



## Annual Report 2021

### Form 56-1 One Report 2021

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## Message from the Chairman

In 2021, the business operations under the epidemic situation of COVID-19 which was spreading for over 2 years, is very difficult. Tourism-related businesses are directly affected. Thailand is a country that is affected by the number of tourists decreased from issuing measures to prevent epidemics from domestic and from abroad, including strictly international travel. The water management business of a subsidiary in Patong Municipality, Phuket Province was affected by the number of tourists decreasing continuously since 2020. The delivery of products must be delayed during the 2nd - 3rd quarter of 2021 because of the spread of the COVID-19 disease in Thailand which has increased the number of infections and deaths. The construction projects must be controlled and temporarily stopped, making the WIIC Group have a net profit of 91.42 million Baht, a decrease from the year 2020, which had a net profit of 109.34 million Baht, or a decrease of 16.39%.

To prepare the source of funds required for the WIIC Group's business and investment, on August 20, 2021, the Company offered new ordinary shares to the existing shareholders in proportion to their shareholding (Right Offering) at the ratio of 1.75 existing shares to 1 new ordinary share at the offering price 2.70 Baht per share, with a par value of 1 Baht per share, of which 260,241,689 new shares can be sold and receive money from the capital increase of 702.65 million Baht. In which Lesso (Thailand) Investment limited ("LESSO") exercised this right to purchase new shares, resulting in LESSO's shareholding increased from 24.25% to 47.75% of the paid-up capital.

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

The Board of Directors and the Company executives would like to thank all customers and shareholders for continuous supports, and thank all employees for their working hard. We hope that all of you continue to cooperate and be confident with the Company. We will together be successful in 2022.



Police General Chidchai Vanasatidya, Ph.D.

Chairman of the Board of Directors

WIIC Public Company Limited

## Part 1

### Business Operations and Operating Results

#### 1. Structure and Business Operations of the WIik Group

##### Background

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



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

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

- On March 22, 1995 the company was registered as a public company and moved the factory to The Amata Nakorn Industrial Estate with higher production capacity. The Company is a first manufacturer of HDPE pipe who obtained quality assurance system certified to ISO 9003 in Thailand.
- In 1996, the Company was registered in the Stock Exchange of Thailand with registered capital of Baht 60 million which was equivalent to 600,000 shares of common stock. The first day of the Company's shares trading in the Stock Exchange Market was held on February 8, 1996. And after that, there are changes of capital as follows.
  - In 2006, the Company increased its capital from Baht60 million to Baht300 million and KWH Pipe Limited, was a major shareholder, holding 65.99% of shares.
  - After that, there was an increase in capital and offering new shares by PP and RO, stock dividends payment, including the exercise of warrants. As of December 31, 2021, the registered capital is 1,072,263,290 Baht divided into ordinary shares of 1,072,263,290 shares with a par value of 1 Baht per share, as follows;
    - 1) Paid-up ordinary shares of 837,683,062 shares.
    - 2) Ordinary shares issued to support the warrants, 234,580,228 shares.and the remaining from offering to the existing shareholders, which is in the process of proposing to the shareholders' meeting to reduce the registered capital.
- ISO standard that the company received.
  - In 1995 the Company was certified according to ISO 9003.
  - In 1999 the Company was certified according to ISO 9001.
  - In 2009, the Company was certified according to ISO14001.
- Changes in the shareholders
  - In 2013, KWH Pipe Limited and Uponor Infrastructure Solutions Segment merged into a new company under the name Uponor Infra Oy. Reflecting to this merge, Uponor Infra Oy was a major shareholder, holding 65.99 percent of KWH Pipe Limited in Finland.

- In 2015, a group of Thai's investor in Thailand showed interest in WIIK and purchased all of the Company's shares held by Uponor Infra Oy. However, WIIK Public Company Limited and Uponor Infra Oy continue being partners and work together in Asia. Under the Licensing Agreement with the Uponor Infra Oy, the Company has continued its manufacturing and selling HDPE structured wall light weight pipe under WEHOLITE brand name solely.
- In 2020, the Company allocated 140,000,000 new ordinary shares to a specific investor (Private Placement) at the offering price of 2 Baht per share, with a par value of 1 Baht per share, a total of 280 million Baht to Lesso (Thailand) Investment Limited, an indirect subsidiary of China Lesso Group Holdings Limited.

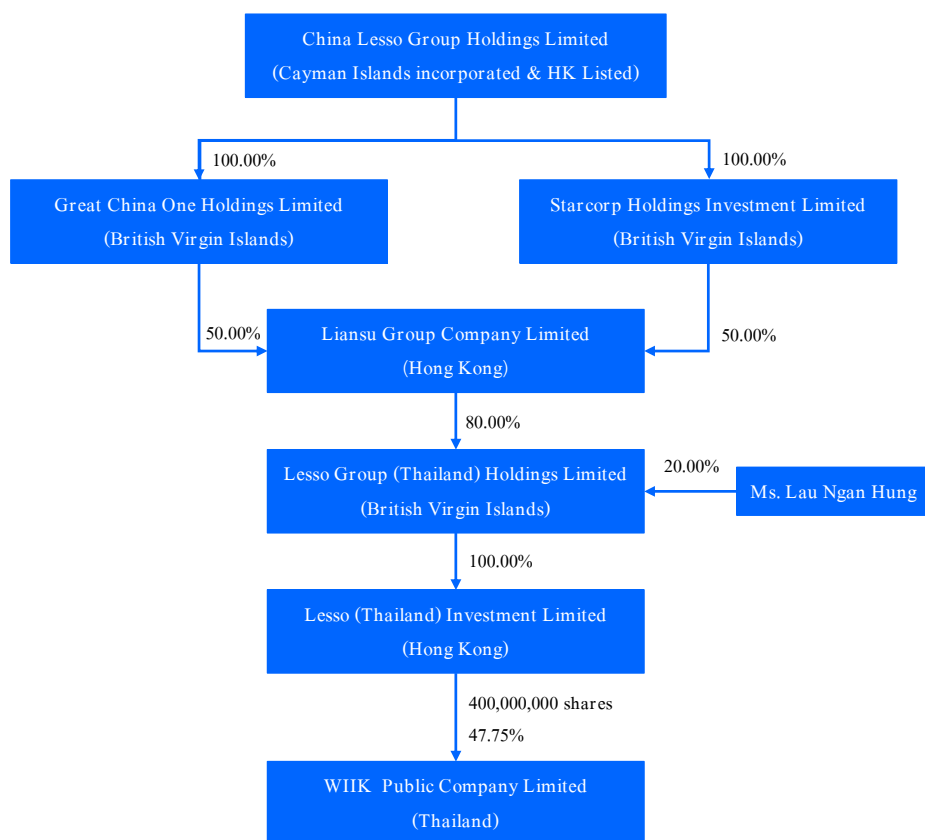
In this regard, such offering price of the newly issued ordinary shares at Baht 2 per share is lower than 90% of the market price of the Company's shares according to the SET Notification, which is equal to THB 2.4743 per share. Therefore, the issuance and allocation of the newly issued ordinary shares for offering to the Investor are deemed to be an offering of the newly issued shares at a low price and the Investor shall be prohibited from selling (Silent Period) all such newly issued ordinary shares for 1 year from the date the Company's newly issued ordinary shares start trading on the SET (1-year Silent Period, starting from 30 November 2020 to 30 November 2021). Lesso (Thailand) Investment Limited has voting rights equal to the shareholders of the Company under the Company's Articles of Association. They sent the representatives to take the position of the Company's director according to the shareholding proportion to help support and co-supervise the management of the Company.

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

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

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

#### Shareholding structure of China Lesso Group Holdings Limited



China Lesso Group Holdings Limited is a leading large-scale industrial group that manufactures building materials and interior decoration products in mainland China. It is listed on the main board of The Stock Exchange of Hong Kong Limited (stock name: China Lesso, stock code: 2128). China Lesso

is one of the constituent stocks of the Hang Seng Composite Index – MidCap and is covered by Hong Kong Stock Exchange's Stock Connect. China Lesso Group provides over 10,000 types of quality products, including plastic piping system, sanitary ware products, integrated kitchens, systems of doors and windows, decorative plates, fire-fighting equipment, and sanitary materials, etc. They are widely applied to fields such as interior decoration, water supply, drainage, power supply and telecommunications, gas transmission, agriculture, aquaculture, floor heating and fire services. China Lesso Group is positioned as one of the manufacturers who offer the most comprehensive range of building materials and interior decoration products in China.

China Lesso Group has 25 advanced production bases in 16 provinces, namely Guangdong, Guizhou, Sichuan, Hubei, Jiangsu, Anhui, Zhejiang, Henan, Hebei, Jilin, Shaanxi, Xinjiang, Hainan, Yunnan, Shandong and Hunan.

China Lesso Group has established a nationwide sales network and has also developed long-term strategic partnerships with 2,276 independent and exclusive first-tier distributors to provide quality and comprehensive products as well as professional services for customers.

■ The Company's business expansion

- In 2016 the Company entered the water resources management business in order to meet the demand for water in the industrial sector through WIJK Water Company Limited (WW) which is a 100% shareholding subsidiary. Currently WW operates the water supply system for 4 Industrial Estate such as;
  - (1) Siam Eastern Industrial Park Mabyangporn Sub-district, Pluakdaeng District, Rayong Province
  - (2) Wellgrow Industrial Estate Homsil Sub-district, Bangpakong District, Chachoengsao Province.
  - (3) Thai Namsiri Intertex Company Limited, Wellgrow Industrial Estate, Bangsamak Sub-district, Bangpakong District, Chachoengsao Province.
  - (4) Chumnumsup industrial area, Khlongnueng Sub-district, Khlongluang District Pathumthani Province.
- Early 2019, WIJK Water Company Limited (WW) which is a 100% shareholding subsidiary, invested in WIJK PT Company Limited (Formerly WOG ITR Water Solution Company Limited) ("WIJK PT") with the objective of acquiring the right to be a service provider in accordance with the agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province (client) dated 16



July 2012, period of 30 years including ownership of the water treatment plant and other assets used in the business of WIik PT. At present, such agreement remains 21 years.

- Change of the Company's name in the year 2019 as follows

Former            Wiik & Hoeglund Public Company Limited

New                WIik Public Company Limited

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

## 1.1 Overview of the Business

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

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

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

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

- (1) Siam Eastern Industrial Park Mabyangporn Sub-district, Pluakdaeng District, Rayong Province.

- (2) Wellgrow Industrial Estate Homsil Sub-district, Bangpakong District, Chachoengsao Province.
- (3) Patong Municipality, Kathu District, Phuket Province.
- (4) Thai Namsiri Intertex Company Limited, Wellgrow Industrial Estate, Bangsamak Sub-district, Bangpakong District, Chachoengsao Province.
- (5) Chumnumsup industrial area, Khlongnueng Sub-district, Khlongluang District Pathumthani Province.

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

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

#### 1.1.1 Goals and Strategies for Operation

On 23 February 2022, the Board of Directors' Meeting No.1/2022 reviewed the Company's vision and mission as follows.

##### Vision

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

##### Mission

- (1) The Company strives to increase the sales of high quality plastic pipe and fittings and maintain the image of high quality plastic pipe and fittings leader.
- (2) The Company is a leader in the plastic pipe industry in terms of engineering, design and installation of plastic piping systems.
- (3) The Company will create revenue and margin from the growth of water management business.
- (4) Generate return to shareholders continuous and steady by adhering to the principle of treating all stakeholders fairly and equally.

##### Strategy Leading to Sustainability

- (1) Focus on running the Company's core business to grow steadily in the future.
- (2) Increase the potential in both domestic and foreign markets.

- (3) Create opportunities by investing in water resources management which relates and supports the existing company's core business to grow steadily in the future.
- (4) Promote Product Research and the Development that meet market needs with the cost competitive advantage.
- (5) Develop knowledge and skill of engineering design, installation of pipes, and water supply.

#### 1.1.2 Changes and key developments

##### 1) Changes in share capital and issuance of securities

###### Year 2019

- ❖ On 23 April 2019, the Annual General Meeting of Shareholders for the year 2019 approved the increase of the Company's registered capital of 85,418,531 Baht from 499,918,044 Baht to 585,336,575 Baht by issuing 85,418,531 shares with a par value of 1.00 Baht each. The Company registered the capital increase with the Ministry of Commerce on May 15, 2019 with details of allocation as follows.

- (1) To support the payment of stock dividends by paying ordinary shares to the existing shareholders of the Company at the rate of 6 existing shares per 1 stock dividend, a total of 62,489,756 shares with a par value of 1 Baht per share. Total value of 62,489,756 Baht. Later, on May 22, 2019, the Company paid stock dividends of 62,488,509 shares and the Company registered the increase in paid-up capital with the Ministry of Commerce on May 30, 2019. The remaining was 1,247 shares and the Company proceeded to reduce registered capital in 2019.
- (2) To support the adjustment of the warrants to purchase ordinary shares of the Company No. 2 (WIIC-W2) in an amount not exceeding 22,928,775 shares.

- ❖ On 18 December 2019, the Extraordinary General Meeting of Shareholders No. 1/2019 approved the following resolutions:

- Approve the reduction of the registered capital of 1,247 Baht from the formerly registered capital of 585,336,575 Baht to the newly registered capital of 585,335,328 Baht by canceling the remaining ordinary shares from the payment of dividends of 1,247 shares, with a par value of 1.00 Baht per share. The Company registered capital reduction with the Ministry of Commerce on December 23, 2019.
- Approve the capital increase of the Company of 140,000,000 Baht from the formerly registered capital of 585,335,328 Baht to the registered capital of 725,335,328 Baht

by issuing 140,000,000 ordinary shares with a par value of 1.00 Baht per share for sale to private placement at the price of 1.50 Baht per share to Mr. Saithsiri Saksitthisereekul or the other persons that the Board of Directors deems appropriate and authorize the Board of Directors or the authorized directors on behalf of the Company have the power to consider, allocate and offer for sale at one time or divided into partly offering as appropriate. The Company registered the capital increase with the Ministry of Commerce on December 25, 2019.

However, this capital increase, the Company do not practice complied with the Notification of the Capital Market Supervisory Board No. ThorJor. 72/2015 regarding permission for listed companies to offer newly issued shares to specific investors and the Notification of the Capital Market Supervisory Board No. ThorJor. 73/2015 regarding the items in the notice of the shareholders' meeting of listed companies to request approval for the issuance and offering of securities, so the said resolution is not allowed by the Office of the Securities and Exchange Commission causing the Company to cancel the capital increase. The Company will propose to the Annual General Meeting of Shareholders 2020 to consider and approve the reduction of registered capital as well as proposing to consider and approve the new capital increase following the relevant announcement.

#### Year 2020

- ❖ On 11 May 2020, the Annual General Meeting of the Company's Shareholders approved the following resolutions.
  - Approved the decrease in the Company's registered capital from Baht 725,335,328 to be Baht 585,335,328 by canceling allotment the ordinary shares for offering to the Private Placement at a price of Baht 1.50 per share, amount of 140,000,000 shares with a par value of Baht 1 per share. The Company registered the decrease in its registered capital with the Ministry of Commerce on 22 May 2020.
  - Approved the issuance and allocation of not exceeding 140,000,000 new ordinary shares with a par value of Baht 1 per share, to offer to the Private Placement, by authorised to the Board of Director of the Company to determine the offering price at the market price during the offering period and not the low price according to SEC ruling.



- Approved the increase of the Company's registered capital from Baht 585,335,328 to be Baht 725,335,328 by issuing 140,000,000 new ordinary shares at par value of Baht 1 each to reserve the offering of newly issued ordinary shares offered to the Private Placement. The Company registered the increase in its registered capital with the Ministry of Commerce on 28 May 2020.
- ❖ On 9 October 2020, the Board of Directors approved the allocation and offering of 140,000,000 new ordinary shares at the offering price of 2 Baht per share, with a par value of 1 Baht per share, a total of 280 million Baht to Lesso (Thailand) Investment Limited (Private Placement). The Company received payment for capital increase shares and registered the increase of paid-up capital with the Ministry of Commerce on 27 October 2020 and the said ordinary shares have the silent period for 1 year from the date the Company's newly issued ordinary shares start trading on the SET.  
  
140,000,000 newly issued ordinary shares as mentioned above started trading on the SET on 30 November 2020 and the 1-year Silent Period has expired on 30 November 2021 (details as mentioned in the section Background, page 5).

#### Year 2021

- ❖ On 23 April 2021, the Annual General Meeting of the Company's shareholders approved the capital increase of Baht 16,927,962 from Baht 725,335,328 to 742,263,290 by issuing 16,927,962 ordinary shares with a par value of Baht 1.00 per share to reserve for the adjustment of the rights of the warrants to purchase ordinary shares of the Company No.2 (WIIC-W2).
- ❖ On 15 July 2021, the Extraordinary General Meeting of the Company's Shareholders passed the following resolutions.
  - Approved the increasing capital and the allotment of new ordinary shares not over 330,000,000 new ordinary shares with a par value of Baht 1 per share to existing shareholders of the Company proportionate to their shareholding (Right Offering) at an offering ratio of 1.75 existing shares to 1 new ordinary share (a fraction of share shall be disregarded) at the offering price of Baht 2.70 per share, representing not over Baht 891 million.  
  
Scheduled the Record Date on 23 July 2021, to determine the name of shareholders who will be entitled to the subscription of new ordinary shares and scheduled the subscription period during 13-19 August 2021.

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

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

- ❖ On 30 December 2021, the final exercise date, 10,866 WIIC-W2 warrants were exercised to 14,331 ordinary shares by 3 warrant holders at a price of Baht 3.796 per share. On 12 January 2022, the Company registered the increase in its paid-up share capital with the Ministry of Commerce, and as result the 124,960,790 unexercised WIIC-W2 warrants still outstanding lost their status as securities listed on the Stock Exchange of Thailand, effective from 31 December 2021.
- ❖ On February 23, 2022, the Board of Directors approved to propose to the Annual General Meeting of Shareholders 2022 to reduce the Company's registered capital by canceling 234,580,228 unpaid ordinary shares with a par value of 1 Baht per share, consisting of;
  - (1) The ordinary shares reserved for the exercise of WIIC-W2 of 164,821,917 shares.
  - (2) The remaining shares from the offering to the existing shareholders in proportion (RO) according to the resolution of the Extraordinary General Meeting of Shareholders No.1/2021, on 15 July 2021.

## 2) Changes of debt issuance

### Year 2019

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

Year 2020 - 2021

-None-

3) The Key Development during the past 3 years

Year 2019

- ❖ On 4 January 2019, WIIC Water Company Limited (WW), a 100% shareholding subsidiary purchased ordinary shares of WOG ITR Water Solution Company Limited ("ITR") of 48,571 shares with a par value of Baht 100 per share, representing 100% of the paid-up capital from the existing shareholders amount of Baht 35 million and provide financial assistance to ITR of Baht 265 million (after becoming a subsidiary) to pay the following:
  - (1) To repay loans and interest from WOG Technologies (Thailand) Company Limited ("WOG THAI") (The Existing shareholder) amount of Baht 42 million.
  - (2) To repay creditors arising from the purchase of assets used in ITR's business operations to WOG Technologies (Thailand) Company Limited ("WOG THAI") at a total price of Baht 223 million (VAT included).
- ❖ On 23 January 2019, the Extraordinary General Meeting of Shareholders No.1/2019 of ITR (Indirect subsidiary), approved the following.
  - (1) Approved an increase of Baht 55,750,000 in the registered capital, from Baht 4,857,100 to Baht 60,607,100, by issuing 557,500 new ordinary shares at a par value of Baht 100 per share to comply with the conditions of the Board of Investment including making a strong capital base and enhancing the liquidity of future business of that company. The shares are required the first capital paid-up 50 percent of the new registered capital and the payment for the remainder will be requested by the Board of Director upon the necessity. There are details of the call for payment of additional capital and registered with the Ministry of Commerce as follows.

Date	Share payment (percent)	Money received (Baht)	Registration with the Ministry of Commerce
22 February 2019	50	27,875,000	1 March 2019
21 May 2019	50	27,875,000	29 May 2019
Total	100	55,750,000	-

## Year 2020

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

## Year 2021

- ❖ On 9 February 2021, the Extraordinary General Meeting of Shareholders of WIIC Water Company Limited ("Subsidiary") No.1/2021 approved to increase in registered capital of 90,000,000 Baht from 170,000,000 Baht to 260,000,000 Baht by issuing 900,000 new ordinary shares with a par value of 100 Baht per share at the offering price of 166 Baht per share, including authorizing the authorized directors of the subsidiary to have the power to act necessary or relevant for the achievement of the aforementioned capital increase.
- ❖ On 12 February 2021, the Company notified the intention to purchase additional shares of the Subsidiary in the amount of 450,000 ordinary shares of Baht 166 per share, a total of Baht 74,700,000, and to waive the right to purchase the remaining 450,000 ordinary



shares. On 16 February 2021, the Company made an initial payment of 25 percent of total payment for the shares, or a total of Baht 18,675,000.

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

#### 4) Change of the name and the head office

##### WIik Public Company Limited (Parent Company)

- ❖ On 1 November 2016, the company changed the head office location as follows.  
90 CW Tower A, 35th Floor, Ratchadapisek Rd., Huaykwang, Huaykwang, Bangkok 10310.
- ❖ On 18 December 2019, the Extraordinary General Meeting of Shareholders No.1/2019 approved the change of the Company's name as follows.

Former Wiik & Hoeglund Public Company Limited

New WIik Public Company Limited

The Company registered the change of the Company's name with the Ministry of Commerce on 25 December 2019. However, the Company still uses the securities name "WIik" as before.

##### WIik Water Company Limited (Subsidiary)

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

##### WIik PT Company Limited (Indirect subsidiary)

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

Former WOG ITR Water Solution Company Limited

New WIik PT Company Limited

The Subsidiary registered the change of Company's name with the Ministry of Commerce on 25 June 2019.

### 1.1.3 Utilization of money received from fundraising

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

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

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

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

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

The total capital increase	amount of	702,652,560.30	Baht
<u>Deduct</u> the utilization of the capital increase as of 31 December 2021			
1) Used as working capital for the Company and its subsidiaries	amount of	(526,638,850.00)	Baht
The remaining capital increase fund as of 31 December 2021	amount of	176,013,710.30	Baht

The Company brought the remaining from the capital increase of 176,013,710.30 Baht to deposit with the financial institution to receive interest. At present, the Company has placed orders for the initial injection molded system and in the process of investment study for PVC, PPR production units and water management projects. The Company expected to utilize this capital in the year 2022.

## 1.2 Type of Business

### 1.2.1 Revenue Structure

Revenue from business operations of the Company and subsidiaries during the year 2019 - 2021 could be classified by business segment as follows.

Product line / Business Group	Operated by	% Share holding	Revenue (Million Baht)					
			2021	%	2020	%	2019	%
1. Revenue from pipe production and distribution business	WIIC	-						
1.1 Sales	WW*	82.69%	1,023.66	78.95	1,085.18	66.87	897.77	71.63
1.2 Installation income			63.87	4.93	283.80	17.49	131.92	10.53
1.3 Transportation services income			4.41	0.34	3.20	0.24	27.73	2.21
Total			1,091.94	84.22	1,372.18	84.55	1,057.42	84.37
2. Revenue from water management business	WW*	82.69%						
2.1 Revenue from production and distribution of tap water	WPT	100%	148.37	11.44	134.95	8.32	138.99	11.09
2.2 Revenue from sale and installation of water production system			48.52	3.74	109.91	6.77	46.96	3.75
Total			196.89	15.19	244.86	15.09	185.95	14.84
3. Other income of the WIIC Group	WIIC	-						
3.1 Dividend income	WW*	82.69%	-	-	-	-	0.32	0.03
3.2 Interest income	WPT	100%	1.50	0.12	1.10	0.07	0.84	0.07
3.3 Others			6.21	0.48	4.75	0.29	8.81	0.70
Total			7.71	0.59	5.85	0.36	9.97	0.80
Grand total			1,296.54	100.00	1,622.89	100.00	1,253.34	100.00

Note \* As of 23 February 2021, the shareholding in WIIC Water Company Limited is 82.69%

### 1.2.2 Products information

#### (1) Group of polyethylene pipe and fittings business

##### (1.1) Products and Services

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




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

- The installation and welding of HDPE pipe and fittings



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




Products and Services in group of polyethylene pipe and fittings business

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

Products & Services	Qualification	The usage
<p data-bbox="176 321 638 347">(2) Structured Wall HDPE pipe (Weholite)</p>   	<p data-bbox="722 321 1333 1219">Structured Wall or double layer HDPE Weholite pipe is made from High Density Polythylene (HDPE) resin. The HDPE resin selected by the Company passes the high quality control according to the International Standards. It makes the Company's HDPE pipe superior to other types of pipes. The Weholite HDPE pipe's weight is also 2-10 times lighter than other types with service life more than 50 years; likewise the cost of installation and demolition for repair is also lower than other types of pipe. Weholite HDPE pipe is well designed and provides all technical advantages of equivalent polyethylene solid wall pipes but with substantial saving in weight combining greater ease of installation and transportation with increased cost effectiveness. Additionally, Weholite HDPE pipe has low friction loss and can transport more quantity of water compared to other pipes with the same diameter. Weholite HDPE pipe can be produced in many colors according to the customers' requirement. Length per pipe 6-15M. is available.</p> <p data-bbox="722 1256 1108 1281">Internal diameter 300 mm - 3500 mm.</p>	<ul data-bbox="1360 326 1711 743" style="list-style-type: none"> <li>● Drainage pipe</li> <li>● Sewage pipe</li> <li>● Intake &amp; Outfall pipe</li> <li>● Culvert pipe</li> <li>● Manhole</li> <li>● Ventilation pipe</li> <li>● Relining pipe</li> <li>● Combined Sewage Overflow</li> </ul>

Products & Services	Qualification	The usage
<p>(3) HDPE water tank (WehoTank)</p> 	<p>WehoTank is the development of Structured Wall or double layer HDPE Weholite pipe which is also made from High Density Polyethylene (HDPE) and high standard resin. WehoTank is high quality, clean, and leakproof double layer water tank. WehoTank is also easy to be installed in both on ground and underground, non-toxicity, corrosion resistance, and has long service life for more than 50 years. It is one of a best and cost effective of investments. WehoTank's tank wall is special designed and suitable for water management in the community and industry and best fit for water collection as Rainwater Tank, Sewage Tank, Waste Water treatment Tank, and Bio-Gas Tank.</p>	<ul style="list-style-type: none"> <li>● Water Storage Tank</li> <li>● Rainwater Collection Tanks (Rain Storm)</li> <li>● Wastewater Treatment Tank (CSO)</li> <li>● Septic Tank</li> <li>● Retention Tank</li> <li>● Chemical Storage Tank</li> <li>● Bio-Gas Tank or Scrubber Tank).</li> <li>● Pontoon &amp; Boat lift</li> </ul>
<p>(4) Phone Cable and Cable Conduit (W-HQ CONDUIT)</p> 	<p>W-HQ CONDUIT is produced from High Density Polyethylene (HDPE) resin. The HDPE resin selected by the Company passes the high quality control according to the International Standards. It can be assured that it is a high quality HDPE pipe with the high Mechanical properties and great physics. It is suitable for underground pipes usage and can be used as an insulating and protective sheath for covering cables, telephone lines and cables Fiber Optic.</p>	<p>High Density Polyethylene pipe for Phone Cable and Cable Conduit.</p>

Products & Services	Qualification	The usage
<p>(5) HDPE Pipe Welding Service; inclusive of pipeline installation service</p> 	<p>There are many ways to install HDPE pipe, such as welding or connecting by using fittings; however, Butt Fusion Welding is widely used nowadays.</p>	<p>Connecting HDPE Pipe by using Butt Fusion systems is widely used and well known. The welding process is to create heat at both ends of HDPE pipe and melt them with the suitable level of pressure. Quality at welding part totally depends on welding machine, welding factors and experienced welders.</p>



## (1.2) Market and Competition

### (1.2.1) Marketing

#### Products and Services Strategies

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

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

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

#### Price Strategies

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

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

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

#### Place Strategies

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

#### Promotion Strategies

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

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

management, which include customers in the business sector and good growth potential such as the energy sector and industrial estates sector.

(1.2.2) Target Group

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

- Provincial Waterworks Authority
- Provincial Electricity Authority
- Royal Irrigation Department
- Metropolitan Electricity Authority
- Electricity Generating Authority of Thailand
- Land development Department
- Telephone Organization of Thailand
- Department of Water Resources
- Communications Authority of Thailand
- Metropolitan Waterworks Authority
- Department of Local Administration
- Ministry of Public Health

(B) Private Sectors for the projects of raw water & Portable water pipes, sewage, fire water pipe, Water Tank, and Water treatment tank;

- Factory and Industrial Estate
- Residential
- Airport & Stadium
- Retailers

(C) Specific Group of Business that requires;

- The Horizontal Directional Drilling of HDPE pipe.
- Pipe Relining.
- Perforated pipe for underground drainage.
- Reserve water systems for private groups.
- The Submarine.

- (D) International Markets such as Philippines, Vietnam, Cambodia, Laos, India, Indonesia, and Myanmar. The target groups are big construction companies who have foreign fund, Both Government and Private Sectors that have the projects of water allocation and water treatment; including the mining.
- (E) Wholesale markets and Dealers for the following projects
- Water pipe inside the plant
  - Sewage pipeline projects in villages, Industrial Estates and factories.
  - Water Tank and Water Treatment Tank.

