Seaports (Haldia) Private Limited, India</b>
• 2016 - Present	Director, <b>Christiani &amp; Nielsen (Myanmar) Limited</b>
• Mar, 2014 - Present	Director, <b>Maxwin Apartment Limited</b>
• 2011 - Present	Director, <b>Precious Shipping Public Company Limited</b>
• 2008 - Present	Director, <b>Globex Corporation Limited</b>
• 2008 - Present	Director, <b>Maxwin Builders Limited</b>
• 2008 - Present	Director, <b>Ambika Tour Agency Limited</b>
• Present	Director, <b>Mega Lifesciences Public Company Limited</b>
• Present	Director, <b>Geepee Air Service Limited</b>
• Present	Director, <b>Graintrade Limited</b>
• Present	Director, <b>Unistretch Limited</b>
• Present	Director, <b>Maestro Controls Limited</b>
• Present	Director, <b>InsurExcellence Life Insurance Brokers Limited</b>
• Present	Director, <b>InsurExcellence Insurance Brokers Limited</b>
• Present	Director, <b>CE Lime (Thailand) Limited</b>

**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\*
    7. Director, Maxwin Apartment 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
    4. Director, International Seaports (Haldia) Private Limited, India
- Other related Companies  
(Subsidiaries/Associated Companies) :
  - Listed Companies: Nil
  - Non-Listed Companies :
    1. Director, Christiani & Nielsen (Myanmar) Limited
    2. Director, CNES D1 Company Limited

\* **Note:** Please refer to "CONNECTED TRANSACTIONS" on page 167-171 of this Annual Report.

### No. of Shares held (shares) as of year ended 2021

- By himself (Victor Co., Ltd.) :
 

As of 1 January 2021	: 94,372,280
Disposal in 2021	: -
Increase (Decrease) in 2021	: -
As of 31 December 2021	: 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. Nishit Shah but has no family relationship with any of the other Directors or any of the Management Team.

## MR. KHUSHROO KALI WADIA

<b>Position</b>	Managing Director   Risk Management Committee Member   Executive Director (Executive Committee Member)
<b>Date of appointment on the board</b>	11 November 2011
<b>Age</b>	59 years
<b>Education</b>	Bachelor of Science (Statistics, Mathematics and Economics), University of Bombay Chartered Accountant, Institute of Chartered Accountants of India
<b>Training</b>	
• 2005	<b>Graduate member of Thai Institute of Directors (IOD)</b> Director Certification Program (DCP) Class 64/2005
<b>Work Experience</b>	
• Nov. 2013 - Present	Managing Director   Risk Management Committee Member   Executive Director (Executive Committee Member) <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• Jan. 2019 - Present	Director, <b>Christiani &amp; Nielsen Energy Solutions Company Limited</b>
• Apr. 2019 - Present	Director, <b>Precious Shipping Public Company Limited</b>
• 1999 - Apr. 2019	Director (Finance) and Executive Director, <b>Precious Shipping Public Company Limited</b>
• 2018 - Present	Director, <b>Gammon Engineering and Contractors Private Limited, India</b>
• 2017 - Present	Chairman of the Board of Directors, <b>Christiani &amp; Nielsen (Cambodia) Co., Ltd.</b>
• 2016 - Present	Managing Director, <b>Christiani &amp; Nielsen (Myanmar) Limited</b>
• 1994 - Present	Executive Director and Director, <b>Maxwin Builders Ltd.</b>
• 1997 - 1998	Vice President (Finance & Administration), <b>Suretex Limited</b>
• 1994 - 1999	Director (Finance and Accounts), <b>Maxwin Group of Companies</b>
• 1990 - 1994	Financial Controller, <b>Maxwin Group of Companies</b>
• 1998 - 1990	Assistant Manager, <b>A.F. Ferguson &amp; Co.</b>

<b>Occupation</b>	Managing Director, Christiani & Nielsen (Thai) Public Company Limited Executive Director, Maxwin Builders Ltd.
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### 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 167-171 of this Annual Report.