#### (1.2.3) Competition within the Industry

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

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

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

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

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

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

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

Type of product competition

Usage	Outside diameter	Competitive products
1. Water pipe in household.	Approximately 16-63 mm.	<ul style="list-style-type: none"> <li>● PPR pipe</li> <li>● PVC pipe</li> <li>● PB pipe</li> </ul>
2. Small sizes of pipe for water transport or sewage in household or small projects.	Approximately 16-110 mm.	<ul style="list-style-type: none"> <li>● AC pipe</li> <li>● PVC pipe</li> <li>● PB pipe</li> <li>● W-HQ Pipe</li> </ul>
3. Medium size of main distribution pipeline or sewage in village or industrial estate.	Approximately 110-315 mm.	<ul style="list-style-type: none"> <li>● PVC pipe</li> <li>● Weholite</li> <li>● Double wall pipe</li> <li>● W-HQ Pipe</li> <li>● AC pipe</li> <li>● Reinforced concrete pipe</li> </ul>
4. Main Pipeline for water transport.	Approximately 315-1,600 mm.	<ul style="list-style-type: none"> <li>● Mild Steel pipe</li> <li>● PVC pipe</li> <li>● GRP pipe</li> <li>● W-HQ Pipe</li> <li>● AC pipe</li> </ul>
5. Big size of pipe for portable and raw water, sewage in industrial estate or community.	Approximately 315-3,500 mm.	<ul style="list-style-type: none"> <li>● Steel Pipe</li> <li>● Reinforced concrete pipe</li> <li>● Glass Reinforce Fiber Pipe (GRP)</li> <li>● W-HQ Pipe</li> <li>● Weholite</li> </ul>

Usage	Outside diameter	Competitive products
6. Phone or Electrical Cables conduit.	Approximately 32-200 mm.	<ul style="list-style-type: none"> <li>● PVC pipe</li> <li>● FRP pipe</li> <li>● Double wall pipe</li> <li>● W-HQ Conduit</li> </ul>
7. Big size of water tank for factory, industrial estate or household.	Approximately 10-120 cubic meters.	<ul style="list-style-type: none"> <li>● Fiberglass tank</li> <li>● Steel tank</li> <li>● HDPE WehoTank</li> <li>● Reinforced concrete tank</li> <li>● Stainless steel tank</li> </ul>

### (1.3) Procurement of Products or Services

#### (1.3.1) Manufacturing

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



### Production capacity and utilization

Production		2021				2020				2019			
		Production capacity	Actual production volume	Utilization rate (%)	Production volume increase (%)	Production capacity	Actual production volume	Utilization rate (%)	Production volume increase (%)	Production capacity	Actual production volume	Utilization rate (%)	Production volume increase (%)
SOLID WALL PIPE	(ton)	27,900.00	16,004.47	57.36	(11.08)	27,900.00	17,999.54	64.51	19.98	24,470.00	15,001.94	61.31	3.76
WEHOLITE PIPE	(ton)	4,030.00	811.41	20.13	9.90	4,030.00	738.34	18.32	(13.46)	4,030.00	853.22	21.17	53.16
HDPE BEND	(piece)	6,900.00	5,917.00	85.75	24.70	5,400.00	4,745.00	87.87	93.83	5,400.00	2,448.00	45.33	(14.91)
HDPE TEE	(piece)	3,600.00	2,033.00	56.47	(8.05)	3,600.00	2,211.00	61.42	21.55	3,600.00	1,819.00	50.53	45.29
STUBEND	(piece)	18,000.00	9,762.00	54.23	(40.18)	18,000.00	16,320.00	90.67	47.99	13,500.00	11,028.00	81.69	26.09
REDUCER	(piece)	2,200.00	1,031.00	46.86	34.77	2,200.00	765.00	34.77	31.67	2,000.00	581.00	29.05	10.25
WEHOTANK	(tank)	96.00	52.00	54.17	15.56	96.00	45.00	46.88	(10.00)	96.00	50.00	52.08	108.33
SPECIAL FITTINGS	(piece)	15,000.00	4,366.00	29.11	(56.20)	15,000.00	9,969.00	66.46	(20.36)	15,000.00	12,517.00	83.45	108.30

### (1.3.2) Procurement of Raw Material

The main raw material used to produce HDPE pipes is HDPE resin from both domestic and import markets. HDPE resin is by-product from Oil industry which Thailand mostly imports from other countries. There are 3 resin manufacturers around Rayong Province area, IRPC Public Company Limited, SCG Performance Chemical Co., Ltd. (SCG), and PTT Polymer Marketing Co., Ltd. (PTT). In 2021, a 95% of total HDPE resin used by the Company to produce HDPE Pipe is coming from domestic source.

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

### (1.3.3) Environmental impact

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

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


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

### (2.1) Products and Services

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

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

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

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

## (2.2) Marketing and Competition

### (2.2.1) Marketing

#### Product Strategy

WIik Public Company Limited saw the opportunity to sell products to increase the choice of customers. China Lesso Group Holding Limited is one of the world's largest manufacturers of pipes and fittings with high standards. There are production and distribution bases in many countries such as Asia, America, and the Middle East. For Thailand, PVC products are produced according to TIS 17-2532 standards and it is in the process of applying for a standard TIS 17-2561 license soon. Besides, it is also ISO9001, ISO14001, OHSAS18001 certified. PPR products are produced according to the following standards: DIN8077, DIN8078, GB/T 18742-2, EN ISO 15874-2, BS EN ISO 15874-2, NSF/ANSI/CAN61, NSF/ANSI N372.

### (2.2.2) Marketing and Competition

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

### (2.2.3) Target group

#### Private customers

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

### (2.2.4) Procurement of products

The Company imports products from China Lesso Group Holding Limited, China and the Company plans to set up a production base in Thailand at Amata City Industrial Estate, Rayong Province.

## (3) Group of Water management business

### (3.1) Products and Services

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





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






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




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



Products and Services in group of Water management business

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

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

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

(3.2) Market and Competition

(3.2.1) Target Group

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

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

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

- Private Industrial Estate
- Industrial Factory
- Private sector

(3.2.2) Competition within the Industry

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

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

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

- Siam Eastern Industrial Park, Rayong Province, production and distribution tap water with a minimum volume of 12,000 cubic meters per day for a period of 20 years.
- Wellgrow Industrial Estate, Chachoengsao Province, tap water supply contract with a minimum volume of 10,500 cubic meters per day for a period of 20 years.
- Patong Municipality, Kathu District, Phuket Province with the agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province (client) dated 16 July 2012, period of 30 years.
- Thai Namsiri Intertex Company Limited, Wellgrow Industrial Estate, Bangsamak Sub-district, Bangpakong District, Chachoengsao Province, to produce and supply of tap water with minimum volume of 475 cubic meters per day for 10 years period.
- Chumnumsup industrial area, Khlongnueng Sub-district, Khlongluang District Pathumthani Province, Tap water production services with minimum volume of 10,500 cubic meters per day for 23 years period.

### (3.3) Procurement of Products or Services

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

#### Production

WW will produce according to the purchase order of each projects together with planning and design of water production system and complete the construction for the owner of project by ordering

through the domestic distributor. Therefore WW will not order or produce in advance that will be outstanding inventories. This will reduce burden on the WW.

#### Procurement of raw materials

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

#### Services

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

#### Environmental impact

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

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

### (4) Business assets

#### (4.1) Main fixed assets

As of December 31, 2021, the main fixed assets used by the Company and its subsidiaries to operate business, the details are as follows;

Asset characteristics	Ownership	Value (million Baht)	Obligation
1. Land and land improvements			
<ul style="list-style-type: none"> <li>Land at the factory location, area 83-2-33.3 rai, located at 7/214 Moo 6, Amata City Industrial Estate, Mapyangphon Subdistrict, Pluakdaeng District, Rayong Province.</li> </ul>	WIIC	332.33	The land has an original cost of 135.13 million baht and a surplus from land revaluation of 197.20 million baht. The land area of 83-33-3.1 rai is mortgaged with 2 banks to guarantee credit facilities.
<ul style="list-style-type: none"> <li>Land improvement in Amata City Industrial Estate</li> </ul>	WIIC	1.01	
<ul style="list-style-type: none"> <li>Land improvement in Wellgrow Industrial Estate</li> </ul>	WW	0.12	



Asset characteristics	Ownership	Value (million Baht)	Obligation
2. Building construction and decoration			
▪ Building in Amata City Rayong Factory	WIIK	99.71	Building is mortgaged with a bank to guarantee the credit line.
▪ Building in Wellgrow Industrial Estate	WW	7.62	
▪ Building in WIIK PT Factory	WPT	26.43	
▪ Factory improvement	WIIK	4.04	
	WW	0.69	
	WPT	0.48	
▪ Office improvement	WW	0.04	
▪ Decorations, fixtures and office equipment	WIIK	4.17	
	WW	1.22	
	WPT	0.24	
3. Machinery and equipment	WIIK	140.40	Some of the machines are mortgaged to a bank to guarantee credit lines.
	WW	187.39	
	WPT	193.65	
4. Vehicles	WIIK	5.47	None
	WW	0.16	
5. Assets under installation	WIIK	1.58	None
	WW	0.59	

#### (4.2) Important intangible assets

As of December 31, 2021, significant intangible assets in business operations, the details are as follows.

Asset characteristics	Ownership	Value (million Baht)	Obligation
1. Computer software	WIIK	1.39	None
	WW	0.07	
2. Royalty fee for using HDPE equipment, Provincial Waterworks Authority	WIIK	2.08	None
3. Product certificate fee	WIIK	0.38	None
4. The right to operate the water supply system	WW	79.28	<ul style="list-style-type: none"> <li>• The trading volume must not be less than 12,000 cu.m.</li> <li>• Transfer the right to receive money to 1 bank to guarantee credit line.</li> </ul>

Asset characteristics	Ownership	Value (million Baht)	Obligation
5. Customer list royalties	WW	12.26	None
6. Management rights for Water supply plant with ultrafiltration system and reverse osmosis	WW	33.93	None
7. Leasehold	WPT	11.77	None

#### (4.3) Investment Policy in Subsidiaries and Associated Companies

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

As of December 31, 2021, the Company has 2 subsidiaries: (1) WIIC Water Company Limited, operates water management business such as design, contract manufacturing, concession and distribution of clean water production system, comprehensive wastewater treatment system with modern technology and standardized. The Company holds 82.69% of registered and paid-up capital, and (2 ) WIIC PT Company Limited, operates the business of producing tap water by ultrafiltration system and Reverse Osmosis by WIIC Water Company Limited holding 100% of registered and paid-up capital.

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

#### (4.4) Asset appraisal

On August 5, 2020, the Company had a land appraisal by CPM Capital Company Limited, an independent appraiser, and record such assets at revised price. The details of the appraisal of the property are as follows:

Assessment Objectives	To record book value
Asset type	Land with buildings (appraised only the part of the land)
Asset location	Within Amata City Rayong Industrial Estate, Chachoengsao-Sattahip Road (Thor Lor.3 3 1 ), Mapyangphon Sub-district, Pluakdaeng District, Rayong Province.

Coordinates	LAT : 12.979790 LONG : 101.110406
Land title document	Two title deeds no. 2027 and 9963 Total land area 83-0-33.3 rai or 33,233.3 square wa
Owner of the land	Title Deed No. 2027, WIIC Public Company Limited Title Deed No. 9963, WIIC Public Company Limited
Mortgage obligations	Title deed no. 2027 , mortgage as collateral with Bank of Ayudhya Public Company Limited Title deed no. 9 9 6 3 , mortgage as collateral with Bangkok Bank Public Company Limited
Assessment criteria	To determine market value
Assessment method	Market Approach
Appraised asset value	332,333,000 Baht (Three hundred thirty-two million, three hundred thirty-three thousand Baht only)
Assessment date	August 5, 2020

#### (5) Backlog

Backlog of the Company and its subsidiaries as at 31 December 2021.

(Million Baht)	31 Dec 2021	31 Dec 2020	31 Dec 2019
Sales and installation of the pipeline business group	686.78	664.85	611.64
Water management business group (Only amount to be recognized within 1 year)			
▪ Sales and service of water supply	200.79	157.90	175.98
▪ Installation of water production systems and construction of turnkey water treatment systems	0.80	4.42	85.84
Total	888.37	827.17	873.46

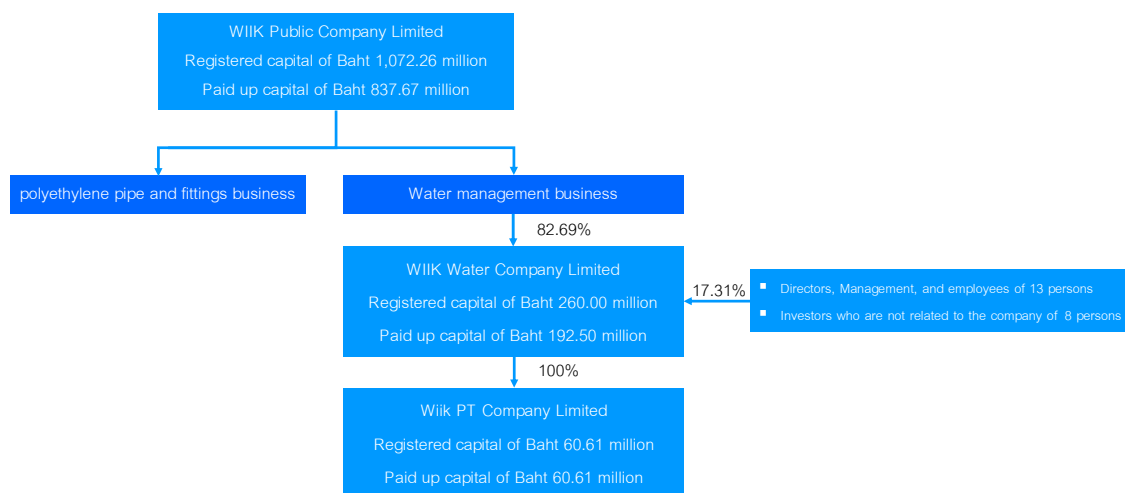
## 1.3 Shareholding Structure of the Group

### 1.3.1 Shareholding Structure of the Group

As of 31 December 2021, the Company operates in 2 business segments:

- (1) group of polyethylene pipe and fittings business
- (2) group of Water management business which operated by WIIC Water Co.,Ltd. (WW)

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



Note: It has no persons with conflicts of interest hold more than 10% of the shares in subsidiaries.

#### Details of subsidiaries

##### (1) WIik Water Company Limited

###### ❖ Shareholding

WIik Public Company Limited is a major shareholder in 82.69% shareholding.

###### ❖ Nature of Business

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

###### ❖ Financial Highlights

Million Baht	2021	2020	2019
Total assets	907.87	882.00	771.94
Total liabilities	606.21	622.82	518.85
Shareholders' Equity	301.66	259.18	253.09
Debt to equity ratio	2.01	2.40	2.05
Total revenue	197.58	244.87	186.13
Net profit	4.95	4.62	5.14
Earnings per share	2.61	2.72	3.02

##### (2) WIik PT Company Limited

###### ❖ Shareholding

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

❖ Nature of Business

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

❖ Financial Highlights

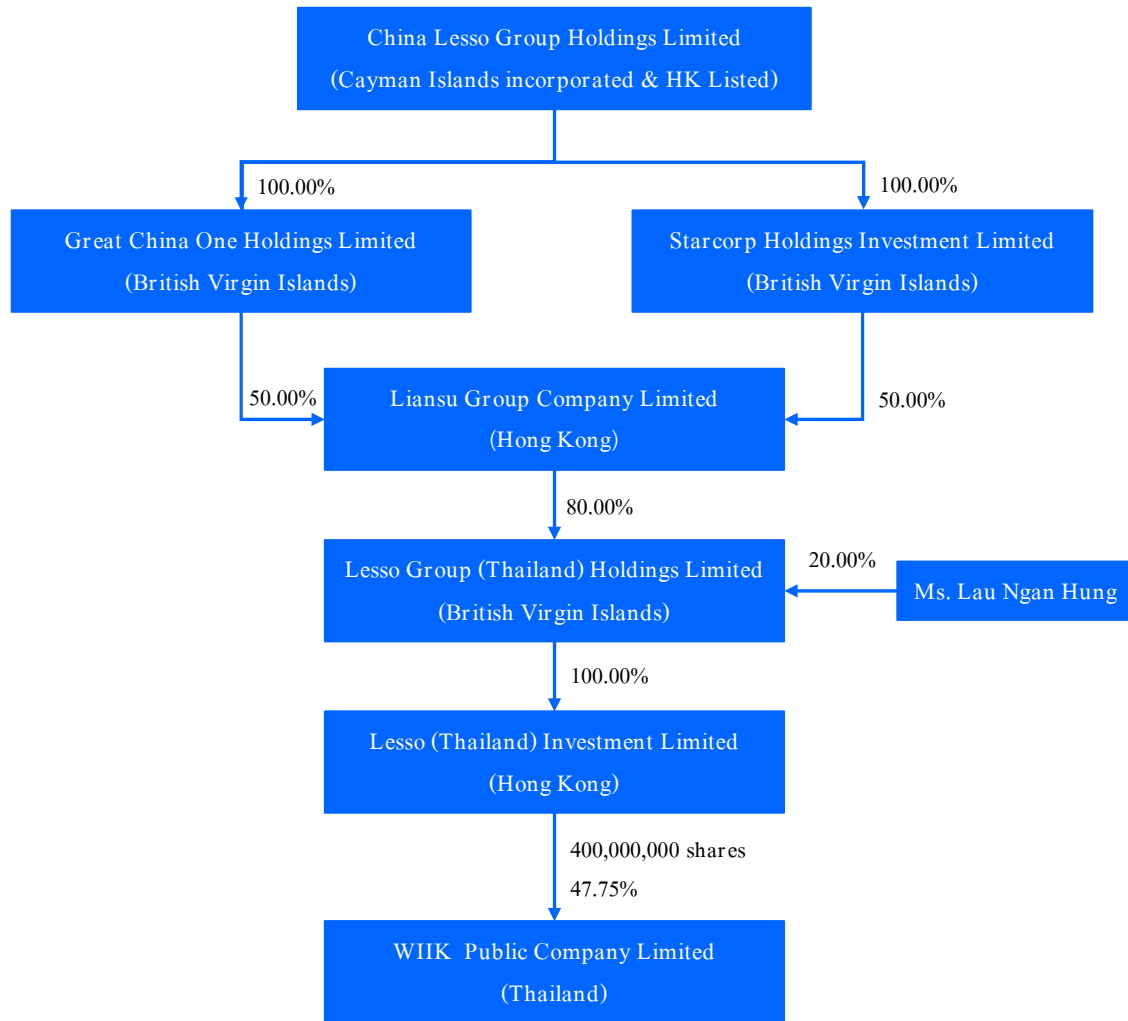
Million Baht	2021	2020	2019
Total assets	286.38	291.00	276.20
Total liabilities	254.51	242.72	219.39
Shareholders' Equity	31.87	48.28	56.81
Debt to equity ratio	7.99	5.03	3.86
Total revenue	8.54	20.07	36.05
Net profit	(16.41)	(8.53)	4.73
Earnings per share	(27.07)	(14.08)	7.81

### 1.3.3 Relationship with the business group of the major shareholder

As of December 31, 2021, Lesso (Thailand) Investment Limited ("LESSO") has a relationship with the Company as a major shareholder with a shareholding proportion of 47.75% by sending a representative to take the position of directors and executives in the company. In addition to the fact that LESSO has sent representatives to serve as directors and executives of the company, LESSO does not have any relationship with directors, executives, controlling persons, or other major shareholders of the Company and there is no significant agreement between them.

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

Shareholding structure of China Lesso Group Holdings Limited



1.3.4 Shareholders

As at 10 March 2022 the Company has the list of top 10 major shareholders as follows.

No.	Name of Shareholders	Nationality	Number of shares	
			Shares	Shares
1.	LESSO GROUP	HONGKONG	400,000,000	47.75
	• MORGAN STANLEY & CO. INTERNATIONAL PLC	BRITISH	295,000,000	35.22
	• Lesso (Thailand) Investment Limited	HONGKONG	105,000,000	12.53
2.	Mrs. Sumalee Ongcharit	Thai	81,150,450	9.69
3.	Mr. Palit Chuankajornpong	Thai	40,000,033	4.78
4.	Thai NVDR Co., Ltd.	Thai	24,652,626	2.94
5.	Miss Sasithorn Chotikakowit	Thai	12,249,700	1.46
6.	Mr. Wirote Jirattitijarern	Thai	9,300,000	1.11



No.	Name of Shareholders	Nationality	Number of shares	
			Shares	Shares
7.	Mrs. Orawan Lekrungruangkit	Thai	7,084,100	0.85
8.	Mr. Nipon Panyalertkitti	Thai	5,080,000	0.61
9.	Mr. Vichian Srimuninnimit	Thai	4,400,000	0.53
10.	Mr. Chaiyuth Sawsotathikul	Thai	4,044,300	0.48
	Total		587,961,209	70.19

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

#### Shareholding restriction of foreigner

The Articles of Association, Article 17: Transfer of shares identified that the Company's shares are transferable without restriction and the shares held by foreigners in any one time must be aggregated of not exceeding forty-nine percent (49) of the total number of issued shares. Any transfer of shares that would cause the total shareholding ratio of foreigners of the Company exceed the above ratio, the Company has the right to refuse the transfer of shares. As at 10 March 2022, the Company has distribution of shares as follows.

#### Distribution of shares by nationality

Shareholder	Number of Shareholder	Total number of shares	%
Thai shareholders	5,251	436,784,731	52.14
Foreign shareholders	11	400,898,331	47.86
Total	5,262	837,683,062	100.00

#### Distribution of shares by proportion of holding

Shareholder	Number of Shareholder	Total number of shares	%
Shareholders holding more than 0.5%	10	583,916,909	69.71
Shareholders holding not more than 0.5% but not less than one trading unit	4,886	253,756,881	30.29
Shareholders holding less than one trading unit.	366	9,272	0.00
Total	5,262	837,683,062	100.00

Note 1 Trading Unit = 100 shares

## 1.4 Registered capital and paid-up capital

Registered capital and paid-up capital as at 12 January 2022 as follows.

- Registered capital      1,072,263,290 Baht divided into  
Ordinary shares of 1,072,263,290 shares  
Par value of Baht 1.00 per share
- Paid-up capital      837,683,062 Baht divided into  
Ordinary shares of 837,683,062 shares  
Par value of Baht 1.00 per share

## 1.5 Other Securities

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

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

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

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

On 13 December 2018, the Extraordinary General Meeting of Shareholders No. 1/2018 approved the issuance of Warrant to Purchase Ordinary Share of the Company No. 2 (WIIK-W2) in the amount of not exceeding 124,979,511 units without charge to the existing shareholders of the Company whose names appear in the registration book of shareholders as at 21 December 2018 at the ratio of 3 existing ordinary shares for 1 unit of warrant.

The Company can allocated Warrant to Purchase Ordinary Share of the Company No. 2 (WIIK-W2) to the existing shareholders of the Company total of 124,971,656 units and allowed to make a trading in the Stock Exchange of Thailand on 21 January 2019. The remaining 7,855 units were canceled the whole amount. Such warrants are specify warrant holders and transferable. Maturity of not exceeding 3 years

from the date of issuance. Warrant Holders can exercise the right to purchase ordinary shares of the Company on the last Business Day of December of each year throughout the term of warrants (The first exercise date is December 30, 2019 and the last exercise date is January 2, 2022). The exercise ratio is 1 unit of warrant to 1 ordinary share at the price of THB 5.00 per share, unless the exercise ratio and/or the exercise price are adjusted otherwise pursuant to the conditions concerning the rights adjustment.

On 30 April 2021, the Company adjusted the right of warrants WIIK-W2 as the terms and conditions to protect the rights of WIIK-W2 holders as follows.

New exercise ratio      1 warrant can purchase 1.319 new ordinary shares.

New exercise price      3.796 Baht per share.

On 30 December 2021, the last exercise date, 10,866 WIIK-W2 warrants were exercised to 14,331 ordinary shares by 3 warrant holders at a price of Baht 3.796 per share. On 12 January 2022, the Company registered the increase in its paid up share capital with the Ministry of Commerce.

Following such last exercise date of the WIIK-W2 warrants making the 124,960,790 unexercised WIIK-W2 warrants still outstanding lost their status as securities listed on the Stock Exchange of Thailand, effective from 31 December 2021.

## 1.6 Dividend Policy

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

### Article 19 Dividends and Reserve

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

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

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

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

The information of dividend payment in the previous year as follows.

Unit: Baht	2020	2019	2018*	2017	2016
Earnings (Loss) per share	0.22	0.04	(0.03)	0.19	0.34
● Dividend in cash per share	0.19	0.03	0.030	0.11	0.20
● Stock dividends per share	-	-	0.167	-	-
Dividend per share	0.19	0.03	0.197	0.11	0.20
Dividend to earnings ratio (%)	92.35	82.82	N/A	59.39	59.06

Note \* Year 2018, dividend payment from retained earnings.

#### Dividend Policy of subsidiaries

##### 1) [WIIK Water Company Limited](#)

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

##### 2) [WIIK PT Company Limited](#)

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

## 2. Risk Management

### 2.1 Risk management policy

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

#### (1) The objective of risk management policy

This risk management policy is intended for the directors, executives, and employees of the Company. Everyone is aware of the importance of risk management by encouraging all employees to have knowledge and understanding of risk management practices and to have risk management

procedures implemented throughout the organization. To manage the risk to be at an acceptable level, reduce the chance and the intensity of the risk.

(2) Scope of responsibility

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

(3) Risk management practices

(3.1) The Board of Directors determined that the audit committee has to review the Company to have an appropriate and effective risk management system. And the executive committee has to analyze, assess, prevent and manage risks in various areas, both from outside and within the organization, which may have a significant impact on the Company's business operations. If there is any event that causes or may cause risk factors in conducting business. The Executives in relevant departments will analyze the risk factors and propose preventive measures to those concerned respectively. If that risk factor is an important issue must report to the Board of Directors for acknowledgment or consideration.

(3.2) The Executive Committee will plan the system implementation and risk management processes throughout the organization, to be consistent with the strategy and the business goals of the Company. And implement according to the international standard risk management framework. In this regard, the implementation of the risk management process must be done step by step and continuously, with communication and understanding in every step for all employees. Until risk management becomes part of the work culture in the organization.

(3.3) The audit committee has the authority and responsibility for overseeing the Company's risk management that complies with the charter and advises the Executive Committee to manage the risk with efficiency and effectiveness.

(3.4) The Executive Committee must perform duties and responsibilities as well as take any action as assigned by the audit committee along with reporting the performance to the Board of Directors for high and very high risks which may affect business operations and the strategy of the Company significantly including the preparation of a risk management plan and the risk management results are reported within the specified period.

(3.5) All executives and employees have to comply with the risk management system and process specified by the Company, which is to identify and assess the risk of the department in which they are responsible, analyze the risks, the impact and the opportunity to set appropriate measures to manage the risk. Risk at an acceptable level.

(3.6) The Company will transfer the risk management policy, organize training seminars, providing knowledge on risk management to all employees. To provide knowledge, understanding, and awareness of the benefits of risk management and can be implemented and used in the workplace with concrete.

(4) Policy review

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

## 2.2 Risk Factors

### 2.2.1 Risks to business operation

#### (1) Business risk

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

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

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

In addition, the business risk also involves the development of new pipe products. Each year HDPE pipe manufactures and resin manufactures have developed special kinds of HDPE pipe for certain applications, e.g. structure wall HDPE pipe, multilayer HDPE pipe, smooth inside surface HDPE

pipe, and high temperature resistance HDPE pipe. Therefore each HDPE pipe manufacturer needs add new products in its product line in order to earn profits. The competition of normal solid wall HDPE pipe is too fierce and intense to get a good margin. However, the Company has the R & D department to develop and research new products, including develop the equipments to work properly at all times.

#### (2) Foreign exchange risk

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

#### (3) Interest rate risk

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

#### (4) Raw material risk

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

#### (5) Credit risk

The company's customers normally are contractors of government projects or owners or project developers such as real estate industry. Most Customers require the credit term for payment. Hence the company formed an internal audit committee to analyze customer's financial statements in order to grant the appropriate credit term for each customer. The credit risk is not only caused default of



payment or bad debts but also delays payment which will increase the interest cost of the Company. The Company has made the trade credit insurance to reduce the credit risk.

(6) Risk of water supply system management project

Risk in supply of raw water

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

Risk of water quality

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

Risk of the Customer's non-compliance of agreement

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

2.2.2 Investment risk of securities holders

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

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

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

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

### 3. Driving business for sustainability

#### 3.1 Sustainability Management Policies and Goals

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

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

##### 1) Operation with fairness

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

The Company expects all staff to perform their duties without obligation or commitment of any relevance that related to exploitation by outsiders. The business operation or any legal action of the

Company must be correctly under legal and any related regulations always, both transactions occurring domestic and overseas.

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

## 2) Anti-Corruption

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

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

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

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

## 3) Respect for human rights

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

And announced a guideline for operations of the Company on June 22, 2009 and updated Code of Conduct on February 29, 2016.

#### 4) Practice on workers fairly

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

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

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

#### 5) Responsibility to Consumer

The Company has international manufacturing quality standards which was being certified ISO 9001: 2015 and ISO 14001: 2015 for the production of PE pipes and pipe fittings. The Company produce according to manufacturing standards that customer require such as TIS 982-2556, ISO 4427-2, ASTM D3035, DIN 8074, ASTM F714, AS/NZS 4130 and EN 12201-2.

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

#### 6) Caring for environment

The Company is a leading manufacturer of HDPE pipe in Thailand for over 30 years. We conduct business under the quality policy and environmental conservation. Thus, the Company was

being recognized in terms of products and quality control internationally by focus on environment saving and development policy under the theme “Improving Your Living Environment”. Production process and products of the Company not pollute and environmentally friendly. The Company proud that has international standard of environmental conservation ISO 14001.

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

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

#### 7) Community or social development

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

domiciled in the vicinity in order to increase local employment, economy growth and improve the well-being of local communities.

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

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

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

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

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

### 3.2 Impact management to stakeholders in the business value chain

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

#### 3.2.1 Business value chain

##### Primary activities

Business value chain				
Inbound logistics	Operations	Outbound logistics	Marketing and Sales	Customer services
<ul style="list-style-type: none"> <li>● Use genuine polyethylene compound that has received international standards.</li> <li>● Use 95% of domestic raw materials.</li> <li>● “World Class Operation (WCO)” activities help reduce production costs.</li> </ul>	<ul style="list-style-type: none"> <li>● In Process Quality Control until the product inspection before delivery to the customer (Final Inspection).</li> <li>● International production quality policy.</li> <li>● International Environmental Conservation Standard ISO14001.</li> <li>● Industrial Product Standard TIS.17025 (ISO/IEC 17025).</li> <li>● Hazardous and non-hazardous waste disposal following the standards set by the law.</li> </ul>	<ul style="list-style-type: none"> <li>● The company mainly sells products and services to the contractors of government agencies such as; the Metropolitan Waterworks Authority (MEA), Provincial Waterworks Authority (PWA), and local government organizations.</li> <li>● The company offers services to cover a wide range of customer needs.</li> </ul>	<ul style="list-style-type: none"> <li>● The Company has no policy to produce low-quality products to compete with the products available in the Thai market.</li> <li>● Confirm the policy of excellence in quality as a priority</li> <li>● The company sets flexible prices to increase orders.</li> <li>● Organize activities to communicate with customers in both the private sector and government agencies by providing knowledge about low-quality HDPE pipe products in the Thai market to make the customers can decide to buy quality products and worth the investment value in every project.</li> </ul>	<ul style="list-style-type: none"> <li>● Focus on service including good after-sales consulting to build a good relationship with customers.</li> <li>● PE pipes, which are made from high-quality materials, can use longer than 50 years.</li> <li>● Customer Satisfaction Assessment.</li> </ul>



## (1) Production input management (Inbound logistics)

- WIik Public Company Limited is a manufacturer of high-quality PE pipes by choosing genuine polyethylene compounds that have received international standards such as; ISO 9080, ISO 12162, DIN 16887, TIS 2559, so ensuring that the pipes WIik produced can bear pressure as needed. It is strong, durable, and has a service life over 50 years.
- The main raw material used to produce HDPE pipes is HDPE resin from both domestic and import markets. HDPE resin is by-product from Oil industry which Thailand mostly imports from other countries. There are 3 resin manufacturers around Rayong Province area, IRPC Public Company Limited, SCG Performance Chemical Co., Ltd. (SCG), and PTT Polymer Marketing Co., Ltd. (PTT). In 2021, a 95% of total HDPE resin used by the Company to produce HDPE Pipe is coming from domestic source.
- The company focuses on research and development. In 2021, the company had research and development expenditures of 2.49 million Baht, an increase of 1.95 million Baht from the year 2020. The company's investment resulted in various improvements and developments, both in the production process and product development which has driven and promoted many projects such as; the development of processes in various fields continuously under the name "World Class Operation (WCO)". This project can improve production efficiency and reduce production costs by over 16.04 million Baht.

## (2) Operations

- The Company focuses on products quality control from the selection and monitoring of resins to get the genuine raw material of high quality polyethylene compound for use in the manufacturing. Quality control in the manufacturing process (In Process Quality Control) until inspection before delivery to the customer (Final Inspection) by using standardized tests that are internationally recognized. Thus, it is ensuring that products and services of the Company have highest quality throughout duration of use.
- The Company has international manufacturing quality standards which was being certified ISO 9001: 2015 and ISO 14001: 2015 for the production of PE pipes and pipe fittings. The Company produce according to manufacturing standards that customer require such as TIS 982-2556, ISO 4427-2, ASTM D3035, DIN 8074, ASTM F714, AS/NZS 4130 and EN 12201-2.
- The Company is a leading manufacturer of HDPE pipe in Thailand for over 30 years. We conduct business under the quality policy and environmental conservation. Thus, the Company was being recognized in terms of products and quality control internationally by

focus on environment saving and development policy under the theme “Improving Your Living Environment”. Production process and products of the Company not pollute and environmentally friendly. The Company proud that has international standard of environmental conservation ISO 14001.

- The company has been certified according to Thai Industrial Standards TIS.17025 (ISO/IEC 17025) which is a general requirement for a laboratory's ability to perform tests and/or calibrations, consisting of quality management requirements and academic requirements. This standard can be applied to all organizations conducting testing and/or calibration activities with the following objectives;
  - To be used as criteria for testing laboratories and a calibration laboratory that wants to show that the laboratory has a quality system operation, has academically competent. Test or calibration results issued by laboratories are reliable as technically correct.
  - It is used as a criterion for accreditation of testing and calibration laboratory competences of certification bodies.
  - It is used to verify and acknowledge the competence of the laboratory by the service user of the laboratory or statutory authority
- The company continues to focus on environmental management and attempts to least cause of environmental impact whether our employees, location and nearby communities. The environmental management concerns manufacturing process, chemical using in production and machine maintenance including with disposal hazard and non-hazard waste under legal standard.

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

- The company will follow the news of the tender for construction. Water Supply System through media such as internet, newspapers and publicity. It specifies the basic properties of the project. In order to know the information of the contractors participating in the above projects, our sales department will contact all the patriciate's contractors to offer our products and services, emphasizing the feasible will get the contract. Mostly we will sell our products and services to government contractors who winning bid project for Metropolitan Waterworks Authority (MWA), the Provincial Waterworks Authority (PWA), and various local authorities.
- The Company is flexible to the comprehensive range of customer requirements levels from less complicated tasks which the competition is high to the job requiring expertise. And

high technology engineering which the competition is not very high, such as the pipe under the sea, sewer drains into the sea for a power plant and large petrochemical industries.

#### (4) Marketing and Sales

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

HDPE pipe manufacturer impact by unfair price competition. To avoid from the said problem. The Company has organized activities to communicate with customers in the private sector and government agencies by providing knowledge events. To educate the customer to decide to buy high quality products which it's worth the investment in every project.

#### (5) Customer services

- The Company has a marketing and PR strategy concentrate on high quality standards. Efficient work system to make our customer satisfied. We focus to providing good service for after sales service to establish good relationship with our customers. In addition, the Company has focused on expanding its customer base to cover a wider range of businesses. According to expanding business base policy we will expanding to high level environmental engineering management, which include customers in the business sector and good growth potential such as the energy sector and industrial estates sector.
- PE pipes, which are made from high-quality materials, can use longer than 50 years. This allows PE pipe users to not worry about system maintenance costs and also reduces the cost of having to lay new pipes when the pipes are damaged and end of service life.
- The company started evaluating customer satisfaction in 2017 for the first time with an average score of 4.38 points. In subsequent years, the quality of service to customers is continuously improved. In 2021, the company assessed the satisfaction of customers by sampling from customers who have opened sales orders with bids worth more than 200,000 Baht, including new customers, a total of 35 customers. The average overall customer satisfaction is 4.5 points.

#### Support activities

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

### 3.2.2 Business Value Chain Stakeholder Analysis

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

Business Value Chain Stakeholder Analysis Table

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

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

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



### 3.3 Sustainability Management in Environmental Dimension

#### 3.3.1 Environmental Policies and Practices

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

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

#### 3.3.2 Environmental Performance

##### (1) Environmental Management System Standard (ISO 14001)

The company is certified according to ISO14001:2015, which is the international standard for corporate environmental management systems to increase environmental performance within the organization and for environmental sustainability. This international standard is intended to be used by organizations that wish to systematically manage their environmental responsibilities by using the requirements specified in the Environmental Management System Standards as a guideline for practice to meet the expectations of the EMS which includes enhancing environmental performance, complying with applicable laws and contractual obligations, and the ability to achieve the organization's environmental management objectives, to create value for the organization, stakeholders, environment, and following the organization's environmental policy, including for environmental sustainability.

##### (2) Participatory conservation of electricity

The company organizes activities to conserve electricity with participation with the objective is to examine the behavior of electricity consumption and to control the use of electricity in the Company for maximum efficiency. The goal is to reduce the volume of electricity used in comparison with the volume of electricity per ton of production. In 2021, the company can reduce electricity costs by 1,272,950 Baht through the following operating procedures:

1. Evaluate the status of energy management and review policies.
2. Analyze the quantity and behavior of electricity consumption in each area.
3. Assess the potential for energy conservation.

4. Determine measures, goals, and plans for the conservation of electric energy.
  - Start the machine during the period of low power consumption (night)
  - Planning production to reduce frequent start ups (Short Run)
  - Inspection, maintenance of equipment, tools, machines that use electrical energy
  - Improving or replacing light bulbs, electrical equipment and machinery to be energy-saving.
  - Using electricity sparingly, such as turning off the air conditioner, turning off the fan, unplugging the power when not in use.
5. Communicate and publicize campaigns on electric power management and energy efficiency.
6. Analyze / check the electricity consumption each month
7. Summarize the results and present them to the executives to review the effectiveness and make further improvements.

### (3) Solar Rooftop

In 2021, the company is in the process of installing a solar rooftop system to reduce the cost of electricity costs by the installed capacity is not less than 9 9 9 .9 kilowatts. It is expected to be completed within April 2022.



### (4) Reducing water consumption

The company continually maintains and inspects the condition of the water distribution system within the production process to meet the standards. For the office building, the water flow rate at the washbasin and sanitary ware is adjusted within the building along with effective wastewater management. In 2021, the goal is to reduce water consumption by 3% per ton of production and can reduce the cost of water by 27,720 Baht.

#### (5) Waste and pollution management

The company has a systematic management of waste in business processes according to the 3R (Reduce, Reuse, Recycle) principle. There is an efficient waste sorting system along with creating awareness and involvement with stakeholders to reduce waste disposal by landfill. By making a contract to buy and sell plastic scraps and other waste materials with scrap disposal recipients who have been inspected, controlled and certified for operating standards from the Ministry of Natural Resources and Environment and certified according to ISO 9001 and ISO14001 standards. With perfect plastic recycling process; starting from the separation of types, characteristics until divided into different types of plastic and choose a method to deal with plastic each type correctly. Until the end of the process is to bring back to produce recycled plastic again. This is done properly under the supervision of the Department of Industrial Works and the responsible agencies.

#### (6) Management to reduce greenhouse gas problems

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

#### (7) Annual environmental quality monitoring and measurement plan

The company has set up an environmental working group to survey the surrounding areas of the factory and prepare monthly reports by establishing an annual environmental quality monitoring and measurement plan. In 2021, it was found that the wastewater condition standard, Physical environment (sound, temperature, light), Air quality environment (general dust, fine dust, chemicals) were within normal limits as required by law and there were no cases of chemical spills from business operations.

#### (8) Campaigning and training to educate employees on the environment

In 2021, the company has organized activities to campaign and train employees to educate environmental knowledge and ongoing study visits on environmental management.



### 3.4 Sustainability Management in Social Dimension

#### 3.4.1 Social Policies and Practices

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

##### (1) Occupational Health and Safety Management Standards System (ISO 45001)

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

##### (2) Occupational Health and Safety Environmental Laws and Regulations

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

##### (3) Human Rights Policy

The Company has established a human rights policy as the ethical principles guidelines for employees which sets guidelines on such matters clearly. And announced a guideline for operations of the Company on June 22, 2009 and updated Code of Conduct on February 29, 2016. By upholding and complying with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights ("UNGPs"). focus on labor practices and respect for human

rights with fairness, equality, and non-discrimination. both in terms of employment, compensation, promotion, Employee Training and Development without distinction of gender, age, educational institution, race, and religion, including supporting employment for disadvantaged groups such as people with disabilities, the elderly, and those who have been released from prison to create opportunities, create jobs and stable income, and part of the achievement of the Sustainable Development Goals (SDGs) of the country and the world. The Company adheres to the principles of human rights from employment to the care of employees and personnel to make all employees and personnel feel connected to the same family as the organization.

#### (4) Occupational Safety, Health and Environment Committee

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

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

9. Annual Performance Report as well as identifying problems, obstacles, and suggestions for performing duties of the committee when performing their duties for one year to present to the employer.
10. Assessing the safety performance in the workplace.
11. To perform other work safety tasks as assigned by the employer.

#### 3.4.2 Social Performance

The Company adheres to the principles of human rights from employment to the care of employees and personnel to make all employees and personnel feel connected to the same family as the organization. In 2021, the Company has the following key employee operations:

##### (1) Employment

Details	Number of employees (person)	
	Male	Female
Full-time employee	202	71
Handicapped employee	2	-
Total	204	71

Note: 275 employees are the number of employees as of October 1, 2021, as sent to the Department of the Promotion of the Quality of Life of Persons with Disabilities.

##### (2) Human Resources Management and Development Policy

(2.1) The recruitment for new employees shall be undertaken based on job description, since the Company's nature of business requires specialist candidates. Realizing in a happy workplace principle, the recruitment has been proceeded under "put the right man to the right job" concept. Upon the employment starting date of the new comers, their job descriptions shall be clarified in details for transparency of working.

(2.2) Employees' remuneration and welfare are also emphasized for all employees in all levels. Apart from serving basic welfares as enforced by laws, the Company has established other benefits as follows:

- The health insurance cards are arranged on the purpose of more convenience upon employees' requirement of medical care at any time and hospital with no payment required for both inpatient and outpatient cases.
- Group life and accidental insurance are arranged to ensure employees' confidence on risk since most of works are carried out at sites and any accident maybe arisen.

- The provident funds for their employees has been established in order to allow employees to reserve their funds after retirement for which the Company has paid a counterpart amount for them based on a number of their working years as required by a relevant law.

(2.3) The Board of Directors has defined a policy for Executive Committee to consider and set up a criteria and budget for annual salary increment and bonus reward for which the captioned committee's decision making shall be based on external factors (such as inflation rate forecast, economic situation, etc.) and internal factors (such as annual operating result, history of salary increment and past bonus payment) for remuneration criteria of each year to be appropriate and in line with the Company's short-term and long-term operating results.

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

- New Employees

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

- Permanent Employees in All Levels

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

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

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

(2.6) The internal communication, Human Resources Department is a center, has been constantly arranged among the Company and employees at both head office and site offices through various channels in order to enable them to access, acknowledge and update their knowledge on all regulations and rules including news and information. The main channel is arranged



through the intranet, ERP containing ISO 9001:2015, activities photo and all information related to employees such as date of birth, monthly new comer, etc. In addition, other channels are accessible; email and board announcement.

(2.7) The Company has also emphasized on human rights respect, no involvement to violation of human rights and no gender discrimination including an employment for eye-sight problem employee and no specific gender requirement of employment.

(2.8) An opportunity for complaints has been always provided for employees to inform any offended acts to Company Secretary or Suggestion Box to further propose for consideration of the Audit Committee and the reporter name shall be strictly kept as confidential.

### (3) Employee Training

In 2021, the Company has organized training / seminars to develop employees' knowledge and abilities as follows:

No.	Course	Number of participants	Place	Expenses (Baht)
1	Negotiating the closing of the sale professionally.	2	external	4,056.00
2	Occupational Safety, Health and Environment Committee	5	external	9,900.00
3	Accounting Practices after Covid-19 Temporary Relief and Conceptual Framework 2021	1	external	5,514.02
4	Caring for new employees with the Onboarding Program	2	online	3,959.00
5	Fundamental Accounting and Financial Statement Analysis	1	online	800.00
6	Executive safety officer	1	external	2,000.00
7	Working on the crane	9	internal	1,300.95
8	Driving a forklift properly	12	internal	1,797.00
9	Determination of dimensions and tolerances in mechanical drawings	1	external	3,300.00
10	Business contract strategy	3	online	10,486.00
11	Weholite pipe welding by welding machine 1800-3500 mm.	30	internal	-
12	Measuring and preparing tensile test specimens	16	internal	-
13	CFO 2022	1	external	5,514.02
14	The meaning of the GD&T symbol according to the SME standard	1	external	3,360.00
15	Worker in confined space	6	external	48,000.00
16	Training to educate and communicate anti-corruption policy to employees for the sustainability of the organization.	63	online	-
Total				99,986.99

#### (4) Customer Satisfaction Assessment 2021

In 2021, the Company assessed customer satisfaction by sampling customers who have the sales order and customers who bid more than 200,000 Baht including new customers total of 35 customers. The average score of customer satisfaction was 4.5 points as follows.

Customer Requirement			Satisfaction Mean		
			2021	2020	2019
Personnel	1	Salespersons have the knowledge, understanding, answer questions about pipe products and equipment.	4.7	4.7	4.7
	2	Salespersons respond quickly to requests.	4.8	4.7	4.7
	3	Salespersons can describe the process of selling a water pipeline project.	4.6	4.6	4.5
	4	Salespersons can respond to customer complaints and solve problems quickly and efficiently.	4.7	4.7	4.6
Products	5	Quality of products meet the requirements.	4.6	4.7	4.6
	6	A variety of products covered the demand.	4.5	4.3	4.2
Delivery	7	Delivery can be delivered on time.	4.5	4.6	4.5
	8	Delivery department coordinate delivery of products efficiently.	4.5	4.5	4.5
	9	Delivery is complete and accurate, no damage was found during transportation	4.5	4.7	4.6
Services	10	Delivery of documents related to sales.	4.6	4.5	4.6
	11	Documentation can support sales of pipe products and equipment.	4.7	4.7	4.2
	12	After-sales service helps to get information and news of the Company continuously.	4.8	4.8	4.3
Average customer satisfaction			4.5	4.6	4.5

- Note
1. Satisfaction score has a maximum score of 5 points each.
  2. The Company began the customer satisfaction assessments in 2017 with an average score of 4.38 points. In subsequent years, customer service quality was improved and in 2021 the score was 4.5 points as detailed above.

#### (5) Community & Society

The Company operates its business with responsibility to communities and society by focusing on reducing environmental impact and avoiding operations that may hurt the quality of life of the communities surrounding the establishment. In 2021, there were no complaints from the community on social or environmental issues. Besides, the Company also takes part in improving the quality of life and promoting participation with the community. In 2021, the Company has activities with the community as follows:

#### 7.1) Fish release activities

On September 21, 2021, the company has supported the budget for organizing aquatic animal release activities "Water Conservation Project" with Amata City Rayong Industrial Estate Office, Amata City Rayong Company Limited, and Dok Krai Inland Fisheries Resource Management Group at Dok Krai Reservoir Fishery Resources Management Group, Village No. 6 , Phana Nikhom Sub-district, Nikhom Phatthana District, Rayong Province. The objective is to create cooperation in the conservation of natural resources and propagating aquatic animals, including increasing biodiversity in the Dok Krai Reservoir area which is a natural water source surrounding the industrial estate to be rich.

#### 7.2) Donate drinking water to Pluak Daeng Hospital

On May 13, 2021, the Company donated 60 packs of drinking water (720 bottles) to Pluak Daeng Hospital, Pluak Daeng District, Rayong Province for consumption and distribution to the hospital personnel and those who continue to receive treatment at Pluak Daeng Hospital.

## 4. Management Discussion and Analysis: MD&A

### 4.1 Key Financial Information

#### 4.1.1 Summary Financial Statements

WIJK Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2019 - 2021

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2021	2020	2019	2021	2020	2019
Assets						
Current assets						
Cash and cash equivalents	366,259,273	106,217,688	94,394,077	349,984,123	78,800,049	83,086,514
Restricted bank deposits	35,533,385	-	-	35,533,385	-	-
Trade and other receivables	427,188,552	604,062,804	407,897,407	295,133,671	509,163,114	289,097,416
Inventories	420,706,411	351,290,325	449,623,244	380,807,804	321,806,865	414,931,901
Short-term loans to related party	-	-	-	305,000,000	271,000,000	195,000,000
Advance payment to subcontractors	5,189	4,167,970	9,760,801	5,189	1,753,837	-
Other current assets	43,134,307	69,062,679	77,471,699	14,030,475	36,336,207	43,822,963
Total current assets	1,292,827,117	1,134,801,466	1,039,147,228	1,380,494,647	1,218,860,072	1,025,938,794
Non-current assets						
Restricted bank deposits	17,212,937	17,212,937	16,500,000	16,250,000	16,250,000	16,000,000
Other non-current financial assets	29,810,393	30,980,695	-	29,810,393	30,980,695	-
Advance payment for purchase of shares	-	-	5,000,000	-	-	-
Investments in subsidiaries	-	-	-	210,822,200	192,147,200	192,147,200
Other long-term investments	-	-	21,245,632	-	-	21,245,632
Property, plant and equipment	1,007,343,249	1,009,289,538	892,723,368	590,393,272	600,965,425	516,198,210
Right-of-use assets	59,877,682	71,102,064	-	22,064,622	27,778,241	-
Assets for production of filtrated water that must be transferred at end of agreement of subsidiary	73,237,948	75,262,704	8,558,887	-	-	-
Intangible assets	141,155,789	148,991,898	152,389,012	3,853,174	3,959,869	504,451
Deferred tax assets	26,506,403	24,782,592	17,056,057	15,520,323	16,265,121	11,808,052
Advance payment for plant and equipment	2,488,289	1,890,131	9,297,526	1,993,289	1,395,131	8,802,526
Other non-current assets	10,865,148	10,181,873	9,937,441	1,354,426	1,602,917	1,930,880
Total non-current assets	1,368,497,838	1,389,694,432	1,132,707,923	892,061,699	891,344,599	768,636,951
Total assets	2,661,324,955	2,524,495,898	2,171,855,151	2,272,556,346	2,110,204,671	1,794,575,745

WIIC Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019 - 2021

				(Unit: Baht)		
	Consolidated financial statements			Separate financial statements		
	2021	2020	2019	2021	2020	2019
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from financial institutions	-	416,131,396	525,334,685	-	416,131,396	525,334,685
Trade and other payables	62,142,152	150,351,353	199,801,609	53,099,134	124,980,781	49,000,425
Current portion of long-term loans	43,715,980	42,492,806	24,144,269	-	-	-
Current portion of liabilities under						
finance lease agreements	-	-	5,549,663	-	-	4,792,371
Income tax payable	3,532,542	15,722,833	-	3,532,542	15,722,833	-
Current portion of lease liabilities	14,142,395	13,262,527	-	7,972,047	7,433,129	-
Advance received from customers	62,251,986	120,670,661	256,346,492	61,715,182	119,617,603	256,275,926
Accrued expenses	25,562,711	29,972,743	-	20,951,817	25,110,599	-
Other current liabilities	45,219,782	56,434,508	78,048,193	36,169,911	47,607,983	41,056,890
Total current liabilities	256,567,548	845,038,827	1,089,224,911	183,440,633	756,604,324	876,460,297
Non-current liabilities						
Long-term loans, net of current portion	190,311,359	220,484,973	102,275,667	-	-	-
Liabilities under finance lease agreements,						
net of current portion	-	-	12,214,407	-	-	10,888,427
Lease liabilities, net of current portion	48,799,610	57,029,374	-	15,545,543	18,581,988	-
Provision for long-term employee benefits	27,294,708	27,355,727	24,613,377	23,403,122	24,171,205	22,065,026
Deferred tax liabilities	41,153,496	41,387,557	21,530,640	41,153,496	41,387,557	21,162,229
Provision for decommissioning	624,791	578,343	535,335	-	-	-
Other non-current liabilities	100,000	100,000	100,000	100,000	100,000	100,000
Total non-current liabilities	308,283,964	346,935,974	161,269,426	80,202,161	84,240,750	54,215,682
Total liabilities	564,851,512	1,191,974,801	1,250,494,337	263,642,794	840,845,074	930,675,979

WIIC Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019 - 2021

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2021	2020	2019	2021	2020	2019
Shareholders' equity						
Share capital						
Registered						
1,072,263,290 ordinary shares of Baht 1 each						
(2019 - 2020: 725,335,328 ordinary shares of Baht 1 each)	1,072,263,290	725,335,328	725,335,328	1,072,263,290	725,335,328	725,335,328
Issued and fully paid up						
837,683,062 ordinary shares of Baht 1 each						
(2020: 577,427,042 ordinary shares of Baht 1 each)						
(2019: 437,427,042 ordinary shares of Baht 1 each)	837,683,062	577,427,042	437,427,042	837,683,062	577,427,042	437,427,042
Share premium	859,613,073	417,162,132	277,162,132	859,613,073	417,162,132	277,162,132
Difference resulting from change in interest in subsidiary without loss of control	1,456,670	-	-	-	-	-
Retained earnings						
Appropriated - statutory reserve	52,597,372	48,303,728	42,412,850	52,597,372	48,303,728	42,412,850
Unappropriated	169,731,715	131,866,019	79,709,874	101,257,869	68,704,519	22,248,826
Other components of shareholders' equity	157,762,176	157,762,176	84,648,916	157,762,176	157,762,176	84,648,916
Equity attributable to owners of the company	2,078,844,068	1,332,521,097	921,360,814	2,008,913,552	1,269,359,597	863,899,766
Non-controlling interests of the subsidiaries	17,629,375	-	-	-	-	-
Total shareholders' equity	2,096,473,443	1,332,521,097	921,360,814	2,008,913,552	1,269,359,597	863,899,766
Total liabilities and shareholders' equity	2,661,324,955	2,524,495,898	2,171,855,151	2,272,556,346	2,110,204,671	1,794,575,745

WIIC Public Company Limited and its subsidiaries  
Statement of comprehensive income  
For the year ended 31 December 2019 - 2021

	(Unit: Baht)					
	Consolidated financial statements			Separate financial statements		
	2021	2020	2019	2021	2020	2019
Profit or loss:						
Revenues						
Sales	1,095,652,177	1,216,892,352	1,007,325,417	1,025,793,082	1,107,979,679	906,185,275
Service income	188,770,008	396,946,996	208,313,663	63,873,699	283,952,365	131,917,766
Dividend income	-	-	320,000	-	-	320,000
Other income	10,622,555	7,952,514	36,541,229	9,937,252	8,618,633	36,607,796
Total revenues	1,295,044,740	1,621,791,862	1,252,500,309	1,099,604,033	1,400,550,677	1,075,030,837
Expenses						
Cost of sales	885,534,334	990,283,647	868,534,430	825,286,018	904,985,252	798,375,347
Cost of services	135,659,180	326,722,082	164,459,071	62,239,152	254,210,007	118,574,383
Selling and distribution expenses	43,655,531	44,171,849	58,749,146	43,655,531	44,171,849	58,749,146
Administrative expenses	98,712,700	97,758,813	97,505,965	61,715,862	56,841,925	57,064,195
Total expenses	1,163,561,745	1,458,936,391	1,189,248,612	992,896,563	1,260,209,033	1,032,763,071
Operating profit	131,482,995	162,855,471	63,251,697	106,707,470	140,341,644	42,267,766
Finance income	1,500,624	1,099,286	844,631	12,068,254	9,737,689	12,630,825
Finance cost	(23,623,290)	(34,502,507)	(42,252,812)	(12,445,634)	(22,689,658)	(34,225,179)
Profit before income tax expenses	109,360,329	129,452,250	21,843,516	106,330,090	127,389,675	20,673,412
Income tax expenses	(17,542,757)	(20,109,441)	(276,754)	(20,056,275)	(23,747,318)	(4,828,293)
Profit for the year	91,817,572	109,342,809	21,566,762	86,273,815	103,642,357	15,845,119
Other comprehensive income:						
Other comprehensive income not to be reclassified to profit or loss in subsequent periods						
Actuarial loss - net of income tax	2,721,247	-	(1,330,485)	2,541,613	-	(1,330,485)
Changes in surplus on revaluation of land - net of income tax	-	73,113,260	-	-	73,113,260	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	2,721,247	73,113,260	(1,330,485)	2,541,613	73,113,260	(1,330,485)
Other comprehensive income for the year	2,721,247	73,113,260	(1,330,485)	2,541,613	73,113,260	(1,330,485)
Total comprehensive income for the year	94,538,819	182,456,069	20,236,277	88,815,428	176,755,617	20,236,277
Profit attributable to:						
Equity holders of the Company	91,417,025	109,342,809	21,566,762	86,273,815	103,642,357	15,845,119
Non-controlling interests of the subsidiary	400,547	-	-	-	-	-
Total comprehensive income attributable to:						
Equity holders of the Company	94,127,774	182,456,069	20,236,277	88,815,428	176,755,617	20,236,277
Non-controlling interests of the subsidiary	411,045	-	-	-	-	-
Earnings per share						
Basic earnings per share						
Profit attributable to equity holders of the Company	0.1357	0.2363	0.0493	0.1281	0.2240	0.0362
Diluted earnings per share						
Profit attributable to equity holders of the Company	-	0.2363	0.0493	-	0.2240	0.0362

WIIC Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2019 - 2021

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	2021	2020	2019	2021	2020	2019
Cash flows from operating activities						
Profit before tax	109,360,329	129,452,250	21,843,516	106,330,090	127,389,675	20,673,412
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:						
Depreciation and amortisation	96,970,525	87,723,564	73,031,222	46,925,824	44,803,048	38,631,961
Doubtful accounts	-	-	1,241,809	-	-	1,245,340
Bad debt	-	-	375,827	-	-	375,827
Reversal Impairment loss on financial assets	(3,874,152)	(2,102,322)	-	(3,874,152)	(2,102,322)	-
Reduction of inventories to net realisable value	6,246,564	5,686,511	1,667,282	6,246,564	5,686,511	1,667,282
Write-off inventories	423,594	2,558,993	102,981	423,594	2,558,993	102,981
Gain on sale of plant and equipment	(194,932)	(217,105)	(1,083,451)	(151,701)	(217,105)	(1,083,451)
Recersal of loss on impairment of property, plant and equipment	-	-	(28,201)	-	-	(28,201)
Write-off withholding income tax	-	2,178,503	623,733	-	1,607,188	614,287
Long-term employee benefits expenses	5,031,540	4,558,452	7,306,387	3,786,133	3,386,979	6,342,281
Unrealised loss (gain) on exchange	1,157,876	(2,904,769)	749,951	1,182,568	(2,905,698)	733,198
Loss on fair value adjustment of financial instruments	1,085,488	-	-	1,085,488	-	-
Dividend income	-	-	(320,000)	-	-	(320,000)
Finance income	(1,500,624)	(1,099,286)	(844,631)	(12,068,254)	(9,737,689)	(12,630,825)
Finance cost	23,623,290	34,502,507	42,252,812	12,445,634	22,689,658	34,225,179
Profit from operating activities before changes in operating assets and liabilities	238,329,498	260,337,298	146,919,237	162,331,788	193,159,238	90,549,271
Operating assets (increase) decrease						
Trade and other receivables	181,741,462	(222,272,158)	21,113,717	218,897,693	(220,756,534)	19,991,336
Inventories	(76,086,244)	90,087,415	(69,580,264)	(65,671,097)	84,879,532	(66,104,638)
Advance payment to subcontractors	4,162,781	5,592,831	9,669,651	1,748,648	(1,753,837)	9,955,441
Other current assets	28,505,082	8,264,794	6,603,336	24,884,093	7,339,285	13,599,280
Other non-current assets	217,652	327,163	(24,573)	248,492	327,963	(36,626)
Operating liabilities increase (decrease)						
Trade and other payables	(88,662,618)	(51,172,440)	17,258,596	(72,336,213)	71,883,186	19,492,348
Advance received from customers	(58,418,675)	(135,675,831)	205,376,232	(57,902,421)	(136,658,323)	207,193,139
Accrued expenses	(3,663,616)	494,498	-	(3,462,788)	3,093,143	-
Other current liabilities	(11,140,908)	31,277,756	(4,282,070)	(11,364,256)	28,019,396	(6,495,762)
Employee benefit paid during the year	(1,691,000)	(1,816,102)	(301,230)	(1,377,200)	(1,280,800)	(270,000)
Other non-current liabilities	-	-	100,000	-	-	100,000
Cash from (used in) operating activities	213,293,414	(14,554,776)	332,852,632	195,996,739	28,252,249	287,973,789
Interest paid	(22,069,229)	(32,044,998)	(41,022,799)	(12,510,111)	(21,163,429)	(32,932,863)
Corporate income tax paid	(35,636,085)	(14,722,046)	(3,778,741)	(34,735,157)	(12,932,590)	(2,351,040)
Cash returns from withholding tax	-	646,547	1,808,173	-	-	-
Net cash from (used in) operating activities	155,588,100	(60,675,273)	289,859,265	148,751,471	(5,843,770)	252,689,886