### No. of Shares held (shares) as of year ended 2021

- By himself : As of 1 January 2021 : 3,088,200  
Acquisition in 2021 : 1,000,000  
Increase (Decrease) in 2021 : 1,000,000  
As of 31 December 2021 : 4,088,200
  - 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

<b>Position</b>	Assistant to Managing Director (Finance and Accounting) I Company Secretary I Risk Management Committee Member I Executive Director (Executive Committee Member)	• 2009 - Aug. 2012	Assistant to Chief Executive Officer, <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
<b>Date of appointment on the board</b>	1 December 2009	• 2017 - Present	Director, <b>Christiani &amp; Nielsen (Cambodia) Co., Ltd.</b>
<b>Age</b>	53 years	• 2016 - Present	Director, <b>Christiani &amp; Nielsen (Myanmar) Limited</b>
<b>Education</b>	Master of Finance, Chulalongkorn University Bachelor of Laws, Chulalongkorn University Bachelor in Accountancy, Assumption University Certified Public Accountant (CPA) No. 8290	• 2004 - 2009	Vice President-Internal Audit   <b>Natural Park PCL</b> Managing Director, <b>Park Cuisine Co., Ltd.</b> ( <b>Natural Park PCL's subsidiary</b> ) Managing Director, <b>Park Gourmet Co., Ltd.</b> ( <b>Natural Park PCL's subsidiary</b> )
<b>Training</b>	<b>Graduate member of Thai Institute of Directors (IOD)</b>	• 2000 - 2004	Assistant Vice President (Financial Planning & Budgeting Division) <b>Bank of Asia (ABN AMRO Member), UOB Bank</b>
• 2015	Anti-Corruption: The Practical Guide (ACPG 19/2015)	• 1994 - 2000	Accounting Manager, Tax Advisor & Attorney-at-law <b>George &amp; Killeen P.C. Ltd.</b>
• 2012	Director Certification Program (DCP 157/2012)	<b>Occupation</b>	Assistant to Managing Director (Finance and Accounting) <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 2012	Company Reporting Program (CRP 4/2012)		
• 2010	Company Secretary Program (CSP 34/2010)		
	<b>Accounting Training</b>	<b>Directorship and positions held in other companies and other organizations</b>	
• 2021	CFO 2022 NYC Management Co., Ltd. Continuing development course in accounting knowledge 18 hours	• Connected Companies :	
		- Listed Companies : Nil	
		- Non-Listed Companies : Nil	
• 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	• 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	
<b>Work Experience</b>		* <b>Note:</b> Please refer to "CONNECTED TRANSACTIONS" on page 167-171 of this Annual Report.	
• Sep. 2012 - Present	Assistant to Managing Director (Finance and Accounting) I Company Secretary I Risk Management Committee Member I Executive Director (Executive Committee Member)	<b>No. of Shares held (shares) as of year ended 2021</b>	
		• 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. VITES RATANAKORN

<b>Position</b>	Operations Director Executive Director (Executive Committee Member)
<b>Date of appointment on the board</b>	24 April 2017
<b>Age</b>	56 years
<b>Education</b>	Master of Business Administration, University of Warwick, UK Master of Science, Construction Management, University of Bath, UK Bachelor Engineering (Civil Engineering), Kasetsart University
<b>Training</b>	<b>Graduate member of Thai Institute of Directors (IOD)</b>  • 2107 Director Certification Program (DCP) Class 236/2017
<b>Work Experience</b>	
• 2017 - Present	Operations Director Executive Director (Executive Committee Member)
• Feb, 2016 - Dec, 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 <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 1996 - 1998	Commercial Manager <b>Christiani &amp; Nielsen (UK) Ltd in England</b>
• 1993 - 1995	Commercial Manager, Fashion Island Project, Bangkok <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 2019 - Present	Director, <b>Christiani &amp; Nielsen Energy Solutions Company Limited</b>
• 2017 - Present	Director, <b>Christiani &amp; Nielsen (Cambodia) Co., Ltd.</b>

- 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, Christianni & Nielsen (Cambodia) Co., Ltd.
      2. Director, Christianni & Nielsen Energy Solutions  
Company Limited\*
      3. Director, CNES D1 Company Limited
  - Other Organizations : Nil
- \* **Note:** Please refer to "CONNECTED TRANSACTIONS" on page 167-171 of this Annual Report.