WIJK Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2019 - 2021

	(Unit: Baht)					
	Consolidated financial statements			Separate financial statements		
	2021	2020	2019	2021	2020	2019
Cash flows from investing activities						
Increase in restricted bank deposits	(35,533,385)	(712,937)	(500,000)	(35,533,385)	(250,000)	-
Net cash payment for investment in subsidiary	-	-	(9,992,717)	(18,675,000)	-	-
Cash receipt from advance payment for purchase of shares	-	5,000,000	-	-	-	-
Cash payment for short-term loans to related party	-	-	-	(65,000,000)	(246,000,000)	(120,000,000)
Cash receipt from repayment of short-term loans to related party	-	-	-	31,000,000	170,000,000	115,000,000
Dividend received from other long-term investment	-	-	320,000	-	-	320,000
Acquisition of property, plant and equipment	(62,464,278)	(96,320,233)	(143,528,504)	(22,711,942)	(34,753,308)	(20,026,610)
Proceeds from sales of plant and equipment	199,533	500,716	1,173,271	198,598	500,716	1,173,271
Acquisition of assets for production of filtrated water that must be transferred at end of agreement of subsidiary	(2,273,519)	(66,773,788)	(9,045,873)	-	-	-
Acquisition of intangible assets	(879,300)	(5,348,279)	-	(879,300)	(4,472,952)	-
Increase in cash payment in advance for plant and equipment	(1,993,289)	(1,395,131)	(8,802,526)	(1,993,289)	(1,395,131)	(8,802,526)
Interest received	1,499,086	1,117,012	848,191	12,065,063	10,616,275	12,336,741
Net cash used in investing activities	(101,445,152)	(163,932,640)	(169,528,158)	(101,529,255)	(105,754,400)	(19,999,124)
Cash flows from financing activities						
Decrease in short-term loans from financial institutions	(416,131,396)	(109,203,289)	(25,406,518)	(416,131,396)	(109,203,289)	(25,406,518)
Proceed from increase in share capital of subsidiary	18,675,000	-	-	-	-	-
Cash receipt from issuance promissory note to third party	-	100,000,000	30,000,000	-	-	-
Repayment of promissory note to third party	-	(100,000,000)	(30,000,000)	-	-	-
Cash receipt from issuance bill of exchange	-	-	150,000,000	-	-	150,000,000
Repayment of bill of exchange	-	-	(150,000,000)	-	-	(150,000,000)
Cash receipt from long-term loans	-	172,000,000	-	-	-	-
Repayment of long-term loans	(28,950,440)	(35,442,157)	(20,932,224)	-	-	-
Cash receipt from issuance of short-term debentures	-	-	(150,000,000)	-	-	(150,000,000)
Proceeds from increase in share capital	702,706,961	280,000,000	-	702,706,961	280,000,000	-
Payment of liabilities under finance lease agreements	-	-	(3,604,417)	-	-	(2,861,907)
Payment of principal portion of lease liabilities	(16,970,812)	(17,168,862)	-	(9,158,449)	(9,731,657)	-
Dividend paid	(51,957,437)	(56,815,520)	(11,241,879)	(51,957,437)	(56,815,520)	(11,241,879)
Net cash from financing activities	207,371,876	233,370,172	(211,185,038)	225,459,679	104,249,534	(189,510,304)
Net increase (decrease) in cash and cash equivalents	261,514,824	8,762,259	(90,853,931)	272,681,895	(7,348,636)	43,180,458
Unrealised gain (loss) on exchange for cash and cash equivalents	(1,473,239)	3,061,352	(859,686)	(1,497,821)	3,062,171	(842,933)
Cash and cash equivalents at beginning of year	106,217,688	94,394,077	186,107,694	78,800,049	83,086,514	40,748,989
Cash and cash equivalents at end of year	366,259,273	106,217,688	94,394,077	349,984,123	78,800,049	83,086,514
Supplemental disclosure of cashflow information						
Non-cash transactions						
Surplus on revaluation of land	-	91,391,575	-	-	91,391,575	-
Acquisition of motor vehicle under finance lease agreements	-	-	12,650,000	-	-	12,650,000
Increase in other payables from acquisition of equipment	975,420	3,697,540	127,362,784	975,420	3,640,352	932,040
Increase in right-of-use assets from lease liabilities	6,310,639	3,423,672	-	5,276,405	903,578	-
Transferred cash payment in advance for plant and equipment to plant and equipment	1,395,131	8,802,526	231,000	1,395,131	8,802,526	231,000
Provision for decommissioning of plant and equipment	46,448	43,008	39,822	-	-	-
Transferred advance payment for purchase of shares to investment in subsidiary	-	-	25,000,000	-	-	-
Transferred right-to-use assets to property, plant and equipment	657,944	-	-	657,944	-	-

WIIC Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity  
For the year ended 31 December 2019 - 2021

(Unit: Baht)

	Consolidated financial statements								
	Shareholders' equity								
			Difference resulting from change in interest in subsidiary without loss of control	Retained earnings		Other components of equity	Total shareholders' equity	Non-controlling interests of the subsidiaries	Total shareholders' equity
	Issued and paid-up share capital	Share premium		Appropriated	Unappropriated	Other comprehensive income Surplus on revaluation of assets			
Balance as at 1 January 2019	374,938,533	277,162,132	-	38,531,907	137,092,314	84,648,916	912,373,802	-	912,373,802
Profit for the year	-	-	-	-	21,566,762	-	21,566,762	-	21,566,762
Other comprehensive income for the year	-	-	-	-	(1,330,485)	-	(1,330,485)	-	(1,330,485)
Total comprehensive income for the year	-	-	-	-	20,236,277	-	20,236,277	-	20,236,277
Increase in share capital from stock dividend	62,488,509	-	-	-	-	-	62,488,509	-	62,488,509
Dividend paid	-	-	-	-	(73,737,774)	-	(73,737,774)	-	(73,737,774)
Transferred unappropriated retained earnings to statutory reserve	-	-	-	3,880,943	(3,880,943)	-	-	-	-
Balance as at 31 December 2019	437,427,042	277,162,132	-	42,412,850	79,709,874	84,648,916	921,360,814	-	921,360,814
Balance as at 1 January 2020	437,427,042	277,162,132	-	42,412,850	85,279,583	84,648,916	926,930,523	-	926,930,523
Profit for the year	-	-	-	-	109,342,809	-	109,342,809	-	109,342,809
Other comprehensive income for the year	-	-	-	-	-	73,113,260	73,113,260	-	73,113,260
Total comprehensive income for the year	-	-	-	-	109,342,809	73,113,260	182,456,069	-	182,456,069
Increase share capital	140,000,000	140,000,000	-	-	-	-	280,000,000	-	280,000,000
Dividend paid	-	-	-	-	(56,865,495)	-	(56,865,495)	-	(56,865,495)
Transferred unappropriated retained earnings to statutory reserve	-	-	-	5,890,878	(5,890,878)	-	-	-	-
Balance as at 31 December 2020	577,427,042	417,162,132	-	48,303,728	131,866,019	157,762,176	1,332,521,097	-	1,332,521,097

(Unit: Baht)

	Consolidated financial statements								
	Shareholders' equity								
	Difference resulting from change in interest in subsidiary without loss of control					Other components of equity			
	Issued and paid-up share capital	Share premium		Retained earnings		Other comprehensive income	Total shareholders' equity	Non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated	Unappropriated	Surplus on revaluation of assets			
Balance as at 1 January 2021	577,427,042	417,162,132	-	48,303,728	131,866,019	157,762,176	1,332,521,097	-	1,332,521,097
Profit for the year	-	-	-	-	91,417,025	-	91,417,025	400,547	91,817,572
Other comprehensive income for the year	-	-	-	-	2,710,749	-	2,710,749	10,498	2,721,247
Total comprehensive income for the year	-	-	-	-	94,127,774	-	94,127,774	411,045	94,538,819
Increase share capital	260,256,020	442,450,941	-	-	-	-	702,706,961	-	702,706,961
Dividend paid	-	-	-	-	(51,968,434)	-	(51,968,434)	-	(51,968,434)
Increase in non-controlling interests of the subsidiary	-	-	1,456,670	-	-	-	1,456,670	17,218,330	18,675,000
Transferred unappropriated retained earnings to statutory reserve	-	-	-	4,293,644	(4,293,644)	-	-	-	-
Balance as at 31 December 2021	837,683,062	859,613,073	1,456,670	52,597,372	169,731,715	157,762,176	2,078,844,068	17,629,375	2,096,473,443

WIik Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity (continued)  
For the year ended 31 December 2019 - 2021

(Unit: Baht)

	Separate financial statements				Other components	
	Issued and paid-up share capital	Share premium	Retained earnings		of equity	Total shareholders' equity
			Appropriated	Unappropriated	Other comprehensive income	
					Surplus on revaluation of assets	
Balance as at 1 January 2019	374,938,533	277,162,132	38,531,907	85,157,224	84,648,916	860,438,712
Profit for the year	-	-	-	15,845,119	-	15,845,119
Other comprehensive income for the year	-	-	-	(1,134,800)	-	(1,134,800)
Total comprehensive income for the year	-	-	-	14,710,319	-	14,710,319
Increase in share capital from stock dividend	62,488,509	-	-	-	-	62,488,509
Dividend paid	-	-	-	(73,737,774)	-	(73,737,774)
Transferred unappropriated retained earnings to statutory reserve	-	-	3,880,943	(3,880,943)	-	-
Balance as at 31 December 2019	437,427,042	277,162,132	42,412,850	22,248,826	84,648,916	863,899,766
Balance as at 1 January 2020	437,427,042	277,162,132	42,412,850	27,818,535	84,648,916	869,469,475
Profit for the year	-	-	-	103,642,357	-	103,642,357
Other comprehensive income for the year	-	-	-	-	73,113,260	73,113,260
Total comprehensive income for the year	-	-	-	103,642,357	73,113,260	176,755,617
Increase share capital	140,000,000	140,000,000	-	-	-	280,000,000
Dividend paid	-	-	-	(56,865,495)	-	(56,865,495)
Transferred unappropriated retained earnings to statutory reserve	-	-	5,890,878	(5,890,878)	-	-
Balance as at 31 December 2020	577,427,042	417,162,132	48,303,728	68,704,519	157,762,176	1,269,359,597

(Unit: Baht)

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

#### 4.1.2 Financial Ratios

Key Financial Ratios as at 31 December 2019 - 2021.

Financial Ratios		2021	2020	2019
<b>LIQUIDITY RATIO</b>				
Current ratio	(times)	5.04	1.34	0.94
Quick ratio	(times)	3.23	0.84	0.46
Cash flow ratio	(times)	0.28	(0.06)	0.29
Accounts receivable turnover ratio	(times)	2.49	3.19	2.92
Average collection period	(days)	146.59	114.42	125.00
Inventory Turnover ratio	(times)	4.03	4.06	3.48
Average sale period	(days)	90.57	89.90	104.89
Payable turnover ratio	(times)	11.44	15.63	32.61
Repayment period	(days)	31.91	23.35	11.19
Cash Cycle	(days)	205.25	180.97	218.69
<b>PROFITABILITY RATIO</b>				
Gross profit margin	(%)	20.49	18.39	15.02
Operating profit margin	(%)	10.24	10.09	5.27
Other income ratio	(%)	0.82	0.49	3.01
Cash to profitability	(%)	118.33	(37.26)	452.22
Net profit margin	(%)	7.06	6.74	1.72
Return on equity	(%)	5.33	9.70	2.35
<b>EFFICIENCY RATIO</b>				
Return on assets	(%)	3.53	4.66	1.04
Return on fixed assets	(%)	18.68	20.72	11.99
Assets turnover	(times)	0.50	0.69	0.60
<b>FINANCIAL POLICY RATIO</b>				
Debt to Equity ratio	(times)	0.27	0.89	1.36
Interest coverage ratio	(times)	9.66	(0.43)	8.16
Debt service coverage ratio	(times)	0.77	(0.27)	1.58
Dividend payout ratio	(%)	87.48	60.85	91.38

## 4.2 Management Discussion and Analysis

### 4.2.1 Overview

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

##### WIIC Public Company Limited (WIIC)

Principally engaged in the manufacture and distribution of High Density Polyethylene (HDPE) pipe and related certain fittings, Low Density Polyethylene (LDPE) pipe, Polypropylene (PP) pipe, Polybutylene (PB) pipe, Weholite Spiro pipe, including technical advising and planning for pipe installation system, and providing High Density Polyethelene (HDPE) pipe installation service. In the year 2021 there are important events as follows;

- ❖ Entered into a joint venture agreement without registering a new juristic person in the name "P.S.I-WIIC Joint Venture " to join the bidding for the construction of rainwater drainage to prevent flooding project with the project value of 123.90 million Baht. P.S.I. Engineering Co., Ltd. is responsible for 1% of the project value and the Company is responsible for 99% of the project value. The project has been completed on March 18, 2021.
- ❖ On 9 February 2021, The Company purchased the additional shares of the Subsidiary in the amount of 450,000 ordinary shares at Baht 166 per share, a total of Baht 74.70 million, and waived the right to purchase the remaining 450,000 ordinary shares. As consequently the company decreased the shareholding from 100.00 percent to 82.69 percent. There is no change in status of its subsidiary on 16 February 2021, the Company made an initial payment of 25 percent of total payment for the shares, or a total of Baht 18.675 million.
- ❖ On 15 July 2021, the Extraordinary General Meeting of the Company's Shareholders passed a resolution approving the capital increase and the allotment of not over 330,000,000 new ordinary shares with a par value of Baht 1 per share to existing shareholders of the Company, proportional to their shareholding (Right Offering) at an offering ratio of 1.75 existing shares to 1 new ordinary share (a fraction of share shall be disregarded). The offering price was Baht 2.70 per share, representing not over Baht 891 million.
- ❖ On 20 August 2021, the Company reported the results of the sale of newly issued ordinary shares to the Stock Exchange of Thailand of 260,241,689 shares at an offering price of Baht 2.70 per share with a par value of 1 Baht per share, or a total of Baht

702,652,560. By in these shares, 260 million share was the capital increase over the rights of Lesso (Thailand) Investment limited. The Company registered the increase of paid-up capital with the Ministry of Commerce on 25 August 2021.

- ❖ On 5 January 2022, the Company reported the results of the exercise of the Company's ordinary share warrants No.2 ("WIIC-W2") to the Stock Exchange of Thailand. On 30 December 2021. The final exercise. Ten thousand eight hundred and sixty-six (10,866) WIIC-W2 warrants were exercised to 14,331 ordinary shares at a price of Baht 3.796 per share. On 12 January 2022, the Company registered the increase in its paid-up share capital with the Ministry of Commerce. The amount of 124,960,790 units unexercised WIIC-W2 warrants lost their status as securities listed on the Stock Exchange of Thailand, effective from 31 December 2021, and can no longer be exercised.

#### WIIC Water Company Limited (WW)

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

- ❖ On 9 February 2021, the Extraordinary General Meeting of the Shareholders of Wiik Water Company Limited passed a resolution approving increase of the registered capital, from Baht 170,000,000 to Baht 260,000,000, by issuing 900,000 new ordinary shares at a par value of Baht 100 per share to enhancing the liquidity of future business of the Subsidiary at the offering price of Baht 166 per share. The initial payment for the shares was required at 25 percent of the new registered capital, and the payment for the remainder would be called for by the Board of Directors upon the necessity. In this regards the Company received the initial payment of 25 percent of total payment, or a total of Baht 37.35 million and registered the increase in its registered capital with the Ministry of Commerce on 23 February 2021.

#### WIIC PT Company Limited (WIIC PT)

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



### Summarized of the Statement of income (consolidated financial statements)

Unit: million Baht	Year 2021	Year 2020	Changed (%)
Income from sale pipe	1,023.66	1,085.18	(5.67)
Income from installation pipe	63.87	283.80	(77.49)
Incomes from the water management business			
- Sales and service of water supply	148.37	134.95	9.94
- Installation of water production systems and construction of turnkey water treatment systems	48.52	109.91	(55.85)
Other income	10.62	7.95	33.58
<b>Total revenues</b>	<b>1,295.04</b>	<b>1,621.79</b>	<b>(20.15)</b>
Cost from sale pipe	823.60	884.32	(6.87)
Cost from installation pipe	61.70	253.89	(75.70)
Cost from the water management business			
- Sales and service of water supply	105.29	93.55	12.55
- Installation of water production systems and construction of turnkey water treatment systems	30.60	85.25	(64.11)
Selling and distribution expenses	43.66	44.17	(1.15)
Administrative expenses	98.71	97.76	0.97
Finance cost	22.12	33.40	(33.77)
Profit before income tax expenses	109.36	129.45	(15.52)
Income tax expenses	(17.54)	(20.11)	(12.78)
<b>Net profit for the year</b>	<b>91.82</b>	<b>109.34</b>	<b>(16.02)</b>
Profit attributable to:			
Equity holders of the Company	91.42	109.34	
Non-controlling interests of the subsidiary	0.40	-	
	91.82	109.34	

Overview of the operating results for the year 2021 of the Company and its subsidiaries has changed less than 20%. In 2021, the net profit was 91.82 million Baht, compared to the year 2020, a net profit of 109.34 million Baht, a decrease of 17.52 million Baht from the last year, or 16.02%. The major cause was the epidemic of COVID-19 in the 3rd and 4th quarters which was more severe than before. The government issues various measures to control the spread of COVID-19 including the halt of construction work. This brought to delay of construction progress and delay of construction material delivery.

(2) Industry and economic conditions that affect the operation

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

Currently oil price situation in global market impact on economy and industry of Thailand. Plastics industry is one that affected from Oil prices directly because Plastics industry is directly linked to petroleum industry and petrochemical industry which is source of raw material for the production of plastic resins. Therefore, the production cost of plastic resin industry was directly changed by the price of petroleum in global market.

The Office of the National Economic and Social Development Board reported that in 2021, the Thai economy expanded by 1.6 percent, recovering from a 6.2-percent contraction in 2020. Export of goods, private consumption, and investments expanded by 18.8 percent, 0.3 percent, and 3.4 percent, respectively. The headline inflation was at 1.2 percent and the current account registered a deficit of 2.2 percent of GDP.

The Thai economy in the fourth quarter of 2021 expanded by 1.9 percent (%YoY), recovering from a contraction of 0.2 percent in the previous quarter. After seasonally adjusted, the Thai economy increased by 1.8 percent from the third quarter (%QoQ sa). On expenditure side: export of goods and services and government expenditure accelerated. Private consumption and public investment returned to expansions, while private investment decreased. On the production side: the manufacturing sector, the transportation and storage sector, and the electricity, gas, steam, and air conditioning supply sector returned to expand, while the wholesale and retail trade sector continued to grow. On the contrary, the agricultural sector decelerated, while the accommodation and food services sector and construction sector decreased. In 2021, the Thai economy expanded by 1.6 percent, recovering from a 6.2-percent contraction in 2020.

Construction sector

Construction sector decreased by 0.9 percent, improving from a 4.2-percent decrease in the previous quarter, following a decline in private construction. Meanwhile, government construction rebounded. In this quarter, public construction declined by 0.7 percent, improving from a 6.3-percent contraction in the previous quarter. (Government construction increased by 6.1 percent, improving from a 10.2-percent decrease in the previous quarter while state enterprise construction decreased by

14.8 percent). Private construction continued to decline for five consecutive quarters by 0.9 percent, as a result of a decline in other construction. Meanwhile, construction of residential buildings and non-residential buildings continued to expand from the previous quarter. Construction Material Price Index (CMI) continued to rise by 9.8 percent for five consecutive quarters owing to an increase in the iron products (35.5 percent), concrete ingredient (5.6 percent), and electrical and plumbing (3.9 percent).

In 2021, construction sector expanded by 2.7 percent, accelerating from a 1.3-percent growth in 2020. Public construction increased by 4.7 percent (government construction expanded by 7.0 percent while state enterprise construction declined by 0.1 percent). In contrast, private construction dropped by 0.6 percent.

#### Government expenditure side

On the expenditure side, the total budget disbursement in the first quarter of fiscal year 2022 was at 1,295.0 billion Baht<sup>1</sup>, increasing by 11.4 percent from the same quarter last year in which current expenditure disbursements stood at 1,097.4 billion Baht (rose by 16.3 percent), and capital expenditure disbursement stood at 197.7 billion Baht (decreased by 9.9 percent). Classified by sources of funds, the government disbursements were as follows:

- (1) The 2022 annual budget disbursement stood at 983.5 billion Baht, increasing from the same quarter last year by 4.8 percent. The disbursement rate was at 31.7 percent, greater than 28.6 percent in the same quarter last year. The current expenditure disbursement amounted to 886.6 billion Baht, increasing by 2.5 percent from the same quarter last year mainly as a result of a disbursement from the Other Expenditure category. The disbursement rate was at 35.5 percent, higher than 32.3 percent in the same quarter last year. Meanwhile, the capital expenditure disbursement marked at 96.9 billion Baht, increasing from the same quarter last year by 32.4 percent, mainly as a result of a disbursement from Land and Construction category, and Other Expenditure category. The disbursement was at 16.0 percent, higher than 12.1 percent in the same quarter last year;
- (2) The carry-over budget disbursement stood at 75.5 billion Baht, decreasing from the same quarter last year by 5.5 percent, the disbursement rate was at 31.8 percent, lower than 37.0 percent in the same quarter last year;
- (3) State-owned enterprises capital expenditure budget (excluding PTT) was disbursed for 53.6 billion Baht,<sup>2</sup> decreasing from the same quarter last year by 38.3 percent, mainly due to a drop in capital expenditure disbursement of the Airports of Thailand Public Company Limited (AOT), the State Railway of Thailand (SRT), the National Telecom Public Company

Limited (NT), the Mass Rapid Transit Authority of Thailand (MRT), and the Metropolitan Electricity Authority (MEA);

- (4) The COVID-19 loans B.E. 2563 - 2564 (1.5-trillion-Baht) was disbursed for 190.5 billion Baht, including 183.4 billion Baht in current expenditure and 7.1 billion Baht in capital expenditure, and accounted for 96.3 percent and 3.7 percent of the total disbursement from the COVID-19 loans in this quarter.

#### Crude oil price

The crude oil price in the global market was higher than the same period last year and the third quarter of 2021. In the fourth quarter of 2021, the average crude oil price in four major markets (WTI, Brent, Dubai, and Oman) stood at 78.4 US dollars per barrel, increasing by 77.2 percent from 44.3 US dollars per barrel recorded at the same period last year. Also, the price increased by 9.0 percent from the 71.9 US dollars per barrel on average recorded at in the previous quarter.

Key factors associated with upward pressure on the global crude oil price in this quarter were (i) the decision of OPEC Plus's production plan to gradually raise oil production, (ii) a decrease of the U.S. commercial crude oil inventories in the fourth quarter of 2021 (the U.S. commercial crude oil inventories in the fourth quarter was average of at 428 million barrels, decreasing by 13.0 percent compared with the same period last year), and (iii) the less concerns over the COVID-19 Omicron outbreak which tend to have smaller severity compared to the prior variants.

In 2021, the average crude oil price in the 4 major markets stood at 69.4 US dollars per barrel, an increase of 65.4 percent, higher than 42.0 US dollars per barrel in 2020.

- (3) Change in key accounting policy

-None-

- (4) Non-recurring items

-None-

- (5) Research and development activities of the Company

The company continually focuses on research and development. In 2021, the company had a total of 2.49 million Baht in research and development expenditures, an increase of 1.95 million Baht from the year 2020. The company's investment in research and development has resulted in various improvements and developments. Both the development of the production process and the product development which has driven and promoted the implementation of many projects such as the

development of processes in various fields continuously under the name "World Class Operation (WCO)" this project can improve production efficiency, reduce production costs over 16.04 million Baht along with improving and developing products. Both are products currently available, including the design and development of new products to meet the needs of customers, including the trend of demand for new products and market directions both now and in the future.

The activities of both development activities as well as the company's product research and development are still driven by the research and development (R&D) department under continuous cooperation and development with external agencies and institutions such as Cooperation with the Thai-French Institute of Technology which is innovation in the continuous technological development from the year 2020 through joint research and development, the company can produce a Data Logger Unit for PE Pipe Butt Fusion with a real-time pipe welding tracking system that can be viewed via the website and mobile application (WIIC LDU Application - real-time monitor) as well as requesting certification and testing through international standards until certified to use the CE mark on this product which ensures that the product was designed and manufactured to meet the safety standards required by the Industrial Product Standards Regulations (EU). And it has been successfully commercialized which is a key differentiator in today's development. It is an innovation that will create a novelty and outstanding in the pipe manufacturing industry and business in the future.

The company also promotes and supports the budget for cooperation in human resource development in internal research with external research and innovation personnel by joining forces with the research team to develop plastic products, National Metal and Materials Technology Center, National Science and Technology Development Agency for research and development on the production of polyethylene pipes in the most efficient and effective use of raw materials to reduce costs and use energy in production to be the most cost-effective.

The company is committed to research and development, including improving the production process to create a competitive advantage for the company which is an important component of success and sustainable growth. The company will continue to conduct research and development to increase the variety of product choices coupled with quality improvement, adding the value of the product to meet the needs of customers, and carrying out cost reduction activities to increase business competitiveness. In today's competitive environment in terms of price, quality, and speed as well as the products that make a difference in the industry that can meet the needs and solve problems according to the needs of customers, including creating added value for the product in every dimension.

#### 4.2.2 Operating results and profitability

Overview of the operating results for the year 2021 of the Company and its subsidiaries has changed less than 20%. In 2021, the net profit was 91.82 million Baht, compared to the year 2020, a net profit of 109.34 million Baht, a decrease of (17.52) million Baht from the last year, or (16.02)%. The main reasons are as follows;

##### Revenues

(Baht)	2021	Changed (%)	2022	Changed (%)	2019
Sales	1,095,652,177	(9.96)	1,216,892,352	20.80	1,007,325,417
Service income	188,770,008	(52.44)	396,946,996	90.55	208,313,663
Sales and service revenues	1,284,422,185	(20.41)	1,613,839,348	32.76	1,215,639,080
Dividend income	-	-	-	-	320,000
Others	10,622,555	33.57	7,952,514	(78.24)	36,541,229
Total revenues	1,295,044,740	(20.15)	1,621,791,862	29.48	1,252,500,309

##### 1) Sales and service revenues

Revenue from sales and services in 2021 decreased from the previous year by (329.42) million Baht or (20.41)%. The main reason is revenue from the pipe manufacturing, distribution and installation business decreased from the year 2020 by (280.24) million Baht or (20.42)% and revenue from water management business decreased from the year 2020 by (47.97) million Baht or (19.59)% with details as follows;

##### Revenue classified by business group

Revenue classified by business group	Revenue (Million Baht)				
	2021	Changed (%)	2020	Changed (%)	2019
1. Revenue from pipe production and distribution business					
1.1 Sales	1,023.66	(5.67)	1,085.18	20.88	897.77
1.2 Installation income	63.87	(77.49)	283.8	115.13	131.92
1.3 Transportation services income*	4.41	37.81	3.2	(88.46)	27.73
Total	1,091.94	(20.42)	1,372.18	29.77	1,057.42
2. Revenue from water management business					
2.1 Revenue from production and distribution of tap water	148.37	9.94	134.95	(2.91)	138.99
2.2 Revenue from sale and installation of tap water production system	48.52	(55.85)	109.91	134.05	46.96
Total	196.89	(19.59)	244.86	31.68	185.95

Revenue classified by business group	Revenue (Million Baht)				
	2021	Changed (%)	2020	Changed (%)	2019
3. Other income of the WIIC Group					
3.1 Dividend income	-	-	-	-	0.32
3.2 Interest income**	1.5	36.36	1.1	30.95	0.84
3.3 Others	6.21	30.74	4.75	(46.08)	8.81
Total	7.71	31.79	5.85	(41.32)	9.97
Grand total	1,296.54	(20.11)	1,622.89	29.49	1,253.34

Note \* Transportation services income was recorded as other income according to the consolidated financial statements 2021.

\*\* Interest income was recorded as financial income according to the consolidated financial statements 2021.

- Incomes from sale pipe in the year 2021 decreased from the year 2020 by Baht (61.52) million or (5.67)% from;
  - Domestic sales decreased by Baht (83.85) million or (8.45)%
  - Export sales increased by Baht 22.33 million or 24.04%.
- Incomes from installation pipe in the year 2021 decreased from the year 2020 by Baht (219.93) million or (77.49)% from;
  - Domestic installation revenue decreased by Baht (144.75) million or (72.13)%. In the previous year the company got high revenue from pipe installation contracts in the EEC area and rainwater sewer renovation works to prevent floods.
  - Export installation revenue decreased by Baht (75.18) million or (90.43)%. It was from a project in Philippines which had been under construction for several years and finished in 2021.
- Incomes from the water management business are categorized to two types.
  - Income from water treatment and distribution increased by Baht 13.42 million. The major increased came from the water supply contract with Chum Num Subb Industrial Project, Pathum Thani Province and Khlong Luang Ratchalothon Reservoir/ PWA Chonburi, Banbueng branch project.
  - Income from installation and sale of water treatment systems decreased by Baht (61.39) million. The revenue decreased from design and construction of water treatment systems.

2) Other income

Other income increased from the year 2020 by Baht 2.67 million or 33.57%. The mainly increase from export delivery income complied with the increase in export sales. Transportation revenues usually depend on the incoterm agreed with the customers.

Expenses

(Baht)	2021	Changed (%)	2020	Changed (%)	2019
Cost of sales	885,534,334	(10.58)	990,283,647	14.02	868,534,430
Cost of services	135,659,180	(58.48)	326,722,082	98.66	164,459,071
Cost of sales and services	1,021,193,514	(22.46)	1,317,005,729	27.49	1,032,993,501
Selling and distribution expenses	43,655,531	(1.17)	44,171,849	(24.81)	58,749,146
Administrative expenses	98,712,700	0.98	97,758,813	0.26	97,505,965
Total expenses	1,163,561,745	(20.25)	1,458,936,391	22.68	1,189,248,612

3) Cost of sales and services

Cost of sales and services in 2021 decreased from the previous year by (295.81) million Baht or (22.46)%. Cost of sale and services in percentages of income changed as follows;

Cost	Year 2021	Year 2020	The major reason
Cost from pipe sale	80.46%	81.49%	Decreased from the year 2020, due to higher proportion of high gross margin products.
Cost from pipe installation	96.60%	89.46%	The cost per income rate was increased, mostly came from overseas installations that took longer time from the impact of COVID-19.
Cost from Sales and service of water supply	70.97%	69.32%	Increased due to the Patong project Phuket province Still affected by the epidemic of COVID-19.
Cost from Installation of water treatment systems	63.07%	77.57%	The cost per income rate is decreased. The gross margin usually depends on the conditions and agreements of each job.

4) Selling and distribution expenses

Selling and distribution expenses for the year 2021 decreased from year 2020 by Baht (0.51) million or (1.15)%, mostly came from decreasing in advertising and promotion.

5) Administrative expenses

Administrative expenses for the year 2021 increased from year 2020 by Baht 0.95 million or 0.97%, from the normal business operation.



#### Finance cost and income tax expenses

(Baht)	2021	Changed (%)	2020	Changed (%)	2019
Finance income	1,500,624	36.51	1,099,286	30.15	844,631
Finance expenses	(23,623,290)	(31.53)	(34,502,507)	(18.34)	(42,252,812)
Finance cost	(22,122,666)	(33.77)	(33,403,221)	(19.33)	(41,408,181)
Income tax expenses	(17,542,757)	(12.76)	(20,109,441)	7,166.18	(276,754)

#### 6) Finance cost

Financial cost in the year 2021 decreased from year 2020 of Baht (11.28) million or (33.77)% from the results of using the capital increase as working capital instead of using the short-term loans during waiting for the project investment.

#### 7) Income tax expenses

Tax expenses in the year 2021 was Baht 17.54 million decreased from the year 2020 by Baht (2.57) million from decreasing of profit.

PROFITABILITY RATIO		2021	2020	2019
Gross profit margin	(%)	20.49	18.39	15.02
Operating profit margin	(%)	10.24	10.09	5.27
Other income ratio	(%)	0.82	0.49	3.01
Cash to profitability	(%)	118.33	(37.26)	452.22
Net profit margin	(%)	7.06	6.74	1.72
Return on equity	(%)	5.33	9.70	2.35

In 2021, the WIIC Group's total revenue has decreased from the epidemic of COVID-19 in the 3rd and 4th quarters which was more severe than before. The government issues various measures to control the spread of COVID-19 including the halt of construction work. This brought to delay of construction progress and delay of construction material delivery.

However, in 2021 the WIIC Group had gross profit margin of 20.49% which increased from the year 2020 with the gross profit margin was 18.39%. The main reason is the lower cost-to-income ratio in HDPE pipe business compared to 2020. Because the WIIC Group has a higher proportion of sales of products with high gross profits, including raw materials cost used in production decreased from 2020, and better cost management efficiency making the gross profit margin increased.

The operating profit margin is 10.24% increased from the year 2020 that operating profit margin was 10.09%. The main reason is gross profit margin increased because the reasons mentioned above.

The cash to profitability is 118.33% increased from 2020 that cash to profitability was (37.26)% because, in 2021, the Company has net cash used in operating activities of Baht 155.59 million while in 2020 the Company had net cash from operating activities of Baht (60.68) million.

The net profit margin is 7.06% increase from 2020 that net profit margin was 6.74% and return on equity is 5.33% decrease from 2020 that return on equity was 9.70% because, in the year 2021, the Company has increased its registered capital during the year.

#### 4.2.3 Ability to manage assets

##### 1) Receivables Management

In 2021, the Company had trade and other receivables of 427.19 million Baht, a decrease of (176.87) million Baht or (29.28)% divided into; trade accounts receivable of 375.37 million Baht and other receivables 51.82 million Baht with overdue receivables over 12 months of 63.94 million Baht, a decrease from the previous year which had overdue receivables over 12 months of of 65.43 million Baht. The aforementioned receivables have already set an allowance for doubtful accounts of 25.57 million Baht with details as follows;

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
(Unit: Thousand Baht)				
<u>Trade receivables - related party</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	-	-	-	689
Total trade receivables - related party	-	-	-	689
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	167,623	154,395	149,540	141,231
Past due				
Up to 3 months	73,806	100,142	67,797	86,199
3 - 6 months	34,780	56,151	18,816	56,151
Over 6 - 12 months	29,710	30,946	10,915	8,289
Over 12 months	63,937	65,427	36,110	51,737
Total	369,856	407,061	283,178	343,607
Less: Allowance for expected credit losses	(25,574)	(29,448)	(25,574)	(29,448)
Total trade receivables - unrelated parties - net	344,282	377,613	257,604	314,159
Retention receivables as per contract	31,088	21,515	27,865	18,291
Total	375,370	399,128	285,469	332,450
Total trade receivables - net	375,370	399,128	285,469	333,139

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Other receivables</u>				
Other receivables - unrelated parties	496	634	-	168
Accrued income	33,177	12,491	-	-
Unbilled receivables - unrelated parties	18,146	191,810	9,665	175,856
Total other receivables	51,819	204,935	9,665	176,024
Total trade and other receivables - net	427,189	604,063	295,134	509,163

The normal credit term is 30 to 180 days.

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

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	<u>2021</u>	<u>2020</u>
Beginning balance	29,448	31,550
Provision for expected credit losses (reversal)	(3,360)	5,817
Amount recovered	(514)	(7,919)
Ending balance	25,574	29,448

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

#### Credit Risk Management

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

stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

#### Trade receivables and contract assets

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

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

#### 2) Key component of other assets

In 2021 the Company had the key component of other assets (excluding trade and other receivables) as consolidated financial statements ended 31 December 2021 as follows.

(Baht)	2021	Changed (%)	2020	Changed (%)	2019
<b>Current assets</b>					
Cash and cash equivalents	366,259,273	244.82	106,217,688	12.53	94,394,077
Restricted bank deposits	35,533,385	-	-	-	-
Inventories	420,706,411	19.76	351,290,325	(21.87)	449,623,244
Advance payment to subcontractors	5,189	(99.88)	4,167,970	(57.30)	9,760,801
Other current assets	43,134,307	(37.54)	69,062,679	(10.85)	77,471,699
<b>Non-current assets</b>					
Restricted bank deposits	17,212,937	-	17,212,937	4.32	16,500,000
Other non-current financial assets	29,810,393	(3.78)	30,980,695	-	-
Property, plant and equipment	1,007,343,249	(0.19)	1,009,289,538	13.06	892,723,368
Right-of-use assets	59,877,682	(15.79)	71,102,064	-	-
Assets for production of filtrated water that must be transferred at end of agreement of subsidiary	73,237,948	(2.69)	75,262,704	779.35	8,558,887
Intangible assets	141,155,789	(5.26)	148,991,898	(2.23)	152,389,012
Deferred tax assets	26,506,403	6.96	24,782,592	45.30	17,056,057
Advance payment for plant and equipment	2,488,289	31.65	1,890,131	(79.67)	9,297,526
Other non-current assets	10,865,148	6.71	10,181,873	2.46	9,937,441

### Current assets

#### ■ Cash and cash equivalents

Cash and cash equivalents were 366.26 million Baht, an increase of 244.82 million Baht from the previous year. mostly increased from the money received from the capital increase of 702.65 million Baht. The WIIK Group uses it as working capital for business operations of the Group, including depositing all remaining capital increases with financial institutions to receive interest.

#### ■ Restricted bank deposits

Restricted bank deposits were 35.53 million Baht, all increase from the previous year from saving deposit of 36 million pledged with bank to secure the issuance of bank guarantees granted by the banks to the Company.

#### ■ Inventories

Inventories were 420.71 million Baht, an increase of 69.42 million Baht from the previous year. Mostly increased from finished goods, work in process, and raw materials waiting to be delivered to customers and recognized revenue in 2022. The remaining product details consist of;

Thousand Baht	2021	Changed %	2020	Changed %	2019
Finished goods	231,214	11.01	208,278	(25.45)	279,385
Work in process	43,080	152.94	17,032	(67.82)	52,934
Raw materials	125,729	20.08	104,707	6.13	98,663
Spare parts and factory supplies	20,683	(2.77)	21,273	14.12	18,641
<b>Total</b>	<b>420,706</b>	<b>19.76</b>	<b>351,290</b>	<b>(21.87)</b>	<b>449,623</b>

#### ■ Advance payment to subcontractors

Advance payments to subcontractors were 5,189 Baht, a decrease of (4.16) million Baht from the previous year. Mainly from a decrease in work completed during the year.

#### ■ Other current assets

Other current assets were 43.13 million Baht, a decrease of (25.93) million Baht from the previous year. Mainly from prepaid expenses and VAT.

### Non-current assets

#### ■ Restricted bank deposits

Restricted bank deposits were Baht 17.21 million, unchanged from the previous year. These represent fixed deposits of 17 million pledged with the banks to secure credit facilities.

■ Other non-current financial assets

Other non-current financial assets were 29.81 million Baht, a decrease of (1.17) million Baht from the previous year from the fair value of financial assets of Nakhonluang Capital Public Co., Ltd. It was a result of the change in accounting policies because of the adoption of the Financial Reporting Standard No. 9 with details as follows;

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	<u>2021</u>	<u>2020</u>
<u>Financial assets at FVTPL</u>		
Nakhonluang Capital Public Co., Ltd.	29,810	30,981
K-Tech Construction Public Co., Ltd.	30	30
Total financial assets at FVTPL	29,840	31,011
Less: Allowance for impairment loss	(30)	(30)
Total other non-current financial assets - net	29,810	30,981

■ Property, plant and equipment

Property, plant, and equipment were 1,007.34 million Baht, a decrease from the previous year by (1.95) million Baht, mainly from a decrease in assets under installation (28.32) million Baht, buildings and improvements (4.64) million Baht and an increase from the purchase of machinery and equipment 30.18 million Baht.

■ Right-of-use assets

Right-of-use assets were 59.88 million Baht, a decrease of (11.22) million Baht from the previous year from depreciation on the right-of-use assets. It was a result of the change in accounting policy from the first implementation of the Financial Reporting Standard No.16.

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

Assets for production of filtrated water that must be transferred at end of agreement of subsidiary were 73.24 million Baht, a decrease (2.02) million Baht, mainly from a decrease in assets under installation. These are assets for the production of treated water of WIIC Water Company Limited (a Subsidiary) which will be transferred to the contract parties after the end of the 10-year agreement to produce and sell treated water, which will expire in 2029.

During the year, the Subsidiary capitalised interest amounting to Baht 0.3 million (2020: Baht 1.1 million) to costs of machinery and equipment. These borrowing costs arose on loans obtained specifically for these projects and were determined based on the capitalisation rate of 3.83 percent per annum. (2020: 3.08 percent per annum).

■ Intangible assets

Intangible assets were 141.16 million Baht, a decrease of (7.84) million Baht from the previous year. Mostly decreased from amortization of License for use of water supply system and Right to manage the water production plant with Ultra filtration and Reverse Osmosis.

■ Deferred tax assets

Deferred tax assets were 26.51 million Baht, an increase of 1.72 million Baht from the previous year. By net from recording income tax expense and recording of deferred income tax assets from the deficit of subsidiaries under Accounting Standard No. 12 Income Tax.

■ Advance payment for plant and equipment

Advance payment for plant and equipment were 2.49 million Baht, an increase of 0.60 million Baht from the previous year. Most of the increase was from advance payments for the purchase of machinery and others.

■ Other non-current assets

Other non-current assets were 10.87 million Baht, an increase of 0.68 million Baht from the previous year. It was mainly withholding tax will be refunded of a subsidiary.

EFFICIENCY RATIO		2021	2020	2019
Return on assets	(%)	3.53	4.66	1.04
Return on fixed assets	(%)	18.68	20.72	11.99
Assets turnover	(times)	0.50	0.69	0.60

Return on assets is 3.53% which decreased from the year 2020 that return on assets was 4.66%. The main reason is the Company's net profit decreased from the last year from the epidemic of COVID-19 in the 3rd and 4th quarters which was more severe than before. The government issues various measures to control the spread of COVID-19 including the halt of construction work. This brought to delay of construction progress and delay of construction material delivery. Besides, the company's total assets increased by 136.83 million Baht or 5.42% mainly from cash and cash equivalents received from capital increase during the year.

Return on fixed assets is 18.68% which decreased from the year 2020 that return on fixed assets was 20.72%. Assets turnover is 0.50 times decreased from the last year because the Company's net profit and total revenues decreased from the last year.

#### 4.2.4 Liquidity and Suitability of Capital Structure

##### 1) Sources and uses of funds

In 2021 the Company's capital structure are cash from financing activities which is proceeds from increase in share capital mostly, and cash from operating activities of 155.59 million Baht from the business operation for use as working capital and source of funds for investments in water management of subsidiaries with details of sources and uses of funds for the year 2021 as follows.

Unit : Baht	2021	Changed (%)	2020	Changed (%)	2019
Net cash from (used in) operating activities	155,588,100	(356.43)	(60,675,273)	(120.93)	289,859,265
Net cash used in investing activities	(101,445,152)	(38.12)	(163,932,640)	(3.30)	(169,528,158)
Net cash from (used in) financing activities	207,371,876	(11.14)	233,370,172	(210.51)	(211,185,038)
Net increase (decrease) in cash and cash equivalents	261,514,824	2,884.56	8,762,259	(109.64)	(90,853,931)
Unrealised (loss) gain on exchange for cash and cash equivalents	(1,473,239)	(148.12)	3,061,352	(456.10)	(859,686)
Cash and cash equivalents at beginning of year	106,217,688	12.53	94,394,077	(49.28)	186,107,694
Cash and cash equivalents at end of year	366,259,273	244.82	106,217,688	12.53	94,394,077

- Net cash from operating activities was 155.59 million Baht, a relatively large change when compared to the year 2020 which had net cash used in operating activities was (60.68) million Baht. Mainly from trade accounts and other receivables, and the advance received from customers has decreased quite a lot compared to the last year.
- Net cash used in investing activities was (101.45) million Baht, which decreased (38.12%) when compared to 2020 which had net cash used in investing activities was (163.93) million Baht. Mostly were Acquisition of property, plant and equipment (62.46) million Baht, Restricted bank deposits (35.53) million Baht from saving deposit pledged with bank to secure the issuance of bank guarantees granted by the banks to the Company, Acquisition of assets for production of filtrated water that must be transferred at end of agreement of subsidiary (2.27) million Baht, cash payment in advance for plant and equipment (1.99) million Baht, and acquisition of intangible assets (0.88) Baht.
- Net cash from financing activities was 207.37 million Baht, while in 2020 net cash used in financing activities was 233.37 million Baht. The Company's financing in 2021 came from proceeds from increase in share capital 702.71 million Baht, and proceed from increase in share capital of subsidiary 18.68 million Baht.



Besides, the Company has net cash used in financing activities such as Repayment of short-term loans from financial institutions (416.13) million Baht, Dividend paid (51.96) million Baht, Repayment of long-term loans (28.95) million Baht, and Payment of principal portion of lease liabilities (16.97) million Baht.

2) Investment expenditure

In 2021, the company has total investment expenses (103.14) million Baht as follows; Acquisition of property, plant and equipment (62.46) million Baht, Restricted bank deposits (35.53) million Baht from saving deposit pledged with bank to secure the issuance of bank guarantees granted by the banks to the Company, Acquisition of assets for production of filtrated water that must be transferred at end of agreement of subsidiary (2.27) million Baht, Advance payment for plant and equipment (1.99) million Baht, and acquisition of intangible assets (0.88) Baht.

3) Adequacy of Liquidity

LIQUIDITY RATIO		2021	2020	2019
Current ratio	(times)	5.04	1.34	0.94
Quick ratio	(times)	3.23	0.84	0.46
Cash flow ratio	(times)	0.28	(0.06)	0.29
Accounts receivable turnover ratio	(times)	2.49	3.19	2.92
Average collection period	(days)	146.59	114.42	125.00
Inventory Turnover ratio	(times)	4.03	4.06	3.48
Average sale period	(days)	90.57	89.90	104.89
Payable turnover ratio	(times)	11.44	15.63	32.61
Repayment period	(days)	31.91	23.35	11.19
Current ratio	(days)	205.25	180.97	218.69

The current ratio is 5.04 times which was higher than the last year that shows the Company's current assets include cash, accounts receivable and inventories higher than short-term liabilities. Because in 2021, the company received money from the offering of newly issued ordinary shares during the year of 702.65 million Baht. Therefore, the company's flexibility in repaying short-term debt was considerably higher than in 2020.

The quick ratio is 3.23 times which was higher than the last year, reflecting the actual liquidity that the Company has assets can be converted into cash increased from the last year, and higher than short-term liabilities. While Cash flow ratio is 0.28 times also increased from the last year, reflecting the

cash flow from operations increased from the last year, but still lower than the Company's short-term liabilities.

The accounts receivable turnover ratio is 2.49 times with Average collection period 146.59 days that shows the Company use time for billing from the sales on credit more than the year 2020. However, the Company's average collection period is quite long as result of the relaxation on credit to the customers to increase the competitiveness of Company. The Company has made credit insurance to mitigate credit risk.

The inventory turnover ratio is 4.03 times with an average sale period of 90.57 days slightly decreased from the last year. In 2019 - 2020, the Company had an average sale period of 104.89 days and 89.90 days respectively. Because the company's ability to deliver work received during the year decreased.

The payable turnover ratio is 11.44 times with a repayment period of 31.91 days that longer than the year 2020 that repayment period was 15.63 days because the Company purchased raw materials during the year by the cash term and a 60-day credit term during the plastic resin price decreased, to manage the cost of raw materials.

The year 2021 the Company's cash cycle period (calculated by number of days from the date of payment of raw material until received payment from customers) is longer than the last year. Because of the Company purchased raw materials during the year by the cash term and a 60-day credit term during the plastic resin price decreased, to manage the cost of raw materials including the company's ability to deliver work received during the year decreased.

Overview of the operating results for the year 2021 of the Company and its subsidiaries has changed less than 20%. In 2021, the net profit was 91.82 million Baht, compared to the year 2020, a net profit of 109.34 million Baht, a decrease of (17.52) million Baht from the last year, or (16.02)%. The major came was the epidemic of COVID-19 in the 3rd and 4th quarters which was more severe than before. The government issues various measures to control the spread of COVID-19 including the halt of construction work. This brought to delay of construction progress and delay of construction material delivery.

#### 4) Ability to repayment

The Company and its Subsidiaries had total liabilities in 2021 were 564.85 million Baht, a decrease of (627.12) million Baht or (52.61)% from the previous year which has a debt size of 1,191.97 million Baht. Most of them are liabilities arising from Long-term loans of 234.03 million Baht, Trade and other payables 62.14 million Baht, and advance received from customers 62.25 million Baht.

the Company's source of funds are cash from financing activities which is proceeds from increase in share capital mostly, and cash from operating activities of 155.59 million Baht from the business operation for use as working capital and source of funds for investments in water management of subsidiaries. From the past operations, the Company can be paid liabilities according to conditions and have sufficient ability to pay off liabilities.

#### Long-term loans

		(Unit: Thous			
Interest rate (%)	Repayment schedule	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
MLR - 1.75	Monthly installments as from November 2016 - July 2024	32,015	43,747	-	-
MLR - 1.75	Monthly installments as from November 2017 - August 2025	47,570	59,895	-	-
MLR - 1.75	Monthly installments as from March 2020 - October 2027	31,313	36,063	-	-
MLR - 1.75	Monthly installments as from March 2020 - August 2027	123,129	123,273	-	-
Total		234,027	262,978	-	-
Less: Current portion		(43,716)	(42,493)	-	-
Long-term loans, net of current portion		190,311	220,485	-	-

Movement of the long-term loan account during the years ended 31 December 2021 and 2020 are summarised below:

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Beginning balance		262,978	126,420	-	-
Additional borrowings		-	172,000	-	-
Repayments		(28,951)	(35,442)	-	-
Ending balance		234,027	262,978	-	-

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

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

As at 31 December 2021, the long-term credit facilities of the Subsidiary which have not yet been drawn down amounted to Baht 108 million (2020: Baht 108 million).

FINANCIAL POLICY RATIO		2021	2020	2019
Debt to Equity ratio	(times)	0.27	0.89	1.36
Interest coverage ratio	(times)	9.66	(0.43)	8.16
Debt service coverage ratio	(times)	0.77	(0.27)	1.58
Dividend payout ratio	(%)	87.48	60.85	91.38

The Company and its subsidiary manage to ensure that it has appropriate capital structure in order to support their businesses and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods. As at 31 December 2021, the Group's debt-to-equity ratio was 0.27 :1 (2020: 0.89:1) and the Company's was 0.13:1 (2020: 0.66:1).

Debt to equity ratio in the year 2021 was 0.27 which decreased from the year 2020 that the debt to equity ratio was 0.89 as a result of the Company's capital increase during the year and use the said capital increase to pay off some debts. Therefore, the shareholders' equity increased, while total liabilities decreased. So, the debt to equity ratio decreased from the previous year.

The interest coverage ratio is 9.66 times increased from the last year which the interest coverage ratio was (0.43) times, shows the Company had cash flow from operating activities overspend and the Company has a higher ability to pay interest compared to the last year.

Debt service coverage ratio (cash basis) is 0.77 times that shows the Company had cash flow from operating activities more than obligations such as Liabilities repayment, Assets investment expenditure including dividend payment. Because in the year 2021 the Company had net cash used in operating activities of 155.59 million Baht, while the total investment expenditure is (103.14) million Baht.

However, the Company increased its capital during the year 2021 that received 702.65 million Baht, making the Company sufficient liquidity to operate its business.

#### 4.2.5 Liabilities obligations and off balance sheet liabilities management

The Company had commitments and contingent liabilities which disclose in notes to the financial statements article 33 of the financial statements 2021 as follows.

1) Capital commitments

As at 31 December 2021, the Group had capital commitments of approximately Baht 9.0 million and US dollar 0.1 million (2020: Baht 23.9 million), relating to the acquisition of machinery (The Company only: Baht 8.6 million and US dollar 0.1 million (2020: Baht 2.2 million), relating to the acquisition of machinery).

2) Raw material purchase commitments

As at 31 December 2021, the Group had raw material purchase commitments amounting to Baht 198.2 million (2020: Baht 222.7 million) (The Company only: Baht 198.2 million (2020: Baht 222.7 million)).

3) Long-term service commitments

(a) The Company entered into Licensing Agreement with Uponor Infra Ltd. for the products under WEHOLITE trademarked for a period of 5 years. The Licensing Agreement is for Licensing Fee and Royalty Fee. For the year ended 31 December 2021, the Licensing Fee and Royalty Fee was approximately Baht 2.6 million (2020: Baht 2.8 million).

(b) On 17 May 2016, the subsidiary signed an agreement with a company (the Licensor) granting it a license to manage a water supply system, whereby the subsidiary is to manage operation of the water supply distributed to Siam Eastern Industrial Park for a period of 20 years from the first day the water supply system is operational (1 June 2016). The subsidiary has to pay to the Licensor compensation amounting to Baht 110 million and compensation for rental as stipulated in the agreement at Baht 1.2 million per annum for 20 years. The subsidiary is required to maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. The Licensor agrees to purchase treated water that the subsidiary produces in a volume sufficient to meet the demand of its users at the price stipulated in the agreement, with minimum guaranteed purchases of 12,000 cubic meters per day and the subsidiary has to purchase raw water only from the licensor at the price stipulated in the agreement. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement.

(c) On 21 October 2016, the subsidiary signed an agreement with a company (Employer) to design, construct and operate a potable water production system for Wellgrow Industrial Estate for a

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

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

Subsequently, on 21 July 2020, the subsidiary signed an amendment to the above the agreement, with minimum guaranteed purchases of 10,500 cubic meters per day and increase the selling price per cubic meters which will be effective from 21 July 2020 onward. The subsidiary presented income at the minimum offtake quantities under service income in profit or loss for the year ended 31 December 2021.

- (d) On 4 January 2019, the subsidiary purchased ordinary shares of WIik PT Company Limited (“WPT”) (Formerly known as “WOG ITR Water Solution Company Limited (“WOG ITR”)”), the subsidiary of Wiik Water Co., Ltd., with an objective of acquiring the right to manage the water production plant with Ultra filtration and Reverse Osmosis systems to provide services in accordance with the agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province (client) dated 16 July 2012 with a term of 30 years (at present, such agreement remains 24 years). Under the agreement, WPT is responsible for providing engineers, technicians and person who has knowledge and specialty in design, procurement and installation of Reverse Osmosis systems including the acquisition of machinery and equipment used in the production of RO, and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at WPT own expense. Moreover, WPT is also obliged to comply with certain provisions and conditions stipulated in the agreement.
- (e) On 31 March 2019, the subsidiary signed the water recycling agreement with a company (Buyer) in Wellgrow Industrial Estate for a period of 10 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for design, construct

- and install the water recycling system with standard stipulated in the agreement, including acquisition of machinery and equipment used in the production of filtrated water and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement, including deliver and transfer ownership of machines, equipment and relevant items, in relation to the entire water recycling system to Buyer when that agreement terms have been expired. Buyer agrees to purchase filtrated water that the subsidiary produces in a volume to meet the demand of Buyer at the price stipulated in the agreement, with minimum guaranteed purchases of 475 cubic meters per day.
- (f) On 25 December 2019, the subsidiary signed the water supply agreement with a company (Buyer) for a period of 23 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for design, construct and install the water supply system with standard stipulated in the agreement, including acquisition of machinery and equipment used in the production of filtrated water and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement, including deliver and transfer ownership of machines, equipment and relevant items, in relation to the entire water treatment system to Buyer when that agreement terms have been expired. Buyer agrees to purchase filtrated water that the subsidiary produces in a volume to meet the demand of Buyer at the price stipulated in the agreement, with minimum guaranteed purchases of 10,500 cubic meters per day.
- 4) Guarantees
- (a) As at 31 December 2021, the Company has guaranteed bank credit facilities of its subsidiaries amounting to US dollar 1 million and Baht 595 million (2020: US dollar 1 million and Baht 595 million).
- (b) As at 31 December 2021, there were outstanding bank guarantees of approximately Baht 104.7 million (2020: Baht 96.3 million) issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 35.0 million (2020: Baht 35.0 million) to guarantee payment due to suppliers, Baht 15.5 million (2020: Baht 36.0 million) to guarantee contractual performance, Baht 5.9 million (2020: Baht 6.7 million) to guarantee electricity use, among others, Baht 48.3 million to guarantee bid bond (2020: Nil) and Baht 18.6 million to guarantee cash received from customers and retention as at 31 December 2020 (2021: Nil).

#### 4.2.6 Factors that affect the operating results in future

##### 1) Economic outlook for 2021

The Thai economy in 2022 tends to recover continually from the low base in 2021, supported mainly by the domestic demand expansion. Despite the Omicron variant outbreak, it is expected that the impact of the resurgence on the healthcare system should be limited within the first quarter of 2022 and the government should be able to continue relaxing containment measures subsequently. In addition, key supporting factors include the tourism recovery due to easing of international travel restriction, and exports expansion following expansions of the world economy and trade volume. However, there are some constraints and risks which could undermine the 2022 baseline growth including the uncertainty of COVID-19 outbreaks amidst virus mutations, inflationary pressures from rising global oil and commodity prices, weak financial conditions of the households and business sectors, prolonged disruptions in global supply chain and logistics, and volatilities in the global economic and financial landscape amidst the heightened inflation pressure and geopolitical conflicts.

The Thai economy in 2022 is projected to expand in the range of 3.5 – 4.5 percent, mainly supported by; (i) the regaining in domestic demand; (ii) the recovery of domestic tourism; (iii) the continual expansion of export of goods; and (iv) the support from public investment. Export value of goods in US dollar terms is anticipated to expand by 4.9 percent. Meanwhile, private consumption and private investment 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.