### No. of Shares held (shares) as of year ended 2021

- 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

<b>Position</b>	Director	<b>Occupation</b>	Director, Christiani & Nielsen (Thai) Public Company Limited Director, Minor International PCL
<b>Date of appointment on the board</b>	10 April 2013	<b>Directorship and positions held in other companies and other organizations</b>	
<b>Age</b>	50 years	<ul style="list-style-type: none"> <li>Connected Companies : <ul style="list-style-type: none"> <li>Listed Companies : Nil</li> <li>Non-Listed Companies : Nil</li> </ul> </li> <li>Non-Connected Companies : <ul style="list-style-type: none"> <li>Listed Companies : Director, Minor International PCL</li> <li>Non-Listed Companies : Director Minor International PCL's subsidiaries</li> </ul> </li> <li>Other related Companies : (Subsidiaries/Associated Companies) <ul style="list-style-type: none"> <li>Listed Companies : Nil</li> <li>Non-Listed Companies : Nil</li> </ul> </li> <li>Other Organizations : Board Trustee, International School Bangkok</li> </ul>	
<b>Education</b>	BBA International Business, Washington State University, Pullman, WA, USA BBA Marketing, Washington State University, Pullman, WA, USA	<b>No. of Shares held (shares) as of year ended 2021</b>	
<b>Training</b>		<ul style="list-style-type: none"> <li>By himself : Nil</li> <li>By his spouse and minor children (if any) : Nil</li> </ul>	
<b>• 2004</b>	<b>Graduate member of Thai Institute of Directors (IOD)</b> Director Certification Program (DCP) Class 47/2004	No family relationship with any of the other Directors or any of the Management Team.	
<b>Work Experience</b>			
<b>• Apr, 2013 - Present</b>	Director, <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>		
<b>• Sep, 2020 - Present</b>	Chief Operating Officer International		
<b>• Mar, 2010 - Present</b>	Director		
<b>• Apr, 2015 - Jan, 2020</b>	Chief Operating Officer - Hot Chain		
<b>• Jan, 2009 - 2015</b>	Vice President		
<b>• Jan, 2007 - Jan, 2009</b>	General Manager		
<b>• Jan, 2006 - Dec, 2006</b>	Director of Global Sourcing, <b>The Minor Food Group PCL</b>		
<b>• Nov, 2013 - Present</b>	Director		
<b>• Feb, 2020 - Aug, 2020</b>	Chief Sustainability Officer, <b>Minor International PCL</b>		
<b>• Apr, 2006 - Present</b>	Director, <b>Minor Corporation PCL</b>		
<b>• Jan, 2011 - Present</b>	Board of Trustees, <b>International School Bangkok</b>		
<b>• 2012 - 2019</b>	Director, <b>S&amp;P Syndicate PCL</b>		
<b>• 2004 - 2005</b>	General Manager		
<b>• 2002 - 2003</b>	Operations Manager, <b>Burger (Thailand) Ltd.</b>		
<b>• 2000 - 2002</b>	Business Development Manager, Fountain Division <b>Coca-Cola North America, USA</b>		
<b>• 1998 - 2000</b>	Account Executive, <b>The Coca-Cola Company, USA</b>		

## 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

<b>Position</b>	Director of Business Development
<b>Age</b>	59 years
<b>Education</b>	Master of Business Administration, National Institute of Development Administration (NIDA) Bachelor of Engineering, Kasetsart University
<b>Work Experience</b>	
• 2017 - Present	Director of Business Development
• 2013 - 2016	Assistant to Business Development Director <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 2007 - 2013	Senior Vice President, Deputy Chief Executive Officer <b>ASCON Construction Public Company Limited</b>
• 2002 - 2007	Procurement Manager, Administration Manager <b>Italian-Thai, Takenaka Corp., OBAYASHI Corp., ITO Joint Venture</b>
• 1994 - 2002	Senior Plant and Supply Manager
• 1990 - 1994	Plant and Supply Manager
• 1987 - 1990	Electrical Engineer <b>Italian-Thai Development Public Company Limited</b>

Position held in other companies : Nil

No. of Shares held (shares) as of year ended 2021

• 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

<b>Position</b>	Director of Buildings Business Unit
<b>Age</b>	62 years
<b>Education</b>	Bachelor of Engineering, (Civil Engineering), Institute of Technology and Vocational College, Bangkok, Thailand
<b>Work Experience</b>	
• 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 <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 1986 - 1987	Field Engineer, MMC Godown Project <b>Tanud Trading Co., Ltd.</b>
• 1985 - 1986	Field Engineer, P.CC Project of U.S. Embassy <b>Ohmon Kensetsu Corp., Ltd.</b>

Position held in other companies : Nil

No. of Shares held (shares) as of year ended 2021

• 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****MR. PONGSAK SUTTHAPREEDA**

<b>Position</b>	Director of Government Works Business Unit
<b>Age</b>	56 years
<b>Education</b>	Bachelor of Engineering, (Civil Engineering), Prince of Songkla University (PSU)
<b>Work Experience</b>	
• 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 <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 1992 - 1995	Project Engineer - R.S. Tower, Bangkok - Future Park Plaza, Rangsit, Pathum Thani - V.S. Thai Heric Factory, Prachinburi <b>Singkee Co., Ltd.</b>
• 1989 - 1992	Site Engineer - Thai Nippon Food Factory, Ayuttaya - Hyatt Erawan Hotel, Bangkok - Makason Tower, Bangkok <b>Taisei (Thailand) Co., Ltd.</b>

Position held in other companies : Nil

**No. of Shares held (shares) as of year ended 2021**

- 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.