##### Key assumptions for 2022 economic projection

- 1) The assumption for the pandemic and vaccines are as follows: (i) the outbreak of the Omicron variant will be limited and remain under the capacity of the public healthcare system in which that rates of severe infections and deaths are expected to be maintained despite high number of daily new cases. Therefore, the containment measures will not be stricter from the current period and is expected to be more relaxed after the first quarter; (ii) there will be no new emergence of new COVID-19 variants that will worsen the situation than at the present, in both Thailand and other countries, and will thus not lead to more stringent containment measure and uplifting higher level of international travel restrictions. In addition, it is assumed that Thailand will continue to allow foreign tourists to enter without mandatory quarantine, through the Test & Go scheme, for the rest of 2022; and (iii) the vaccine distribution, especially of the booster dose, will continue more broadly to cover the population at a sufficient rate such that the number of severe



- cases and deaths will remain low. In addition, it is assumed that the new viral mutations will not significantly deteriorate vaccine effectiveness in which that the vaccines still can effectively reduce severe morbidity and mortality rate.
- 2) The world economy and the global trade volume in 2022 are expected to expand by 4.5 percent and 6.0 percent, respectively, lower than the 5.6-percent and 8.0-percent growths in 2021, and downwardly revised from the growths of 4.8 percent and 6.5 percent in the previous projection. The adjustments are in accordance with the slower-than-expected growth of major countries, particularly the US and China. For the US economy, this downgrade growth is due to the fewer investment budget disbursement under the Build Back Better plan that is likely to be delay. In addition, the Federal Reserve appears to tighten the monetary policy and hence is likely to increase its policy interest rate earlier than previously estimated to cope with rising inflationary pressures and the persistent impact from supply chain disruption. Meanwhile, the Chinese economy growth tends to decelerate as a result of the continuation of zero-tolerance COVID-19 policy and the financial stress in the real estate sector.
- 3) The average value of Thai Baht in 2022 is expected to be within the range of 32.2 - 33.2 Baht per US dollar, depreciating from 32.0 Baht per US dollar in 2021 and the range of 32.0 - 33.0 Baht per US dollar in the last projection. The adjustment is in line with an average exchange rate between January 1st - February 17th, 2022, at 33.09 Baht per US dollar, that was more depreciated than previous forecast, following an increasing in US bond yield and an earlier-than-expected rise of the policy rate of the Federal Reserve. However, in the latter half of 2022, the Thai Baht is expected to be more stable owing to the return-to-surplus current account and overall economic recovery.
- 4) The average Dubai crude oil price in 2022 is expected to be within the range of 72.0 - 82.0 US dollars per barrel, increasing from a 2021 average of 69.5 US dollars per barrel. This is an upward revision from 67.0 - 77.0 US dollars per barrel, to be in line with the higher-than-expected actual prices of 85.9 US dollars per barrel averaging between January 1st - February 17th, 2022. The major upside risks to the oil price during 2022 are: (i) the intensified geopolitical conflicts between Russia and Ukraine as well as tension between UAE and the Houthi in Yemen; and (ii) the fundamental factors from the rising oil demand following global economic recovery, while production expansion remained under constraints. This follows the fact that the OPEC+ still maintained their output increase only by 400 thousand barrel per day, while the inventories of the US and other OECD countries tend to decline. Nevertheless, the oil price is also subject to downward pressures due to following factors: (i) increasing production capacity of the Northern

- American economies, as the number of oil rigs in the US, Canada, and the Gulf of Mexico continued to a 99-week high at 669 rigs at the end of the week of February 11th. In addition, the rest of the world's oil rig count was also the highest in 20 months; (ii) the slower-than-expected growth of the Chinese economy, and (iii) the possible agreement on the Iran Nuclear Deal, which will allow Iran to resume export their petroleum production.
- 5) The export and import prices in terms of US Dollars in 2022 are expected to rise by 0.5 - 1.5 percent and 1.0 - 2.0 percent, respectively, lower than 3.3 percent and 4.3 percent in 2021, respectively. However, these are upward adjustments from 0.0 - 1.0 percent and 0.5 - 1.5 percent, respectively, in the November estimation. This is in line with the oil price assumption adjustment and the prolonged supply chain disruption which has kept freight costs at high levels.
  - 6) The revenue from foreign tourists in 2022 is expected to be 0.47 trillion Baht, with the total number of foreign tourists of 5.5 million tourists, increasing from 0.15 trillion Baht and 0.43 million tourists in 2021, and an upward revision from the previous projection of 0.44 trillion Baht and 5.0 million tourists. The revision follows the higher-than-expected number of foreign tourists after relaxing international travel restriction since 1st November which thus led to total 321,752 foreign tourists during November and December 2021. This resulted in 0.43 million tourists for 2021, higher than the previous assumption at 0.2 million people. The revision is also in line with the recurrent resumption of international travels under the Test & Go scheme since February 2022 for fully vaccinated tourists to enter country without mandatory quarantine. In addition, several tourist-origin countries including neighboring countries have continually relaxed their travel restrictions.
  - 7) The budget disbursement is expected to be as follows: (i) The FY2022 annual budget disbursement rate of 93.5 percent of overall budget, equivalent to the previous projection. The current budget and capital budget are expected to be disbursed by 98.0 percent and 75.0 percent, respectively, equivalent to the previous estimation; (ii) The carry-over budget disbursement rate of 82.9, the same level as in the previous estimation; (iii) State-owned enterprises' capital budget disbursement of 70.0 percent, equal to the previous assumption, and approximately at 328 billion Baht in total; (iv) The budget under the 1 trillion Baht loan decree which was disbursed by 944.2 billion Baht as of February 1st, 2022, is thus expected to be fully disbursed by the end of FY2022; and (v) The budget under the 500 billion Baht loan decree which was disbursed by 276.97 billion Baht as of February 1st, 2022 is expected to be

cumulatively disbursed by 390.2 billion Baht within FY2022 (78.0 percent of the total budget) and will be fully disbursed by the first quarter of FY2023.

## 2) Construction Materials Industry Outlook

Over the three years from 2021 to 2023, manufacturers and distributors of construction materials will see improving business conditions thanks to rising demand on both domestic and export markets. This outlook will be helped by two factors. (i) Overall expenditure on construction within Thailand is expected to grow by an annual average of 4.9-5.2%. This will come from stronger government spending on infrastructure megaprojects, especially in the Eastern Economic Corridor (EEC), and on expansions and upgrades to the national road and rail networks, as well as from a rebound in the economy that will then boost private-sector construction. (ii) As the COVID-19 crisis abates, regional economies (in particular in the CLV countries, the main export target for Thai players) will return to growth and this will then feed into greater activity in construction and real estate markets, while in addition, governments in the region are also spending more heavily on infrastructure.

Revenue for both manufacturers and distributors of construction materials should increase over the coming period, even while competition from both domestic producers and importers is stiff. Against this background, manufacturers will increase the quality of their products by overhauling their production processes and using more advanced manufacturing technology, while distributors will adjust their business models to meet the evolving demands of digital consumers, for example by developing new distribution channels.

Both producers and traders of construction materials will see better business conditions over the years 2021-2023 as the construction sector strengthens on (i) an increase in public sector construction both at home and in the broader region, especially in work on megaprojects; (ii) recovery in the real estate market, in particular in the Bangkok Metropolitan Region and in the bigger provincial centers; and (iii) the economic recovery that will come in the wake of the COVID-19 crisis. Given these factors, the market for both building materials and for home decorations should improve in the coming period.

3) Marketing strategy

- (1) Keep good relationship with regular customers who require high quality products
- (2) Flexible pricing to utilize production capacity and increase chances of selling fittings
- (3) Promote Weholite products
- (4) Offer installation projects
  - EPC Projects (Engineering Procurement and Construction)
  - Power plants
  - Submarine installation projects

(5) Improve fitting product line



- (6) Effective R&D, patents, and innovation licenses
- (7) Support Wiik Water for the water management business
- (8) Trading products from Lesso
- (9) Feasibility study for PVC pipe production

4) SWOT Analysis

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

## 5. General information and other important information

### 5.1 General information

#### 1) General Information of the Company

Name	: WIIC Public Company Limited
Security Symbol	: WIIC
Head office	: 90 CW Tower A, 35th Floor, Ratchadapisek Road, Huaykwang, Bangkok 10310
Factory Location	: 7/214 Moo 6 Amata City Industrial Estate (Rayong), Mab Yang Porn, Pluak Daeng, Rayong 21140
Branch Location	: Benitez Apartments, National Road, Poblacion, Danao City, Cebu, Republic of the Philippines 6004
Nature of Business	: Manufacturing, distribution, consulting and advisory services about installation planning of pipe systems and installation services of HDPE pipe, LDPE pipe, polypropylene pipe, Weholite Spiro pipe and WehoTank. Its production capacity and quality of products are well known worldwide.
Business Registration	: 0107538000151
Contact numbers	: Telephone 0-2612-8600 Fax 0-2645-2828-9
Website	: <a href="http://www.wiik.co.th">www.wiik.co.th</a>
Registered Capital	: 1,072,263,290 Baht
Paid up Capital	: 837,683,062 Baht
Number of paid up shares	: 837,683,062 shares
Par value	: 1.00 Baht
Accounting period	: 1 January - 31 December

#### 2) General information of Subsidiaries

(1) Name	: WIIC Water Company Limited
Head office	: 90 CW Tower B, 21st Floor, Ratchadapisek Road, Huaykwang, Bangkok 10310
Branch location 1	: 60/129 Moo 3 Mab Yang Porn Sub-district, Pluak Daeng District, Rayong Province 21140
Branch location 2	: 371 Soi Bangna-Trad 12, Bangna Sub-district, Bang Na

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

### 3) Other References

Share Registrar	: Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400 Telephone : 0 2009-9000 Fax : 0 2009-9991
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SET Contact center: 0 2009-9999

Website: <http://www.set.or.th/tsd>

E-mail: SETContactCenter@set.or.th

Auditor : Mr.Khitsada Lerdwana C.P.A. Registration No. 4958  
Mr.Termphong Opanaphan C.P.A. Registration No. 4501  
Ms. Sumalee Reewarabandith C.P.A. Registration No. 3970

EY office Company Limited

33rd Floor, Lake Rajada Office Complex

193/136-137 Rajadapisek Road Klongtoey Bangkok 10110

Telephone : +66 2264 0777, +66 2661 9190

Fax : +66 2264 0789-90

Website: <http://www.ey.com>

## 5.2 Other important information

-None-

## 5.3 Legal Disputes

In 2021, the Company does not have any legal disputes in which the Company or its subsidiaries are related or parties that may significantly affect its business operations.



## Part 2

### Corporate Governance

#### 6. Corporate Governance Policy

##### 6.1 Overview of Corporate Governance Policy and Practices

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

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

##### 1) Rights of Shareholders

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

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

- 1) In case the shareholder cannot attend the meeting by himself, the Company allows the shareholder to assign the proxy to the Audit Committee or any person to attend the meeting by using any type of proxy as submitted with the invitation letter.
- 2) Allow the shareholder to submit the opinion, advice and send questions in advance prior to the shareholders' meeting date.
- 3) To encourage the shareholder to use the proxy in form that the shareholder can determine the voting direction and nominate at least 1 independent director.

- 4) During the meeting, the Company shall provide proper time and encourage the shareholder to express opinion, advice or raise question at the meeting with regard to the matters concerning the Company prior to the voting in any agenda. The Company shall provide sufficient information of such matter to the shareholder.
- 5) To encourage using voting card for the important agenda such as related transaction, asset acquisition or disposition, etc. for transparency and be able to examine in case there is any argument in the future.
- 6) All directors shall attend the meeting except for necessary circumstance so that the shareholders can inquire with regard to the related matter.

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

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

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

In 2021, the Company held the Annual General Meeting of Shareholders 2021 on 23 April 2021 and during the year had the Extraordinary General Meeting of Shareholders No.1/2021 on 15 July 2021. The Company has complied with the good corporate governance principles as follows:

#### The Annual General Meeting of Shareholders 2021

##### (1) Before the meeting

- Opportunity for Shareholders to Propose AGM Agenda

The Company invited the shareholders to propose the agenda and candidates to be considered for the election as the Company's directors in the Annual General Meeting of Shareholders. The submitting period is from 15 December 2020 until 31 January 2021

The Company disclosed (1) Criteria for shareholders to propose the agenda and candidates to be elected as directors in the Annual General Meeting of Shareholders 2021 (2) Form for proposing

agenda for the Annual General Meeting of Shareholders 2021 (Form A) and (3) Form for proposing candidates to be elected as directors in the Annual General Meeting of Shareholders 2021 (Form B and Form C) via the Company's website at [www.wiik.co.th](http://www.wiik.co.th) since 15 December 2020.

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

- Agenda and sending notice of meeting

The Company has notified the agenda for the shareholders' meeting in both Thai and English via the channels of the Stock Exchange of Thailand since 1 March 2021 to inform the Shareholders 53 days before the meeting date. The Company has sent a notice of meeting which has both facts and reasons including opinions of the Board of Directors on every agenda together with supporting documents as follows.

- Copy of the minutes of Annual General Meeting of Shareholders 2020
- QR CODE for download the Annual Report and Financial Statements for the year 2020
- Information of the directors who retire by rotation and proposed the shareholders to vote for election another term
- Capital increase report form (F53-4)
- Guidelines for appointment of proxy holder, registration and documents required in order to attend the shareholders' meeting
- Articles of Association with respect to the meeting of shareholders only
- Independent Directors Definition and Information of an independent director for consideration regarding appointment as proxy holder
- Map of the meeting place
- Proxy (Form B)

By submitting before the meeting date 18 days since 5 April 2021 and also advertised in newspapers 3 consecutive days before the meeting from 31 March – 2 April 2021 as well as published the notice of the Annual General Meeting of Shareholders 2021 with supporting documents on the Company's website [www.wiik.co.th](http://www.wiik.co.th) since 22 March 2021.

## (2) [During the Meeting](#)

The Company makes it convenient for shareholders to exercise their rights to participate and vote in meetings. Shareholders can begin to register for a meeting not less than 1 hour before the commencement of a meeting and use barcode system to register and count votes to facilitate the shareholders including the Company also arranges appropriate receptions for the shareholders attending the meeting. The Company allows shareholders who arrive after a meeting has commenced

to vote on the remaining agenda items and constitute the quorum starting from the agenda on which they cast their votes. Shareholders who are unable to attend a meeting may choose to vote by proxy by appointing someone or Independent Directors/Members of Audit Committee nominated to be proxy-holders by the Company to cast votes on their behalf.

The situation on the new surge of the Coronavirus 2019 (COVID-19) outbreak is quite severe. Therefore, to prevent and mitigate the risks of coronavirus 2019 (COVID-19) infection including for the health and safety of the shareholders, the Company is revised and implemented measures during the Annual General Meeting Shareholders 2021 under the COVID-19 pandemic situation as follows:

1. The Company would like to encourage the shareholders to appoint the Company's Independent Director, as a proxy, instead of attending the Meeting in person. Send the proxy by scan document or photo to the company secretary at [wittaya@wiik.co.th](mailto:wittaya@wiik.co.th) or by registered mail to;

Company Secretary

WIIG Public Company Limited

90 CW Tower A, 35th Floor, Ratchadapisek Road,

Huaykwang Sub-District, Huaykwang District, Bangkok 10310

2. The registration system will commence 1 hour before the meeting.
3. The Meeting time will be limited to no more than 1 hour and 30 minutes.
4. Seats will be arranged with the distance between each other which will be able to accommodate only 50 attendees. There will be no additional seats for followers and if the seats are full, the company reserves the right to not allow any more people to enter the meeting rooms. (First Come, First Served)
5. The Company reserves the right to not allow the following persons to attend the meeting:
  - 5.1) The following group of person:
    - Proven COVID-19 infected people (patients)
    - Person contacted with patients (person with high – risk exposure)
    - Person close to high – risk exposure persons
  - 5.2) Persons with the following symptoms:
    - Having a body temperature of 37.5 degree Celsius or more
    - Having respiratory symptoms, such as coughing, sore throat, sneezing, runny nose, difficult breathing, or any other symptoms that indicate the potential COVID-19 infection
    - Refusing the screening process of the Company, including refusing to comply with other requirements of the Company

- 5.3) Persons who travel, reside, or perform their duties in the control area. This includes persons who were presented in a crowded area with the COVID-19 outbreaks.
6. The Company will not provide microphones for questioning in the meeting room. Participants who wish to ask questions will be requested to write down and send their questions to our officers. The Company will only answer the questions relevant to the agenda for voting in the meeting room. For other questions, the Company will consider as appropriate.
7. The Company will not allow for moving or changing the seat throughout the Meeting.
8. The Company asks all shareholders/proxies to refrain from eating and drinking while participating in the meeting room and nearby area.
9. All shareholders/proxies who come to the Meeting must wear a face mask at all times and clean their hands frequently with alcohol gel provided at various points.

The Board of Directors attaches importance to the shareholders' meeting which considered as a duty to attend. The Annual General Meeting of Shareholders 2021 on 23 April 2021. There were 8 directors (From a total of 8 directors) attended the meeting as follows:

- |                                         |                                                                                                   |
|-----------------------------------------|---------------------------------------------------------------------------------------------------|
| 1) POL.GEN. Chidchai Vanasatidya, Ph.D. | Independent Director /<br>Chairman of the Board of Directors /<br>Chairman of the Audit Committee |
| 2) Mr. Wiboon Sangwithayanon            | Director and Chief Executive Officer                                                              |
| 4) Dr. Shaoquan Lin                     | Director                                                                                          |
| 5) Mr. Zhe Li                           | Director and Executive Committee                                                                  |
| 3) Mr. Yulong Li                        | Director and Executive Committee                                                                  |
| 6) Mr. Karn Siriphatras                 | Director and Executive Committee                                                                  |
| 7) Miss Pranee Ratakam                  | Independent Director and Audit Committee                                                          |
| 8) Miss Benjawan Sinkunakorn            | Independent Director and Audit Committee                                                          |

In addition, Chief Financial Controller, Auditor of the Company, Company Secretary, and Legal Advisor who served as an Inspector in the meeting and witness to vote counting also attended the Meeting to answer questions from shareholders. List of the members of the Board and other Executives who attended the Meeting was included in the Minutes of Annual General Meeting of Shareholders 2021.

The Shareholders' meetings are an opportunity for shareholders to exercise their rights to inquire about the operations and performances of the Company and to consider and vote on various matters as specified by laws and the Company's Articles of Association. Upon the commencement of a

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

### (3) After the Meeting

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

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

The Company later submitted the minutes of Annual General Meeting of Shareholders 2021 to the Stock Exchange of Thailand and the registrar of the public companies limited, Department of Business Development, Ministry of Commerce on 7 May 2021 which was within the specific 14 days from the meeting date and noticed the minutes information in both Thai and English including meeting's recorded sound through the Company's website.

The Company allocated the shares of Minority shareholders (Free Float) in accordance with the requirements of the Stock Exchange of Thailand. That was, as at 16 March 2021, on which the

shareholders register book was closed to determine entitlements to attend the shareholders meeting 2021, the Company's shares held by Minority shareholders (Free Float) accounted for 53.85%

#### The Extraordinary General Meeting of Shareholders No.1/2021

##### (1) Before the meeting

The Company has notified the agenda for the shareholders' meeting in both Thai and English via the channels of the Stock Exchange of Thailand since 13 May 2021 to inform the Shareholders 63 days before the meeting date. The Company has sent a notice of meeting which has both facts and reasons including opinions of the Board of Directors on every agenda together with supporting documents as follows.

- Copy of the minutes of Annual General Meeting of Shareholders 2021
- Capital increase report form (F53-4)
- Details pertaining to the Request for Waiver from Mandatory Tender Offer Obligation (Whitewash)
- Request Form for Shareholders' Meeting Resolution to Approve Acquisition of New Securities without Requirement to Make a Tender Offer for All Securities of the Business (Form 247-7)
- Information Memorandum of WIIC Public Company Limited re: Connected Transaction
- QR CODE for download the Opinion of Independent Financial Advisor on the Request for Waiver from Mandatory Tender Offer by Using the Resolutions of Shareholder's Meeting (Whitewash) and Related Party Transaction of WIIC Public Company Limited
- Guidelines for appointment of proxy holder, registration and documents required in order to attend the shareholders' meeting
- Articles of Association with respect to the meeting of shareholders only
- Independent Directors Definition and Information of an independent director for consideration regarding appointment as proxy holder
- Map of the meeting place
- Proxy (Form B)

By submitting before the meeting date 15 days since 30 June 2021 and also advertised in newspapers 3 consecutive days before the meeting from 7 – 9 July 2021 as well as published the notice of the Extraordinary General Meeting of Shareholders No.1/2021 with supporting documents on the Company's website [www.wiik.co.th](http://www.wiik.co.th) since 24 June 2021.

(2) [During the Meeting](#)

The Board of Directors of WIIC Public Company Limited (“the Company”) approved to holds the Extraordinary General Meeting of Shareholders No.1/2021 on Thursday 15 July 2021, at 2:00 PM at Prize Room, 2 nd Floor, Ibis Styles Bangkok Ratchada Hotel, located at 2 1 2 Ratchadapisek Road, HuaiKhwang Sub-District, HuaiKhwang District, Bangkok 1 0 3 1 0 . Due to the ongoing outbreak of Coronavirus 2019 (COVID-19), the Company is deeply concerned about the safety and well-being of our shareholders. As a result, the Board of Directors meeting No.3/2021 held on 12 May 2021 has authorized the Chief Executive Officer to have power, the amendment of date, time, and place or a method of convening the Extraordinary General Meeting of Shareholders No.1/2021 as necessary and appropriate. In this regard, on July 9, 2021 the Company hereby informs the changing of a method of convening the Extraordinary General Meeting of Shareholders No.1/2021 to electronic meeting (E-meeting) and arrange live broadcast at 2 PM, and have same agenda, details of which appears in the invitation letter to shareholders’ meeting which had already been sent to the Shareholders.

The Shareholders or proxies who would like to attend the E-EGM must submit an application to attend the meeting by Electronic Method. The system will be available to access from 9 – 14 July 2021. In the event that a shareholder is not able to attend the shareholders’ meeting in person, such shareholder may appoint any other person as proxy holder to attend the meeting. The registrations for attending the meeting was opened at 13.00 hours on Thursday 15 July 2021 via E-EGM by broadcasting live at the Company’s headquarters meeting room.

The Board of Directors attaches importance to the shareholders’ meeting which considered as a duty to attend. The Extraordinary General Meeting of Shareholders No.1/2021 on Thursday 15 July 2021. There were 8 directors (From a total of 8 directors) attended the meeting as follows:

- |                                         |                                                                                                   |
|-----------------------------------------|---------------------------------------------------------------------------------------------------|
| 1) POL.GEN. Chidchai Vanasatidya, Ph.D. | Independent Director /<br>Chairman of the Board of Directors /<br>Chairman of the Audit Committee |
| 2) Mr. Wiboon Sangwithayanon            | Director and Chief Executive Officer                                                              |
| 3) Dr. Shaoquan Lin                     | Director                                                                                          |
| 4) Mr. Zhe Li                           | Director and Executive Committee                                                                  |
| 5) Mr. Yulong Li                        | Director and Executive Committee                                                                  |
| 6) Mr. Karn Siriphatras                 | Director and Executive Committee                                                                  |
| 7) Miss Pranee Ratakam                  | Independent Director and Audit Committee                                                          |
| 8) Miss Benjawan Sinkunakorn            | Independent Director and Audit Committee                                                          |



In addition, Chief Financial Controller, Independent Financial Advisor, Company Secretary, and Legal Advisor who served as an Inspector in the meeting and witness to vote counting also attended the Meeting to answer questions from shareholders. List of the members of the Board and other Executives who attended the Meeting was included in the Minutes of Extraordinary General Meeting of Shareholders No.1/2021.

Upon the commencement of a meeting, Chief Executive Officer informs the meeting of the number/proportion of shareholders in attendance. Chairman of the Board of Director acts as a chairman of the meeting announces the opening of the meeting and then explain procedures and rules governing voting and vote counting. The meeting proceeds in the sequence of agenda and no additions or order changes of agenda items will be made without advance notice. Sufficient time to consider the agenda items is provided and shareholders are given an opportunity to make inquiries and comments, to which direct and clear responses are provided by Directors. The meeting is informed of voting result of each agenda item, including vote counts for Approve, Disapprove, Abstain, and Void.

### (3) After the Meeting

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

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

The Company later submitted the minutes of Extraordinary General Meeting of Shareholders No.1/2021 to the Stock Exchange of Thailand and the registrar of the public companies limited, Department of Business Development, Ministry of Commerce on 21 July 2021 which was within the

specific 14 days from the meeting date and noticed the minutes information in both Thai and English including meeting's recorded sound through the Company's website.

## 2) Equitable Treatment of Shareholders

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

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

directors and executives who have duties to report the shareholding according to the laws have to report regularly to the Board of Directors.

In 2021, the Company performed various matters by considering the equitable treatment of shareholders as follows.

(1) Meetings of Shareholders

- For foreign shareholders, the Company will prepare an English version of the notice of shareholders' meeting, supporting documents, and minutes of a meeting to ensure that all shareholders are able to participate in considering and voting on important matters of the Company. Shareholders who are unable to attend a meeting may choose to vote by proxy by appointing someone or a member of the Audit Committee who is also the Independent Director to cast votes on their behalf. Names and addresses of the three members of the Audit Committee as well as their interests in the matters being considered at the meeting are included in the notice of the meeting. Proxy Form B is also enclosed with the notice of the meeting to be used by shareholder to give their voting instructions.
- The proxy form is affixed with revenue stamp to make it convenient for shareholders to return the form to the Company.
- Votes of shareholders' meeting are counted based upon the number of shares owned by shareholders with one share being entitled to one vote.
- The meeting proceeds in the sequence of the agenda given in the notice of the meeting and no additions or order changes of agenda items will be made without advance notice.
- Use barcode system to count votes on each agenda of the meeting for accurate and accurate scoring.
- Voting would be done publicly in which shareholders are given voting cards to vote to approve, disapprove, or to abstain their votes on each agenda. Only the voting cards of shareholders who vote to disapprove and/or to abstain from voting would be collected, with an exception of the election of the Company's Directors in which all voting cards will be collected. Only disapprove and/or abstain votes will be counted which will be subtracted from the total number of eligible votes in attendance. The resulting counts will be considered as approving votes for that agenda. The Company's Auditor acts as witness to vote counting.

## (2) Control on the use of inside information

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

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

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

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

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

### (3) Implementation of conflict of interest

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

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

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

#### (4) Opportunity for Shareholders to Propose AGM Agenda

According to the good corporate governance regarding the equitable treatment of shareholders, the Company would like to invite the shareholders to propose the agenda and candidates to be considered for the election as the Company's directors in the Annual General Meeting of Shareholders 2022 which is scheduled in April 2022. The submitting period is from 14 December 2021 until 31 January 2022.

The Company disclosed (1) Criteria for shareholders to propose the agenda and candidates to be elected as directors in the Annual General Meeting of Shareholders 2022 (2) Form for proposing agenda for the Annual General Meeting of Shareholders 2022 (Form A) and (3) Form for proposing candidates to be elected as directors in the Annual General Meeting of Shareholders 2022 (Form B and Form C) via the Company's website at [www.wiik.co.th](http://www.wiik.co.th) since 14 December 2021.

### 3) Role of Stakeholders

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

#### ❖ [Roles of Stakeholders](#)

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

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

#### ❖ [Customers](#)

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

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

#### ❖ [Employees](#)

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

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

#### ❖ [Trading Partners](#)

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

#### ❖ [Creditors](#)

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

#### ❖ [Business-Community relationships](#)

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

#### ❖ Environment and Society Concern

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

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

#### 4) Disclosure and Transparency

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

In general the company information is submitted through the Stock Exchange of Thailand channel in the annual report format (Form 56-1) and the bi-lingual company Annual Report (Form 56-2). The same information is also posted on the company website with the up-to-date information.

The company board of directors is responsible for the producing of publicized consolidated financial report of company and its subsidiaries under the recognized certified standard with the



choice of appropriate accounting policy and practice on regular basis. Sufficient explanations to the financial statements are also inclusive in the annual report.

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

#### ❖ [Shareholder Structure](#)

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

#### ❖ [Remuneration for Directors and Management](#)

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

#### ❖ [Report of Interest of Directors and Directors' and Managements' Changes in number of shares](#)

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

In 2021, Directors' and Managements' have any changes in relation to shares transaction as follows.

List of Directors and Executives	Securities holder	Securities	Securities held at the beginning of the year	Securities acquired (disposed)	Securities held at 31 Dec 2021	
					Number	%
1) POL.GEN. Chidchai Vanasatidya, Ph.D. Independent Director /	Self	WIIC	1,055,100	-	1,055,100	0.13
	Spouse	-	-	-	-	-

List of Directors and Executives	Securities holder	Securities	Securities held at the beginning of the year	Securities acquired (disposed)	Securities held at 31 Dec 2021	
					Number	%
Chairman of the Board of Directors / Chairman of the Audit Committee	Underage children	-	-	-	-	-
2) Miss Pranee Ratakam Independent Director / Audit Committee	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
3) Miss Benjawan Sinkunakorn Independent Director / Audit Committee	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
4) Dr. Shaoquan Lin Director	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
5) Mr. Zhe Li Director / Executive Committee	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
6) Mr.Yulong Li Director / Executive Committee	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
7) Mr. Karn Siriphatras Director / Executive Committee	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
8) Mr.Wiboon Sangwithayanon Director / Chief Executive Officer	Self	WIIC	210,000	-	210,000	0.03
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
9) Mrs. Sumalee Ongcharit Executive Committee	Self	WIIC	83,009,250	(1,858,800)	81,150,450	9.69
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
10) Miss Rewadee Whanchid Executive Committee	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
11) Miss Chinanut Jariyarudeechai Executive Committee / Chief Financial Controller	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
12) Mr. Peerapon Thantranon Sales Manager	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
13) Mrs. Sasiwimon Wirojchewan Administrative & Procurement Manager	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
14) Miss Jarunee Anansuksakun Technical & Product Manager	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-

List of Directors and Executives	Securities holder	Securities	Securities held at the beginning of the year	Securities acquired (disposed)	Securities held at 31 Dec 2021	
					Number	%
15) Mr. Arom Petchmanee Factory Manager	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
16) Mr. Krisnat Busapavanij Export Sales Manager	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
17) Miss Parichart Wongwiwat Business Development Manager	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
18) Mr. Panao Intrapphan Project Manager	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
19) Mrs. Aphitchaya Hemtanon Accounting Manager	Self	-	-	-	-	-
	Spouse	-	-	-	-	-
	Underage children	-	-	-	-	-
Total		WIIC	84,274,350	(1,858,800)	82,415,550	9.84

#### ❖ Information providing and mass media or public interviews

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

#### ❖ Communication Channels to the Public

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

In 2021, the Company constantly communicated and provided information to analysts, investors, shareholders, and media in various forms as follows:

- (1) Providing opportunities for analysts from securities companies to meet with executives (Company Visit).
- (2) Publicizing the investor relation's information via the Company's website under the item of "Investor Relation"

#### ❖ [Financial Statements and Auditors](#)

The Company and its Subsidiaries have appointed EY Office Limited as auditors since 2009 - 2021 totaling 13 years. The appointed auditors were the independent ones whose qualifications were accepted and approved by the Securities and Exchange Commission. The financial statements have been always certified by the auditors without any condition. In 2021, the Company had no past record of being ordered to amend the financial statements by the Securities and Exchange Commission and the Stock Exchange of Thailand and also no record of delay of both quarterly and yearly submission of the financial statements.

#### 5) Responsibilities of the Board

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

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

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

All directors understand the duties and responsibilities of the Board and the Company's business as well. They are ready to express their opinion freely and perform with integrity careful and thoughtful by considering the maximum benefit of the Company and fair to all shareholders with accurate and complete information. In the past year, all directors devoted sufficient time to perform

duty under responsibilities fully. It is a duty of directors to attend every Board meeting, unless there are special reasons really.

#### (1) Vision, Mission and Corporate Governance Policy

In 2021, the Board of Directors reviewed the 2020 version of corporate vision, mission and targets and amended Corporate Governance Policy which were cascaded down to employees at all levels. It is the policy of the Company to review its corporate vision and mission every year.

#### (2) Structure and qualifications of the Board of Directors

The Board of Directors shall consist of 8 members who meet the required qualifications and do not possess prohibited characteristics under the Public Company Limited Act. The Board should comprise persons with a variety of skills and expertise, regardless of gender. The Company has clearly separated positions between Chairman of the Board of Directors, Chief Executive Officer, and President. The composition of the Board of Directors consists of 3 independent directors, representing more than one-third of the entire Board. This contributes to proper checks and balances and crosschecking of management.

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

#### (3) Balance of power of non-executive directors

As at 31 December 2021, the Board of Directors consisted of 8 members.

- 4 executives directors
- 1 outside director who are not employee of the Company
- 3 independent directors

3 independent Directors which is 37.50% of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

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

The Chairman of the Board of Director is not the same person as the Chief Executive Officer. Both positions have clearly separate duties and responsibilities in terms of supervision and

management. Details of duties and responsibilities are described in the topic of “Management Structure”. The top executive position is Chief Executive Officer.

#### (5) Directorship in other company

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

#### (6) Orientation for new directors

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

#### (7) Self-assessment of the Board of Directors

The Board of Directors set up the policy requiring all directors to conduct assessment of the performance of the entire Board of Directors using the self-assessment form for the Board of Directors provided by the Corporate Governance Development for Capital Market Department, Stock Exchange of Thailand. For 2021, the Company used the form issued in February 2015 with the additional information for certain topics to support the assessment of the directors. There are 6 major topics for assessment:

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

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

#### (8) Performance Appraisal for Chief Executive Officer

The Board of Directors assigns the Remuneration and Nomination Committee to handle the performance appraisal for Chief Executive Officer on annually basis and also determine the annual

remuneration for him prior to proposing the appraisal result for consideration of the Board of Directors Meeting for approval of his remuneration annually.

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

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

(10) Sub Committees

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

❖ The Audit Committee

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

Since 2015 - 2021, the Company hired JP Tip Audit Limited to perform duties as the internal auditor in place of the Internal Audit Department. This is to facilitate independence in performing duties and allows the auditor to report directly to the Audit Committee.

❖ Executive Committee

Executive Committee consisting of 4 executive directors and 3 non-executive directors totaling 7 members are responsible for developing plans, policies, direction, business strategies, and management structure for the Company's core business operation; considering the Company's performance in terms of profit/loss, and the interim or annual dividend payment before proposing it to the Board of Directors; and performing other tasks as assigned by the Board of Directors.

#### ❖ Remuneration and Nomination Committee

The Remuneration and Nomination Committee consists of 3 independent directors to recruit and determine the remuneration of Directors and Executives. In 2021, there were 2 meetings to perform their duties as follows.

- Consider the term of directors, and approve the nominations who will serve as the new directors.
- Consider and approve the remuneration of the Board of Directors for the year 2021.
- Consider and approve the payment of the directors' bonus for the year 2021.

The Remuneration and Nomination Committee served for nominating candidates to replace Directors and Executives in the case of completed their terms resign or other. In order to comply with the corporate governance guidelines of the Stock Exchange of Thailand and Articles of Association, the Board of Directors and executives of the Company must be fully qualified by the Public Companies Act BE 2535 and the Securities and Exchange Act BE 2535 and proposed to the Board of Directors for approval. However, in 2021, the Board of Directors did not appoint any person to be the advisor of the Nomination and Remuneration Committee.

#### ❖ Good Corporate Governance Committee

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

#### (11) Directors' Report

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



Statements is to be proposed to the Board of Directors meeting and disclosed in the Annual Report as well.

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

#### (12) Succession Plan

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

#### (13) Remunerations for Directors and Management

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

#### (14) Directors and Management Development

The Board of Directors prioritize to participation in training courses that are beneficial to the performance of Directors. The Company promotes and supports the training of directors in the courses organized by Thai Institute of Directors Association (IOD) as at 31 December 2021, details are as follows:

No.	List of Directors	Position	Training Course from Thai Institute of Directors Association (IOD)
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board of Directors	<ul style="list-style-type: none"> <li>Director Accreditation Program (DAP), Class 75/2008</li> <li>Capital Market Academy (CMA) Class 10/2010</li> </ul>
2.	Miss Pranee Ratakam	Independent Director	Director Accreditation Program (DAP) class 79/2009
3.	Miss Benjawan Sinkunakorn	Independent Director	<ul style="list-style-type: none"> <li>Director Certification Program (DCP) 2006</li> <li>Director Accreditation Program (DAP) 2004</li> </ul>
4.	Dr. Shaoquan Lin	Director	-
5.	Mr. Zhe Li	Director	-
6.	Mr. Yulong Li	Director	-

No.	List of Directors	Position	Training Course from Thai Institute of Directors Association (IOD)
7.	Mr. Kam Siriphatras	Director	Director Accreditation Program (DAP) class 156/2019
8.	Mr. Wiboon Sangwithayanon	Director	Director Accreditation Program (DAP) class 120/2015

#### (15) Board of Directors Meeting

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

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

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

Moreover, the Board of Directors set out the policy to arrange a meeting among all independent directors without any participation of the executive directors at least once per year starting from 2018 onwards. In 2021, one meeting among all independent directors was held in December. In December the Audit Committee held a joint meeting with the independent auditor without the presence of the Company's management.

#### (16) Company Secretary

Since 2015, the Board of Directors has appointed Mr. Wittaya Janta-ummao, Investor Relations, as Company Secretary to perform supporting duties to the Board of Directors Meeting such as agenda

preparation, notice of the meeting, meeting arrangement, meeting documents filing and also give her advices to directors so that they can perform their duties in compliance with relevant laws and regulations.

## 6.2 Code of Conduct

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

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

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

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

- Chapter 1     Message from the Chairman
- Chapter 2     Principle of business operations
- Chapter 3     Best practices
  - 3.1 Conflict of interest and treatment of confidential information
    - 3.1.1 Conflict of interest
    - 3.1.2 Treatment of confidential information
  - 3.2 Responsibility for the Company and the Company's assets
    - 3.2.1 The Company's assets
    - 3.2.2 Documentation
    - 3.2.3 Computer and communication technology
    - 3.2.4 Bribe giving and receiving
    - 3.2.5 Gifts and Entertaining
    - 3.2.6 Information providing and mass media or public interviews

### 3.2.7 Political rights and other activities

## 3.3 Practices for Stakeholders

### 3.3.1 Business ethics for Directors and Executives

### 3.3.2 Business ethics for all employees

Chapter 4 Compliance

Chapter 5 Complaints handling

Chapter 6 Penalty

The Company's Code of CONDUCT can be read in its entirety at the Company's website at [https://www.wiik.co.th/wp-content/uploads/2021/11/Code-of-Conduct-WIIC-2020\\_TH.pdf](https://www.wiik.co.th/wp-content/uploads/2021/11/Code-of-Conduct-WIIC-2020_TH.pdf)

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

In 2021, the Board of Directors, by the suggestion of the Good Corporate Governance Committee, has considered the good corporate governance principles for listed companies 2017 or Corporate Governance Code (CG Code) issued by the SEC Office. To apply by considering and recognizing the roles and duties of the organization's leadership (governing board). All directors have carefully considered the Code and understood the benefits and importance of implementing the CG Code which focuses on the integration of social and environmental issues, and corporate governance to be used to create value for businesses for sustainable development.

The company got the CG score from the corporate governance assessment 2021 conducted by the Thai Institute of Directors Association (IOD), the Company's overall score was 89% ("Very good"), increased from last year's score of 87%, higher than the average level of 84% based on the survey of 716 listed companies.

Besides, the Audit Committee Meeting No.1/2022 held on February 23, 2022, has considered the results of self-assessment in compliance with good corporate governance principles for the year 2021 and has reviewed the policies and CG Code Principles, including reviewing the issues that have not implemented yet, and has considered and formulated appropriate action guidelines following the nature of business and corporate culture. There are important cases as follows:

CG Code that has no implemented	Opinion
The Board of directors consists of more than half of the independent directors.	The Board of Directors consists of qualified directors with diverse qualifications, abilities, and experiences which consists of 3 independent

CG Code that has no implemented	Opinion
	<p>directors out of a total of 8 directors (37.50%). The chairman of the Board is an independent director which is considered an appropriate proportion with the performance of the independent directors.</p>
<p>Appointment of advisors to the Nomination and Remuneration Committee</p>	<p>The Board of Directors has assigned the Nomination and Remuneration Committee which consists of experts from various professions to perform duties in summary as follows:</p> <ul style="list-style-type: none"> <li>● To select persons to replace directors and executives, if the term expires, resign or other cases. This is to be in line with the good corporate governance guidelines of the Stock Exchange of Thailand and accordance with the Articles of Association of WIIC Public Company Limited, The directors and executives of the Company Must be fully qualified according to the Public Limited Companies Act 1992 and the Securities and Exchange Act 1992</li> <li>● To consider the remuneration of Directors by considering the suitability of the duties, responsibility, and the Company's performance and propose to the Board of Directors .</li> </ul> <p>In the past, the Nomination Committee can perform its duties very well. Therefore, it can be considered that the Company has an appropriate and efficient process of nomination and remuneration of directors.</p>
<p>Set up the policy or operating regulations on succession plan in writing</p>	<p>The Company is in the process of preparing a written succession plan which is expected to complete within Q2/2022.</p>

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

### 7.1 Corporate Governance Structure

#### 7.1.1 Board of Directors

As at 31 December 2021 the Board of Directors of WIIC Public Company Limited consist of;

##### 1) Board of Directors

- |    |                                     |                                                           |
|----|-------------------------------------|-----------------------------------------------------------|
| 1. | POL.GEN.Chidchai Vanasatidya, Ph.D. | Independent Director / Chairman of the Board of Directors |
| 2. | Miss Pranee Ratakam                 | Independent Director                                      |
| 3. | Miss Benjawan Sinkunakorn           | Independent Director                                      |
| 4. | Dr. Shaoquan Lin                    | Director                                                  |
| 5. | Mr. Zhe Li                          | Director                                                  |
| 6. | Mr. Yulong Li                       | Director                                                  |
| 7. | Mr. Karn Siriphatras                | Director                                                  |
| 8. | Mr. Wiboon Sangwithayanon           | Director                                                  |

##### 2) Executive Committee

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

##### 3) Audit Committee

- |    |                                     |                                 |
|----|-------------------------------------|---------------------------------|
| 1. | POL.GEN.Chidchai Vanasatidya, Ph.D. | Chairman of the Audit Committee |
| 2. | Miss Pranee Ratakam                 | Audit Committee                 |
| 3. | Miss Benjawan Sinkunakorn           | Audit Committee                 |

#### 4) Nomination and Remuneration Committee

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

#### 5) Good Corporate Governance Committee

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

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

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

As at 31 December 2021, the Company had total of 8 directors which consists of 4 Executives Directors, 1 outside director who are not employee of the Company and 3 independent Directors which is 37.50% of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

#### Limits on Authority of the Board of Directors

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

#### Authorized signatory

Name and number of directors who are authorized to sign on behalf of the Company are Mr. Wiboon Sangwithayanon, Mr. Karn Siriphatras, Mr.Yulong Li, and Mr. Zhe Li". Any two of the four mentioned directors jointly sign their names.

### 7.1.2 Executives

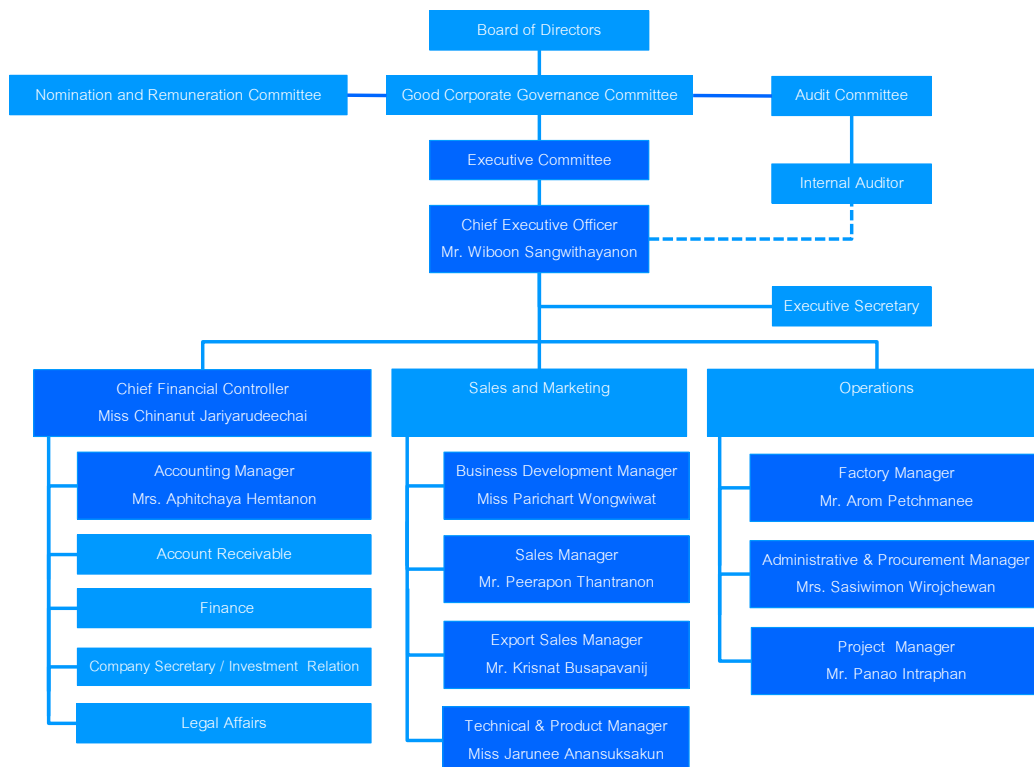
As at 31 December 2021 the Management team of WIILK Public Company Limited has 13 executives as follows.

List of Executives	Position	Note
1. Mr. Wiboon Sangwithayanon	Chief Executive Officer	-
2. Mrs. Sumalee Ongcharit	Executive Committee	Appointed on 27 Nov 2020
3. Mr. Yulong Li	Executive Committee	Appointed on 27 Nov 2020
4. Miss Rewadee Whanchid	Executive Committee	-
5. Miss Chinanut Jariyarudeechai	Chief Financial Controller	-
6. Mr. Peerapon Thantranon	Sales Manager	-
7. Mrs. Sasiwimon Wirojchewan	Administrative & Procurement Manager	-
8. Miss Jarunee Anansuksakun	Technical & Product Manager	-
9. Mr. Arom Petchmanee	Factory Manager	-
10. Mr. Krisnat Busapavanij	Export Sales Manager	-
11. Miss Parichart Wongwiwat	Business Development Manager	-
12. Mr. Pano Intrapphan	Project Manager	-
13. Mrs. Aphitchaya Hemtanon	Accounting Manager	Appointed on 1 Jan 2020

Information about the management team is in the Attachment 1.

### Management structure

WIILK Public Company Limited as at 31 December 2021





## 7.2 Information about the Board of Directors

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

### 1) Board of Directors

As at 31 December 2021 the Board of Directors consisted of 8 directors as follows.

No.	List of Directors	Position	Note
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board of Directors	Appointed on 27 Oct 2020
2.	Miss Pranee Ratakam	Independent Director	-
3.	Miss Benjawan Sinkunakorn	Independent Director	Appointed on 11 May 2020
4.	Dr. Shaoquan Lin	Director	Appointed on 27 Nov 2020
5.	Mr. Zhe Li	Director	Appointed on 27 Nov 2020
6.	Mr. Yulong Li	Director	Appointed on 27 Oct 2020
7.	Mr. Karn Siriphatras	Director	-
8.	Mr. Wiboon Sangwithayanon	Director	-

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

As at 31 December 2021, the Company had total of 8 directors which consists of 4 Executives Directors, 1 outside directors who are not employee of the Company and 3 independent Directors which is 37.50% of the total Directors. Therefore, it is enough to create the balance of power within Board of Directors of the Company in accordance with Notification of Capital Market Supervisory Board.

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

### Tenure

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

### Role of Chairman

- (1) Responsible for determines agenda, lead and control Board of Directors' meeting to run smoothly.
- (2) Create a reasonable relationship with the CEO and Company Secretary.
- (3) Encourages all directors to participate in the meeting and can show fully potential.
- (4) Create clarity on the scope of duties and responsibilities between Board of directors and the executives.
- (5) Determines framework and monitor the corporate governance policy.
- (6) Be a representative and build a reputation to organization.
- (7) Be the shareholders' representative to serve as a leader in the annual general meeting.

- (8) Participate in building process of strategy plan that effective in practice.
- (9) Responsibility to seek qualified directors to join as member of the Board and directors development.
- (10) Supervise the Board of Directors along with evaluation of performance, communicate for transmit the expectation to the Board of directors.
- (11) Create succession planning process and the evaluation of performance of Chief Executive Officer.

#### Duties and responsibilities

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

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

#### Meeting

- (1) The Board of Directors' meeting must have directors attend at least half of all member so it is a quorum.
- (2) Scheduled to meeting at least 4 times per year and there may be meeting for more special agenda as necessary.
- (3) Chairman of the Board of Directors or Company Secretary responsible for determine agendas.

- (4) Notice of the meeting must be sent at least seven (7) days before the meeting. In the event of an emergency or to protect the rights and interests of the company, the Board of Directors' meeting may be held by notify all directors by other means and can schedule date of meeting faster than it.
- (5) Meeting resolution of Board of Directors shall count a majority vote of directors who attending the meeting. A director has one vote in the voting. A Director who has interests in the matter, has no right to comment and vote on such matter. If the votes are equal, the chairman of the meeting shall have an additional casting vote, except the law has determined otherwise for the voting.

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

### 7.3 Information about Sub-committees

#### 7.3.1 Audit Committee

As at 31 December 2021 the Audit Committee consisted of 3 members as follows.

No.	List of Audit Committee	Position	Note
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Chairman of the Audit Committee	Appointed on 27 Oct 2020
2.	Miss Pranee Ratakam	Audit Committee	-
3.	Miss Benjawan Sinkunakorn	Audit Committee	Appointed on 11 May 2020

Miss Pranee Ratakam and Miss Benjawan Sinkunakorn are 2 member of the Audit Committee who have sufficiently knowledgeable and experienced in the field of accounting able to conduct a review to assess financial statement credibility in accordance with the Security Act (No. 4) B.E. 2551 and Miss Chinanut Jariyarudeechai, Chief Financial Controller served as Secretary of Audit Committee who oversee the activities of Audit Committee, minutes of meeting and documenting about the meeting.

#### Tenure

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

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

- (4) The Board of Directors approved to retire.

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

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

#### Duties and Responsibilities

The Audit Committee has duties and responsibilities as follows.

- (1) Review the accuracy of Company's financial statements as it should be according to the general accepted accounting standards and adequate disclosure.
- (2) Review the Company's internal control and internal audit systems to be appropriate and effective.
- (3) Review the Company's compliance with the law on Securities and Stock Exchange, requirements of the Stock Exchange of Thailand and laws relating to the Company's business.
- (4) Consider and make a proposal in re-appointment, termination and remuneration of auditor of the Company.
- (5) Meeting with the auditor specifically at least 1 time per year to discuss on various matters that the Audit Committee or the auditor see that it should be discuss in private.
- (6) Review the independence of auditor and determine the receiving other services policy that is non-audit service from the same audit firm.
- (7) Review the corporate governance policy and make the proposal any changes to approve by the Board of Directors.
- (8) Review the related party transactions or transactions that may have conflicts of interest to comply with laws and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and in the best interests of the Company.
- (9) Review the Company's risk management systems to be appropriate and effective.
- (10) Consider the independence of internal audit department as well as to approve, appoint, migrate, lay off and consider the performance, meritorious service of internal audit head. All

of this may hire individuals or external firm to perform internal audit work by nominate and qualifications to the Audit Committee for approval at least once a year at the same time with an auditor nomination and practice as the Company conduct themselves tacitly.

- (11) Review and comment on internal audit plan, performance of internal audit department and coordinate with the auditor.
- (12) Prepare a report of the Audit Committee to disclose it in annual report of the Company that report must be signed by the Chairman of Audit Committee and must contain at least the following.
  - Commenting on the accuracy, completeness and reliability of the financial statements of the Company.
  - Commenting on the adequacy of internal control system of the Company.
  - Commenting on the compliance with law on the Securities and Exchange, requirements of the Stock Exchange of Thailand or the laws relating to the Company's business.
  - Commenting on the suitability of an auditor.
  - Commenting on the transactions that may have conflicts of interest.
  - The number of Audit Committee's meetings and the attendance of each member.
  - Comments or overall observation that the Audit Committee received from the performance of duties under the Charter.
  - Other issues that shareholders and investors should be informed under the scope of duties and responsibilities as assigned by the Board of Directors.
- (13) Investigate suspicious circumstances that director, manager or persons who responsible for operation of the Company committed an offense under the Securities and Exchange Act (No. 4) BE 2551 which the auditor detected and reported and the Audit Committee shall reports the results of preliminary inspection to Board of Directors, the Securities and Exchange Commission and the auditor within 30 days from the date of notification by the auditor. The suspicious circumstances that have to inform and method to get facts about such circumstances shall be in accordance the notification of the Capital Market Commission defined.
- (14) In performing of Audit Committee's duties, if found or suspected that it have transaction or action as follows which may have a significant impact on the financial position and operating results of the Company. The Audit Committee shall reports to Board of Directors for rectification within period that Audit Committee deem appropriate.

- Transaction was conflicts of interest.
- Fraud or irregularity or a significant deficiency in internal control system.
- Violation of the law on Securities and Exchange, requirements of the Stock Exchange of Thailand or the laws relating to the Company's business.

If the Board of Directors or Executive fails to make a rectification within period according to the first paragraph, one of member of Audit Committee may report such transactions or actions to the Securities and Exchange Commission or the Stock Exchange of Thailand.

- (15) Authorized to hire the consultant or outsider according to regulation of the Company to comment or consulting if needed.
- (16) Authorized to invite the Executive or any related person of the company to comment, attend meetings or provide relevant information.
- (17) Report the performance of Audit Committee to the Board of Directors acknowledge at least 4 times per year.
- (18) Evaluation of its own performance annually.
- (19) Review and evaluate on the adequacy of its charter and propose the change to the Board for approval.
- (20) Review the Company's internal control systems to be implements efficiently.
- (21) Review or audit as appropriate and report on the anti-corruption measures that the Board of Directors assigned to the Audit Committee to supervise the Company's anti-corruption policy.
- (22) Perform any other duties as assigned by the Board of Directors.

### 7.3.2 Executive Committee

As at 31 December 2021 the Executive Committee consisted of 7 members as follows.

No.	List of Executive Committee	Position	Note
1.	Mr.Wiboon Sangwithayanon	Chief Executive Officer	-
2.	Mrs. Sumalee Ongcharit	Executive Committee	Appointed on 27 Nov 2020
3.	Mr. Karn Siriphatras	Executive Committee	-
4.	Mr.Yulong Li	Executive Committee	Appointed on 27 Nov 2020
5.	Mr. Zhe Li	Executive Committee	Appointed on 27 Nov 2020
6.	Miss Rewadee Whanchid	Executive Committee	-
7.	Miss Chinanut Jariyarudeechai	Executive Committee	-

#### Composition and qualification

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

#### Term in office

Member of Executive Committee retire from office when

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

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

#### Executive authority

- (1) Appointment, removal, transferring, considering meritorious service as well as determine compensation and benefits for employees in various levels including other working group to perform various activities in management of the Company.
- (2) Approve the sales under normal transactions of the Company in the absence of guarantees or collateral or not protect or exceed credit limit by insurance in excess amount of Baht 20 million (total amount per client).
- (3) Approve raw materials purchasing to produce in all items which excess from authority of the management.
- (4) Approve the procurement and investment in fixed assets that beyond the budget, in the part excess of 500,000 Baht, not more than Baht 2 million per time, total not over Baht 5 million per year.
- (5) Approve the pretreatment, destroy, write off the fixed assets and intangible assets that depreciated, damaged, lost, destroyed or obsolete cannot be used which has total book value in excess amount of Baht 5 hundred thousand in each time.
- (6) Approve the reconditioning, destruction of raw materials and / or deteriorated inventory or obsolete, which would have book value decreased in excess amount of Baht 5 hundred thousand in each time.



- (7) Approve the compromise, dispute settlement by arbitration, grievances, litigation and / or the implementation of any judicial procedure on behalf of the Company for non-habitually of commercial with discount, in excess amount of Baht 5 hundred thousand in each time and / or habitually of commercial with discount, in excess amount of Baht 1 million in each time.
- (8) Authorized to perform in financial transaction with financial institution in account opening with bank, financial institution and request guarantee from bank, financial institution of not exceeding Baht 50 million.
- (9) Approve loans and guarantee to subsidiaries in the amount of not exceeding Baht 20 million per company.
- (10) The Executive Committee may authorize the executives or any person has the authority to perform in any or many matter according to the Executive Committee considered appropriate. The approval of executive committee and authorization must not the related transaction or transaction that may have conflict of interest or transaction that the members of Executive Committee are the stakeholders as defined in the Articles of Association and the announcement of the Capital Market Commission.
- (11) Hiring a consultant or independence person to provide comments or suggestions as needed.
- (12) Approve the investment in water management business and provide financial assistance in the amount not exceeding Baht 80 million in accordance with the investment policy of the Company.
- (13) Perform other duties according assigned from the Board of Directors in each period.

#### Duties and Responsibilities

- (1) Make recommendations on strategic direction, Management structure, Business plan and annual budget for the Board of Directors.
- (2) Responsible for management of the Company's business to comply with the direction, policy and goals of business.
- (3) Responsible for enhancing competitiveness of the Company and encourage to create innovation continuously.
- (4) Responsible for the operation of the Company to comply the law, objectives, articles of association, resolution of shareholders, resolution of Board of Directors as well as related regulations.
- (5) Ensuring the preparation of financial reports for the auditor to audit and / or review before propose to the Audit Committee and the Board of Directors respectively.

- (6) Consider and comment on the subject that must be approved by the Board of Directors. Except in any activities that the Board of Directors authorized to other committees to perform.
- (7) Consider and review the risk management and internal control systems of the Company.
- (8) Review and assess the adequacy of its charter and propose the change to the Board of Directors for approval.
- (9) Perform any other according to the Board of Directors assigned.

#### Authority of the Executive Committee and Chief Executive Officer

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

#### 7.3.3 Nomination and Remuneration Committee

As at 31 December 2021 the Nomination and Remuneration Committee consists of 3 members as follows.

No.	List of Nomination and Remuneration Committee	Position	Note
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Chairman of the Nomination and Remuneration Committee	Appointed on 27 Oct 2020
2.	Miss Pranee Ratakam	Nomination and Remuneration Committee	-
3.	Miss Benjawan Sinkunakorn	Nomination and Remuneration Committee	Appointed on 11 May 2020

#### Objectives

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

#### Composition of the Nomination and Remuneration Committee

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

#### The office term

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

#### Duties and Responsibilities

##### Nomination

- (1) Setting guidelines and policies in nominating Board of Directors and other sub-committee members by considering what would be the appropriate number, structure and composition of members, and outlining necessary directors' qualifications, and proposing these ideas for approval by the Board of Directors and/or Shareholders' Meeting as appropriate.
- (2) Searching, selecting and proposing appropriate persons to assume the position of the Company's directors whose terms have expired and/or became vacant, including newly appointed director.
- (3) Executing other tasks related to nominations as assigned by the Board of Directors.
- (4) Evaluating the performance of the top management and reporting to the Board of Directors for their consent.

##### Remuneration

- (1) Preparing guidelines and policies in determining the Board of Directors and other sub-committees' remuneration, and proposing it to the Board of Directors and/or Shareholders' Meeting for approval as appropriate.
- (2) Determining necessary and appropriate monetary and non-monetary remuneration, for individual members of the Board of Directors by taking into consideration each director's duties and responsibilities, performance, and comparisons against similar businesses, and

the benefits expected in return from each director. The report will be submitted to the Board of Directors for consent and to the Shareholders' Meeting for approval.

- (3) Taking responsibility to support the Board of Directors and being responsible for explaining and answering any questions regarding the Board of Directors' remuneration in the Shareholders' Meeting.
- (4) Reporting policies and principles/reasons in determining the remuneration of directors and management according to the SET guidelines by disclosing them in the Company's annual information disclosure (56-1) and annual report.
- (5) Being responsible for any other tasks related to the remuneration as assigned by the Board of Directors.

The management team and other units have to report or present the information relating to the Nomination and Remuneration Committee in order to support the operation of the Nomination and Remuneration Committee to achieve their assigned tasks.

#### Reporting

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

#### Meetings

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

of the meeting will be informed by other methods or the meeting shall be scheduled earlier.

The Company Secretary shall take the minutes of the meeting.

- (6) The Nomination and Remuneration Committee can invite any related personnel to attend the meeting in order to provide relevant information to the Nomination and Remuneration Committee.

#### 7.3.4 Good Corporate Governance Committee

As of 31 December 2021, the Corporate Governance Committee consists of 3 members as follows:

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

#### Objectives

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

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

#### Composition and tenure of office

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

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

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

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

Duties and responsibilities

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

Meetings of the Good Corporate Governance Committee

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

The minutes of the meeting are taken and prepared within 14 days. The Secretary keeps the minutes of the meeting and support and follow up for the Good Corporate Governance Committee to perform duties under the law, rules as well as to coordinate with relevant persons.

## 7.4 Information about Executives

As of December 31, 2021, there are 13 executives of WIIC Public Company Limited as follows:

List of Executives	Position	Note
1. Mr. Wiboon Sangwithayanon	Chief Executive Officer	-
2. Mrs. Sumalee Ongcharit	Executive Committee	Appointed on 27 Nov 2020
3. Mr. Yulong Li	Executive Committee	Appointed on 27 Nov 2020
4. Miss Rewadee Whanchid	Executive Committee	-
5. Miss Chinanut Jariyarudeechai	Chief Financial Controller	-
6. Mr. Peerapon Thantranon	Sales Manager	-
7. Mrs. Sasiwimon Wirojchewan	Administrative & Procurement Manager	-
8. Miss Jarunee Anansuksakun	Technical & Product Manager	-
9. Mr. Arom Petchmanee	Factory Manager	-
10. Mr. Krisnat Busapavanij	Export Sales Manager	-
11. Miss Parichart Wongwiwat	Business Development Manager	-
12. Mr. Panao Intraphan	Project Manager	-
13. Mrs. Aphitchaya Hemtanon	Accounting Manager	Appointed on 1 Jan 2020

Information about the management team is in Attachment 1

### 7.4.1 Policy for Remuneration of Chief Executive Officer / Executives

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

## Guidelines

### Chief Executive Officer

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

### Executives

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

#### 7.4.2 Executive remuneration

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

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

#### 1) Monetary remuneration

In 2021, the Board of Directors approved the budget and target for the year 2021 including the remuneration of Executive Committee and top Executives. The Company and its subsidiaries paid remuneration consisted of salary, bonus, and other monetary remuneration to 18 Executives totaling Baht 39,312,484.49 as follows.