<b>Position</b>	Director of General Construction and MEP Business Unit
<b>Age</b>	55 years
<b>Education</b>	Bachelor of Engineering, (Mechanical Engineering), Chiang Mai University
<b>Work Experience</b>	
• 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 <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 1993 - 1994	M & E Engineer responsible for Air Condition System of Queen Sirikit Hospital Project, Sattahip, Chonburi <b>Associates M &amp; E Contractor Co., Ltd.</b>
• 1990 - 1993	M & E Engineer on Thung Song Plant Project, Nakornsrihammarat <b>Siam Cement Co., Ltd.</b>

Position held in other companies : Nil

**No. of Shares held (shares) as of year ended 2021**

- 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****MR. DAVID GREENBANK**

<b>Position</b>	Director of Petrochemical and Special Industry Business Unit
<b>Age</b>	56 years
<b>Education</b>	Bachelor of Engineering, (Civil Engineering), Prince of Songkla University (PSU)
<b>Work Experience</b>	
• 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 <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>
• 1991	Field Engineer, Lumpini Tower Project, Bangkok <b>Christiani &amp; Holzman Co., Ltd.</b>
• 1990 - 1991	Field Engineer, Silom Complex Project, Bangkok <b>Italian-Thai Co., Ltd.</b>

Position held in other companies : Nil

**No. of Shares held (shares) as of year ended 2021**

• 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.

<b>Position</b>	Commercial Advisor
<b>Age</b>	72 years
<b>Education</b>	Bachelor of Engineering, Council for National Academic Awards
<b>Work Experience</b>	
• Dec, 2017 - Present	Commercial Advisor
• 2014 - Dec, 2017	Commercial Director
• 2011 - 2013	Commercial Consultant
• 2005 - 2010	Commercial Director <b>Christiani &amp; Nielsen (Thai) Public Company Limited</b>

Position held in other companies : Nil

**No. of Shares held (shares) as of year ended 2021**

• By himself :

As of 1 January 2021 : 1,032,082

Disposal in 2021 : -

Increase (Decrease) in 2021 : -

As of 31 December 2021 : 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.

## MRS. PHANEE CHAROENCHAROENCHAI

<b>Position</b>	Senior Manager, Group Finance & Accounts & Investor Relations (Person Supervising Accounting*)		Federation of Accounting Professions Update important financial reporting standards and understand Auditor's Report No. 2/18 (CPD 6 hours)
<b>Age</b>	59 years		Federation of Accounting Professions Practical issues on impairment testing (TAS 36)
<b>Education</b>	Bachelor Degree in Business Administration (Accounting) Ramkhamhaeng University Bachelor Degree in Business Administration (Finance and Banking) Ramkhamhaeng University		EY Office Limited Retirement benefit management: Employer perspective
<b>Training/Seminar</b>			Team Excellence Consulting Co., Ltd.
• 2021	Secret tips for preparation and presentation of cash flow statements (CPD 7 hours) Dharmniti Seminar and Training co., Ltd. Preparation and analysis report of financial statement techniques (CPD 6.30 hours) Dharmniti Seminar and Training co., Ltd. Summary TFRS for PAEs Required Notes and Changes in 2021 (6 hours) The Stock Exchange of Thailand Trends, direction of doing M&A, important issues to consider and M&A strategy (5 hours) The Stock Exchange of Thailand Current and future direction of TFRSs Dharmniti Seminar and Training co., Ltd. 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 TFRS 2020 (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_TFRS 9 & 16 The Stock Exchange of Thailand New TFRS to know (CPD 7 hours) NYC Management 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 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.
• 2020		• 2016	
• 2019		<b>Work Experience</b>	
		• 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
• 2018	Summary of important changes and issues of TFRS (Update 2018), class 2/61 (CPD 6 hours)	<b>No. of Shares held (shares) as of year ended 2021</b>	
		• 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.	



## MS. PREMRAT PISUDTHIHATHAIWONG

<b>Position</b>	Senior Manager - Accounting and Tax		Understand draft TFRS 9, TAS 32, TFRS 7, TFRIC 16 and TFRIC 19
<b>Age</b>	55 years		Federation of Accounting Professions under The Royal Patronage of His Majesty The King
<b>Education</b>	Bachelor of Business Administration (Accounting) Assumption University	• 2017	Customs Act 2017 (CPD 7 hours) NYC Management Co., Ltd.
<b>Training/Seminar</b>			Techniques in Preparation and Presentation of Cash Flow Statement (CPD 6 hours) Dharmniti Seminar and Training Co., Ltd.
• 2021	Key Points related to TFRS for PAEs Adopted and Changes in 2021 The Stock Exchange of Thailand Training course for TCMA - Strategic Management, Risk Management and Financial Strategy. Federation of Accounting Professions under The Royal Patronage of His Majesty The King	• 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. Unique Seminar & Training
• 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.	<b>Work Experience</b>	
		• 2015 - Present	Senior Manager, Accounts & Tax
		• 2000 - 2014	Accounting Manager
		• 1997 - 1999	Assistant Accounting Manager
		• Sep. 1994 - 1996	Senior Accountant Christiani & Nielsen (Thai) Public Company Limited
• 2019	Accounting for Financial Instruments (TFRS 9, TFRS 7, TAS 32, TFRIC 16, TFRIC 19) (CPD 12 hours) Federation of Accounting Professions under The Royal Patronage of His Majesty The King	<b>No. of Shares held (shares) as of year ended 2021</b>	
		• 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	
• 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	(An Accountant who has qualifications and condition as prescribed in the Notification of the Department of Business Development)	

## MR. GRIDSANA POTHIN

<b>Position</b>	Assistant Internal Audit Manager	• 2019	Financial Auditing for Internal Auditors or Non Accountants
<b>Age</b>	35 years		The Institute of Internal Auditors of Thailand Program to Promote Transparency and Ethical Business Conduct of Private Sector
<b>Education</b>	Bachelor Degree in Civil Engineer /Khon Kaen University Certified Professional Internal Audit of Thailand / The Institute of Internal Auditor of Thailand	• 2018	Office of The National Anti - Corruption Commission (ONACC) Certified Professional Internal Audit of Thailand The Institute of Internal Auditors 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
<b>Training/Seminar</b>		• 2017	Employee fraud prevention Omegaworldclass
• 2021	Corruption Risk & Control Workshop Thai Institute of Directors (IOD) Sustainability Disclosure The Stock Exchange of Thailand PDPA For HR Siam Golden Land Co., Ltd. Fraud & IA The Institute of Internal Auditors of Thailand UOB Internal Audit The Institute of Internal Auditors of Thailand Enhancing Internal Audit Effectiveness through the Core Principles The Institute of Internal Auditors of Thailand Using Technology to Elevate Environment The Institute of Internal Auditors of Thailand Corruption Risk & Control Workshop The Institute of Internal Auditors of Thailand Adding value with Root Cause Analysis The Institute of Internal Auditors of Thailand New Ethics Turning Shades of Grey to Black and White The Institute of Internal Auditors of Thailand Best Practices for Optimizing Auditing in the New Norm The Institute of Internal Auditors of Thailand 10 Critical Lessons from the Changes to the US Department of Justice's Guidance The Institute of Internal Auditors of Thailand Whistleblowing The Institute of Internal Auditors of Thailand Disruptive Innovation Disrupting Internal Audit The Institute of Internal Auditors of Thailand Productividad personal The Institute of Internal Auditors 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	• 2016	Fraud Risk Management Federation of Accounting Professions under The Royal Patronage of His Majesty The King TeamMate Audit Seminar 2016 Wolters Kluwer business
		• 2015	Assembly of Realty Law Training Thai Real Estate Business School
		• 2010	Operational Auditing Federation of Accounting Professions under The Royal Patronage of His Majesty The King
		<b>Work Experience</b>	
		• 2015 - Present	Assistant Internal Audit Manager, Christiani & Nielsen (Thai) Public Company Limited
		• 2009 - 2015	Internal Audit Officer, MBK Public Company Limited
		<b>No. of Shares held (shares) as of year ended 2021</b>	
		• 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.	
• 2020			



**CHRISTIANI & NIELSEN**

**CHRISTIANI & NIELSEN (THAI) PUBLIC COMPANY LIMITED**

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E-mail : [cnt@cn-thai.co.th](mailto:cnt@cn-thai.co.th)