The Management and Executive Committee remuneration	Fiscal year 2021	
	Number of Executives	Amount (Baht)
The Company		
• Salary	13	21,910,068.00
• Bonus	13	5,969,460.00
• Provident Fund	13	885,336.00
• Social Security Fund	13	58,500.00
• Post-employment benefits	13	-
• Life and health insurance	13	309,864.60
Total	13	29,133,228.60
Subsidiaries		
• Salary	5	8,306,016.00
• Bonus	5	1,352,479.00
• Provident Fund	5	373,377.00
• Social Security Fund	5	22,650.00
• Post-employment benefits	5	-
• Life and health insurance	5	124,733.89
Total	5	10,179,255.89

## 2) Other remuneration

In 2021, other remuneration for the executive committee and senior executives of the Company consisted of vehicles, drivers, and fuel costs for the executives and the executive committee of 14 persons, a total of 3,054,110.74 Baht as follows.

Other remuneration	Fiscal year 2021	
	Number of Executives	Amount (Baht)
Executive Cars	8	1,690,065.00
Driver	2	608,257.64
Petrol expenses	14	755,788.10
Total	14	3,054,110.74

## 7.5 Information about Employees

### 7.5.1 Number of employees

As at 31 December 2021 the Company and its subsidiaries had total staff (excluding Executives) of 304 people. The Company paid remuneration to employees that consists of salary, bonus, contribution to provident fund, social security fund, and group life insurance total of Baht 100.54 million.

Primary line	Number of Employees (person)	
	The Company	WIIC Water Co.,Ltd. (Subsidiary)
Operation/Service Employees	170	21
Head office Employees	86	27
<b>Total</b>	<b>256</b>	<b>48</b>
Employees remuneration (Million Baht)	80.71	19.83

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

### 7.5.2 Employee compensation and welfare policy

#### (1) Objectives

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

#### (2) Composition of compensation

The Company determines the composition of the compensation, consisting of

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

Salary is determined based on the job title, roles, duties, and responsibilities of each employee as well as relevant experience with roles and responsibilities. Besides, the Company will consider salary

adjustment from the Company's operating results in short-term, long-term, and inflation. Including individual consideration based on industriousness, intention, dedication, and performance ability.

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

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

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

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

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

- (1) Savings and contributions to the provident fund
- (2) Savings and contributions to the social security fund
- (3) Housing Allowance
- (4) Transportation Allowance
- (5) Position Allowance
- (6) Telephone Allowance
- (7) Diligence Allowance
- (8) Over Time
- (9) After Working Hours Allowance
- (10) Accommodation Allowance
- (11) Subsidy for marriage ceremony

- (12) Subsidy for the first child
- (13) Subsidy for funeral arrangements
- (14) Fixed Bonus/ Performance Bonus
- (15) Personal safety uniform/equipment
- (16) Annual health check
- (17) Health, life and accident insurance
- (18) Vacation / Holidays

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

The Company will consider the compensation of employees and workers as described in the composition of the compensation. The adjustment of each composition is determined by the growth of the operating results, both in terms of revenue and profit each year which is consistent with the performance of the company in the short term. And the Company will consider the adjustment of the compensation rate increase to cover the inflation each year. The Company will give priority to the operating results of each upcoming year to consider that the business goals are met or not.

However, for considering other forms of employee compensation such as the offering of securities to employees, employee stock accumulation program, the Company will consider at the appropriate time.

### 7.5.3 Personnel development policy

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

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

#### Human resource management and development

- (1) The recruitment for new employees shall be undertaken based on job description, since the Company's nature of business requires specialist candidates. Realizing in a happy workplace principle, the recruitment has been proceeded under "put the right man to the right job" concept.

Upon the employment starting date of the new comers, their job descriptions shall be clarified in details for transparency of working.

- (2) Employees' remuneration and welfare are also emphasized for all employees in all levels. Apart from serving basic welfares as enforced by laws, the Company has established other benefits as follows:

- The health insurance cards are arranged on the purpose of more convenience upon employees' requirement of medical care at any time and hospital with no payment required for both inpatient and outpatient cases.
- Group life and accidental insurance are arranged to ensure employees' confidence on risk since most of works are carried out at sites and any accident maybe arisen.
- The provident funds for their employees has been established in order to allow employees to reserve their funds after retirement for which the Company has paid a counterpart amount for them based on a number of their working years as required by a relevant law.

- (3) The Board of Directors has defined a policy for Executive Committee to consider and set up a criteria and budget for annual salary increment and bonus reward for which the captioned committee's decision making shall be based on external factors (such as inflation rate forecast, economic situation, etc.) and internal factors (such as annual operating result, history of salary increment and past bonus payment) for remuneration criteria of each year to be appropriate and in line with the Company's short-term and long-term operating results.

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

- New Employees

The orientation program has been arranged as a fundamental knowledge for working consisting of the Company's history, nature of business, business process, vision and mission, basic ISO 9001:2008 quality management system standard, ISO 14001:2004 environmental management system, information and technology as well as operating system including safety measure.

- Permanent Employees in All Levels

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

In 2021, the Company organized training / seminars to develop the knowledge and skills of employees as follows.

No.	Course	Number of participants	Place	Expenses (Baht)
1	Negotiating the closing of the sale professionally.	2	external	4,056.00
2	Occupational Safety, Health and Environment Committee	5	external	9,900.00
3	Accounting Practices after Covid-19 Temporary Relief and Conceptual Framework 2021	1	external	5,514.02
4	Caring for new employees with the Onboarding Program	2	online	3,959.00
5	Fundamental Accounting and Financial Statement Analysis	1	online	800.00
6	Executive safety officer	1	external	2,000.00
7	Working on the crane	9	internal	1,300.95
8	Driving a forklift properly	12	internal	1,797.00
9	Determination of dimensions and tolerances in mechanical drawings	1	external	3,300.00
10	Business contract strategy	3	online	10,486.00
11	Weholite pipe welding by welding machine 1800-3500 mm.	30	internal	-
12	Measuring and preparing tensile test specimens	16	internal	-
13	CFO 2022	1	external	5,514.02
14	The meaning of the GD&T symbol according to the SME standard	1	external	3,360.00
15	Worker in confined space	6	external	48,000.00
16	Training to educate and communicate anti-corruption policy to employees for the sustainability of the organization.	63	online	-
Total				99,986.99

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

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

(6) The internal communication, Human Resources Department is a center, has been constantly arranged among the Company and employees at both head office and site offices through various channels in order to enable them to access, acknowledge and update their knowledge on all regulations and rules including news and information. The main channel is arranged through

the intranet, ERP containing ISO 9001:2015, activities photo and all information related to employees such as date of birth, monthly new comer, etc. In addition, other channels are accessible; email and board announcement.

- (7) The Company has also emphasized on human rights respect, no involvement to violation of human rights and no gender discrimination including an employment for eye-sight problem employee and no specific gender requirement of employment.
- (8) An opportunity for complaints has been always provided for employees to inform any offended acts to Company Secretary or Suggestion Box to further propose for consideration of the Audit Committee and the reporter name shall be strictly kept as confidential.

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

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

## 7.6 Other important information

### 7.6.1 The person supervising accounting

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

### 7.6.2 The Company Secretary

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

Capital Market Commission defined, on behalf of the Company or the Board of Directors. The qualifications of incumbent as Company Secretary are shown in Attachment 1.

#### 7.6.3 Head of Internal Audit

The Audit Committee's meeting No.1/2021 on 25 February 2021 assigned JP Tip Audit Limited to perform the internal auditor of the Company since 1 January 2021 until 31 December 2021. The JP Tip Audit limited has appointed Mr. Thanongsak Praditsatan to be main duty of the internal auditors of the Company.

The Audit Committee has considered the qualifications of JP Tip Audit Limited, Mr. Thanongsak Praditsatan and Mr.Napat Kongyarit and concluded that there is sufficient and appropriate for such duties. They are independence and experienced in the field of internal audit of the industry in the same as company business for 12 years

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

#### 7.6.4 Head of Investor Relations

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

#### 7.6.5 Auditor Fee

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

The Annual General Meeting of Shareholders 2021 on 23 April 2021 appointed Mr.Khitsada Lerdwana C.P.A. Registration No. 4958 or Mr.Termphong Opanaphan C.P.A. Registration No. 4501 or Ms. Sumalee Reewarabandith C.P.A. Registration No. 3970 of EY office Company Limited as the auditor of the Company with auditor fee not exceeding 1,420,000 Baht for the year ended 31



December 2021 including authorized the Board of Directors to approve the audit fee that may occur during the year.

EY office Company Limited was an auditor of the Company since 2009 - 2021, total of 13 years and the auditor of its subsidiaries is the same office of the Company's Auditor. Details of audit fee as follows.

(1) Audit fee

Audit fee (Baht)	2021	2020	2019
Annual audit	900,000	900,000	865,000
Review of quarterly financial statements (3 quarter)	420,000	420,000	420,000
Review of annual report	100,000	100,000	100,000
Data review fee sent to LESSO Group	80,000	-	-
Audit fee of WIIK Water Co., Ltd.	800,000	800,000	680,000
Audit fee of WIIK PT Co., Ltd.	250,000	250,000	250,000
<b>Total</b>	<b>2,550,000</b>	<b>2,470,000</b>	<b>2,315,000</b>

(1) Non-audit fee

In 2021 the Company and its subsidiaries paid non-audit fee which includes the Auditor's travel expenses, document fees, and special overtime fees for auditors, a total of 9,597.04 Baht.

## 8. Report on key performance in corporate governance

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

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

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

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

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

#### (1) Criteria of Independent Director Selection

##### Process of Independent Director Nomination

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

##### Qualification of Independent Directors

- (1) Shareholding does not exceed one percent of total shares with voting rights of the Company, parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest which includes the related party's shareholding of such independent directors.
- (2) Never or ever was a director who participate in administration, employees, staff, consultants who receive a regular salary or the controlling person of the Company, parent companies, subsidiaries, affiliates or the same level subsidiary or juristic person that may have conflict of interest unless they are clear from the foregoing relationship not less than two years before apply for permission to the SEC.
- (3) They are not persons who have blood ties or by legal registration in manner that is father, mother, spouse, sibling and child, including spouse of a child of the executives, major shareholders, control authority or persons who will be nominated as executive or controlling person of the Company or its subsidiaries.
- (4) Never or ever had business relationship with the company, parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest in a way that may obstruct their independent judgment. Including never or ever was major shareholder, director who was not independent director or executive of the business relationship of the company, parent companies, subsidiaries, affiliates or juristic person that may have conflict of interest unless they are clear from the foregoing relationship not less than two years before they was appointed as an independent director.

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

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

## (2) Director and Top Executive Selection

### Directors Selection

The Nomination and Remuneration Committee that members who are stakeholders did not participate in consideration, was nominated to select qualified persons to replace any directors or executives who had either completed their term or resigned, etc. To comply with both WIIC Public

Co.,Ltd.'s own good corporate governance practices and regulations as well as those of the Stock Exchange of Thailand, the Company's Board of Directors and Executives have to meet all qualifications as qualified as per the Public Company Limited Act B.E. 2535 and the Securities and Exchange Act B.E. 2535 and proposed to the Board of Directors for approval. Moreover, the Company had invited Shareholders to propose qualified candidates to be appointed as directors in advance for the Annual General Meeting of Shareholders 2017 via the Company's website which appears that there was no proposed candidate of directors from the shareholders. The Company's criteria for the appointment of the Board of Directors are as follows:

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

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

#### Top Executive Selection

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

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

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

## Policy for Remuneration of Directors

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

### Guidelines

#### The Directors

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

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

### (3) Directors Development

The Board of Directors prioritize to participation in training courses that are beneficial to the performance of Directors. The Company promotes and supports the training of directors in the courses organized by Thai Institute of Directors Association (IOD) as at 31 December 2021, details are as follows:

No.	List of Directors	Position	Training Course from Thai Institute of Directors Association (IOD)
1.	POL.GEN. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board of Directors	<ul style="list-style-type: none"> <li>Director Accreditation Program (DAP), Class 75/2008</li> <li>Capital Market Academy (CMA) Class 10/2010</li> </ul>
2.	Miss Pranee Ratakam	Independent Director	Director Accreditation Program (DAP) class 79/2009
3.	Miss Benjawan Sinkunakorn	Independent Director	<ul style="list-style-type: none"> <li>Director Certification Program (DCP) 2006</li> <li>Director Accreditation Program (DAP) 2004</li> </ul>
4.	Dr. Shaoquan Lin	Director	-
5.	Mr. Zhe Li	Director	-
6.	Mr. Yulong Li	Director	-
7.	Mr. Karn Siriphatras	Director	Director Accreditation Program (DAP) class 156/2019
8.	Mr. Wiboon Sangwithayanon	Director	Director Accreditation Program (DAP) class 120/2015

### Development and Training

In 2021, the Company has promoted and supported the training of directors and company secretary in courses organized by the Thai Institute of Directors Association (IOD) as follows:

List of Directors	Position	Training Courses
Dr. Shaoquan Lin	Director	Director Accreditation Program (DAP) Class 193/2022 Training schedule on May 11, 2022
Mr. Zhe Li	Director	Director Accreditation Program (DAP) Class 193/2022 Training schedule on May 11, 2022
Mr. Yulong Li	Director	Director Accreditation Program (DAP) Class 193/2022 Training schedule on May 11, 2022
Mr. Wittaya Janta-ummao	Company secretary	Company Secretary Program (CSP) Class 125/2022 On 11-12 January 2022

### (4) Self-assessment of the Board of Directors

The Board of Directors set up the policy requiring all directors to conduct assessment of the performance of the entire Board of Directors using the self-assessment form for the Board of Directors provided by the Corporate Governance Development for Capital Market Department, Stock Exchange of Thailand. For 2021, the Company used the form issued in February 2015 with the additional information for certain topics to support the assessment of the directors. There are 6 major topics for assessment:

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

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

### Objectives

- 1) The principles of good corporate governance for listed companies, the Boards and committees of listed companies should have Self-assessment at least once a year for the committee to jointly consider the results and make improvements. The assessment should be done both individually and individually.

- 2) The company set a standard scoring method for the committee can compare the assessment results in each topic or compare the assessment results of each year as follows:

- 0 = Strongly disagree or no action on the subject
- 1 = Disagree or little action on the subject
- 2 = Agree or have action on the subject
- 3 = Very agree or good action on the subject
- 4 = Strongly agree or excellently action on the subject

#### (5) Performance assessment of the Chief Executive Officer

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

#### Objectives

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

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

#### (6) Self-assessment results for the year 2021

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

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



Assessment	Assessment Results	Score
Board of Directors	Excellent	99.14
Sub-committees	Excellent	99.73
Individual directors and committees	Excellent	99.73
Chief Executive Officer	Excellent	98.15

## 8.1.2 Meeting attendance and Remuneration

### (1) Meeting attendance

In 2021, the Company has organized 8 Board of Directors Meeting, Annual General Meeting of Shareholders 2021 and Extraordinary General Meeting of Shareholders No.1/2021, with details of meeting attendance of directors as follows:

List of directors	Position	Meeting			Note
		Board Meeting (Attendance /Right to attend)	AGM 2021 (Attendance /Right to attend)	EGM No.1/2021 (Attendance /Right to attend)	
Police General Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board of Directors / Chairman of the Audit Committee	8/8	1/1	1/1	-
Mr.Wiboon Sangwithayanon	Director / Chief Executive Officer	8/8	1/1	1/1	-
Dr. Shaoquan Lin	Director	5/8	1/1	1/1	Leave the Board Meeting - Date 24 Mar 2021 - Date 14 Jun 2021 - Date 5 July 2021 Because of other missions
Mr. Zhe Li	Director / Executive Committee	5/8	1/1	1/1	Leave the Board Meeting - Date 24 Mar 2021 - Date 14 Jun 2021 - Date 5 July 2021 Because of other missions
Mr.Yulong Li	Director / Executive Committee	8/8	1/1	1/1	-
Mr. Karn Siriphatras	Director / Executive Committee	8/8	1/1	1/1	-

List of directors	Position	Meeting			Note
		Board Meeting (Attendance /Right to attend)	AGM 2021 (Attendance /Right to attend)	EGM No.1/2021 (Attendance /Right to attend)	
Miss Pranee Ratakam	Independent Director / Audit Committee	8/8	1/1	1/1	-
Miss Benjawan Sinkunakorn	Independent Director / Audit Committee	8/8	1/1	1/1	-

## (2) Remuneration of Directors

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

The Annual General Meeting of Shareholders 2021 on 23 April 2021 approved the Directors' remuneration for the year 2021 of not exceeding Baht 5 million by defined Directors' remuneration as follows.

Position	Monthly	Per time of attending
Chairman of the Board of Directors	30,000	20,000
Chairman of the Audit Committee as an Independent Director	30,000	15,000
Directors / Independent Directors	25,000	15,000

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

### (A) Monetary remuneration

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

List of directors	Position	Remuneration (Baht)			
		Monthly remuneration	Attendance fee	Bonus	Total
POL.GEN. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board / Chairman of the Audit Committee	360,000	160,000	250,000	770,000
Mr.Wiboon Sangwithayanon	Director / Chief Executive Officer	-	-	-	-
Dr. Shaoquan Lin	Director	300,000	75,000	125,000	500,000
Mr. Zhe Li	Director / Executive Committee	300,000	75,000	125,000	500,000
Mr.Yulong Li	Director / Executive Committee	-	-	-	-
Mr. Karn Siriphatras	Director / Executive Committee	-	-	-	-
Miss Pranee Ratakam	Independent Director / Audit Committee	300,000	120,000	155,000	575,000
Miss Benjawan Sinkunakorn	Independent Director / Audit Committee	300,000	120,000	155,000	575,000
Total		1,560,000	550,000	810,000	2,920,000

(๑) Other remuneration

In 2021, the Company does not pay any other remuneration to the directors.

8.1.3 Supervision of Subsidiary and Affiliated Companies

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

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

8.1.4 Monitoring to ensure compliance with corporate governance policies and guidelines

(1) Implementation of conflict of interest

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

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

- (1) Avoid making connected transactions on their own that may cause a conflict of interest with the Company. Except where need to make such transaction for the benefit of the Company by make such transaction virtual with the outsider. The stakeholders in these transactions must not be involved in the approval process.
- (2) In the case of Directors, Management, Employees or family members involved, whether directly or indirectly in the transactions that may cause a conflict of interest or they are

shareholders in business that compete with the Company's business. They have to notify the supervisor as hierarchy and Chairman of the Board to know in writing.

- (3) In the event that Directors, Executives, Employees hold the position of Director, Partner or Advisor in the other organization. They must not conflict to the interests of the Company.
- (4) In the case of the related transaction as requirements of governance agency such as the Securities and Exchange Commission: SEC, the Stock Exchange of Thailand: SET etc. It must comply with the rules, procedures and disclosure strictly.
- (5) The related transaction must be reviewed or considered by the Audit Committee and the Board of Directors, respectively. In case there is any member of the audit committee or the Company's director have an interest in related transaction, such member of the audit committee or director must be no consideration in such related transaction.

## (2) Control on the use of inside information

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

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

- (1) Set for notification of Directors and Managements to understand the duty on reporting of securities holding of their own spouses and underage children as well as report of change in holdings in accordance with section 59 and Penalty provisions under section 275 of the Securities and Exchange Act BE 2535.

- (2) Limit acknowledgment of inside information only Director, Managements, Employees or insiders were involved as necessary and set the authority for the personnel authorized to disclose information of the Company clearly.
- (3) Send circular letter to notify suspend period for trading / transfer of the Company's securities (Backout Period) and prohibit to disclose inside information financial statements during the 1 month period before the public disclosure and within 24 hours after the disclosure of such information already, to Directors, Management including those related (Spouses and underage children of Directors and Managements) and management team for the compliance requirements in such period.
- (4) Set for Directors, Management including those related (Spouses and underage children of Directors and Managements) to inform about trading shares of the Company at least 1 day before trading to the Board of Directors or the assignment.
- (5) Set the regulations for security of computer system and information of the Company stringently.

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

### (3) Compliance with Code of Conduct

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

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

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

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

#### (4) Anti-Corruption Policy

The Company expressed its intention to join with the Private Sector Collective Action Coalition against Corruption (CAC) by joining ratification to acknowledge an agreement on August 2, 2018 and submitted an application for approval to the Action Coalition Committee on 12 September 2018. The Action Coalition Committee approved WIIG Public Company Limited as a member of the CAC on 5 November 2018. The certificate expired on November 4, 2021. However, the Company has applied for renewal of CAC certification on December 22, 2021, and CAC will announce the certification results within March 31, 2022.

The Board of Directors' Meeting No. 8/2015 on August 11, 2015 approved the Company's Anti-Corruption Policy (Revised by the Board of Directors Meeting No.7/2016 on November 11, 2016) as follows.

##### 1) Definition

"Corruption": means bribery in any form by offering, contract, giving, pledge, claim, or receive (in monetary/property) or any other benefits which are not suitable for government officials, government agency, private agency, partner, customer, and all groups of stakeholders whether directly or indirectly. For such persons to act or refrain from performing duties to get, maintain the business, or recommend a business to the company especially, or to obtain or maintain any other benefits that are not suitable for the business. Except for the law, order, announcement, rules, local customs, or trade customs defined that it can do.

"Giving things or any other benefit": means giving privileges in the form of money, property, things, or any other benefits as a favor, as a reward, or for building a good relationship.

"Bribery": means offering or accepting something, gift, reward, or any other benefits for themselves, or from a person who wants to convince to do something dishonest, break the law, or violate the Company's ethics.

"Facilitation Payment" means small expenses informally paid to a government official and paid to ensure that government officials will proceed according to the process only, or to encourage faster action. This process does not require the discretion of government officials and it is an act following the duties of such government officials as well as being a right that a juristic person should have under the law such as requesting a license, requesting a certificate, and receiving public services, etc.

"Government official / public official" means a person who is or used to be a government official / politician / government agency advisor and came to work for a private company and may rely on relationships or inside information to benefit a private company, or causing conflicts of interest in performing duties of government agencies or government organizations that supervise of business



with the company under the supervision by the result of the action is aimed at creating unfair business advantages or setting up a policy that favors a private company that former government officials work for.

2) Corruption

Corruption may include the abuse of entrusted power for private gain by offering, promising, giving, accepting or soliciting of direct and/or indirect as inducement for an action which is illegal and unethical. Inducement can take the form of gifts, offering, rewards or other advantages to government official or other stakeholders whom the company has to deal with.

3) Policy

WIIC Public Company Limited and its subsidiary conduct business with transparency, under the rules of fair competition. The Company shall not engage in obscure business or business that enables corruption which is not in accordance with the rules of fair competition and destroys the honor and credibility of the Company and the country.

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

The Company has also ensured to provide a structure of responsibility, risk management system, internal control, and internal audit to prevent and suppress corruption in the Company.

4) Duties and Responsibilities

- 4.1 The Board of Directors shall consider and approve policies against corruption of all forms whether direct or indirect to be used a guideline by all employees.
- 4.2 The Board of Directors shall comply with the anti-corruption policy and assign the executive to implement the anti-corruption measures.
- 4.3 The Audit Committee shall audit and review to ensure good corporate governance practices in the Company that are in line with the relevant policies, regulations, and laws.
- 4.4 The Audit Committee must report if they discover or suspect any transactions or acts, which may significantly affect the financial status and operating results of the Company, and corruptions to the Board of Directors.
- 4.5 The internal audit office shall directly report to the Audit Committee and shall carry out auditing of operations of every unit to ensure compliance with the company's regulations

and evaluate efficiency and sufficiency of the internal control system based on the principles of good corporate governance.

- 4.6 The Executive shall communicate to all personnel in the Company and related persons the Company's anti-corruption policy.

## 5) Measures

- 5.1 The Directors, Executives, and employees shall comply with the anti-corruption policy. The Board of Directors shall assign the executive to communicate the policy to all employees and implement the anti-corruption measures.
- 5.2 The Directors, Executives, and employees who violate or fail to comply with the good corporate governance and anti-corruption policies shall be penalized in accordance with the laws and the Company's regulations. However, the Company shall not demote or negatively penalize those who fail to comply with anti-corruption policy even though they may cause the Company to loss business opportunity.
- 5.3 The Company shall lay out disbursement regulations with clearly defined amount, approval authority, objective, and receiver. Proof of documents shall be required to prevent fraud or corruption and inspection by internal control office must be carried out.
- 5.4 The Company shall audit sales and marketing work, acquisition, and contracts with risk of corruption to be in compliance with disbursement and acquisition regulations. The internal audit office shall provide opinions and monitor the process.
- 5.5 The Company shall provide human resource management process that reflects the commitment of the Company to fight against corruption from recruitment, training, evaluation, compensation, and promotion.
- 5.6 The Company shall provide internal audit to ensure that the internal control system is effective and helps the company to achieve its goals, as well as to ensure that every unit's operation complies with regulations and to find weakness and defect in the operation and provide recommendations on operation system to improve efficiency and effectiveness in accordance with good corporate governance.
- 5.7 The internal audit office shall immediately report matters to the Audit Committee which shall notify the Board of Directors.

## 6) Form of corruption

To achieve the clarity in practice on the high-risk matter to corruption. All employees must practice with caution on defined matter as follows.

#### ❖ Political Contributions

Political Contributions refer to financial support or donation of items and/or participation in activities; or the Company's support for Employees to attend political events in its name in order to acquire business advantages. This however does not include Employees' own participation on the basis of his/her personal rights and freedom, but they must not claim the status of being an employee of the Company or use any of the Company's property or equipment for the purpose of political activities.

The Company and its subsidiary's policy is to conduct business on a neutral basis with neither political alignment nor attachment to any professional politician of any party. The Company does not make any donations as a company to political parties, politicians or candidates for a political office as defined in paragraph one for benefit of the Company's business.

#### ❖ Charitable Contribution, Donations and Aid Grants

Charitable Contribution, Donations and Aid Grants can be a risk in corruption to the Company when the activity refers to a payment but without constructive returns. Besides, the activity can become a claim or a means of corruption. To avoid any Charitable Contribution, Donations and Aid Grants with a hidden agenda, the Company formulates a policy, criteria, review process and control details as follows: -

- A Charity or Donation or Aid Grants activity has to be proven that it actually exists; those actions have been made to successfully realize the purpose of the project and that it is set up for the real benefit of the society or for the Corporate Social Responsibility (CSR) purpose.
- A Charity or Donation or Aid Grants has to be proven that it has nothing to do with a reciprocal return with anyone or any organization except an action to honor the donor as normally practiced such as displaying our logo, mentioning the Company and its subsidiary name at the event or in a public relation media.

#### ❖ Sponsorships

Sponsorships differ from Charitable Contribution, Donations and Aid Grants as they provide a channel for the Company to promote its business, logo or goodwill may, too, contain a risk as money usually paid for business or benefit is difficult to detect and measure. In addition, the Sponsorships could be related to bribing. The Company and its subsidiary formulate a policy, criteria, review process and control details as follows: -

- A project has to be proven that the person soliciting for sponsorship has actually run the project; that his action is to realize the project's purpose; and that the project is created for the real benefit of the society or for the CSR purpose.

- It has to be proven that sponsorship or any other profit computable in a monetary value such as gift of accommodation and food has nothing to do with a reciprocal return with anyone or any organization unless it is an announcement to honor the person as normally practiced in the business.
- Before making any sponsorships, a requisition form naming the recipient(s) and describing the purpose of the sponsorship, along with all other supporting documents, must be submitted to the Company's authorized persons for approval in accordance with the Company and its subsidiary's Approval Authority.

❖ Facilitation Payment

The Company does not have the policy to pay any Facilitation Payment to government officials to encourage more rapid action.

❖ Employment of Government Employees (Revolving Door)

The company has the policy to hire government employees to serve as directors, executives, employees, or the company's advisor by having a selection process, employment approval, compensation process, and control process, to ensure that the employment of government employees will not be a reward for obtaining any benefits for the benefit of the company, destroys the image of credibility, and integrity of duty which has a risk of corruption.

❖ Conflict of Interest

The company requires directors, executives, and staff to avoid any actions that may cause conflicts of interest with the important principles are as follows;

- 1) Refrain from doing business that competes with the Company's business or its subsidiaries, whether it is done for personal benefit or the others which may cause damage to the Company whether directly or indirectly, or become a partner or shareholders with decision-making power, or director, or executives in competing businesses, or having the same characteristics as the Company or its subsidiaries.
- 2) Must report any interest that may cause a conflict of interest in business with the Company or its subsidiaries such as holding any position of a Trader who conducts business with the Company or customers of the Company, etc., and must report to the company immediately.
- 3) Do not seek benefits for oneself or others by relying on the company's confidential information or its subsidiaries.

❖ Internal audit control

- 1) The Company has established an internal control system to manage corruption which covers both the financial and execution of accounting processes and record-keeping, including other processes in the WIIC group related to anti-corruption measures.
- 2) The internal control system is the process of ensuring reasonable assurance that efficient operation, reliable, and comply with the rules and anti-corruption policy as specified by the Company.

❖ Accounting audit and Data storage

- 1) The Company has an audit process for accounting transactions and has appropriate approval before recording the transaction into the accounting system by checking according to the company's various policies, official rules, relevant laws, contracts, or agreements, and following accounting standards and appropriate accounting policies.
- 2) Operating expenses and investment expenses must have supported evidence that is correct and complete, and must be approved according to the limit of authority by the authorized person specified in the operating expenses policy.
- 3) Financial reports must be accurate, truthful, and reliable, and must disclose material information accurately and completely, including related transaction information and contingent liabilities.
- 4) The company has adequate and safe control over the storage of accounting documents for immediate use in audit with account information access-controlled and backup files stored safely.

❖ Gifts, Hospitality and Others

The Company and its subsidiary recognize that fostering good relationships with business partners is important to its continued success. All employees of WIIC group must perform duties with caution in giving or receiving Gifts and/or Hospitality and/or Others to / from any person.

The practice of receiving and giving gifts or other benefits

The Company and its subsidiaries have a policy to refrain from receiving gifts or other benefits, unless traditional festivals are to be treated as follows.

- (1) Receiving gifts or other benefits define price or value not exceeding Baht 5,000.
- (2) Giving gifts or other benefits define price or value not exceeding Baht 5,000.
- (3) WIIC Group allow managers the Managers can receive gifts or fast rotten objects such as snacks, food or fruit, provided that such gifts or objects must not exceed Baht 1,000.

By the above giving or receiving gifts or other benefits, must be consistent with all of the following conditions:

- It is not made with the intention of influencing, inducing or rewarding a third party in order to gain any advantage through improper performance, or in explicit or implicit exchange for favors or benefits;
- It complies with all relevant laws;
- It is given in the Company's name, not the Employee's name;
- It is appropriate in the circumstances. For example, it is customary for small gifts to be given at Thai New Year (Songkran), Chinese New Year and International New Year;
- It is an appropriate type and value, and given at an appropriate time. For example, if the Company is engaged in a tendering process, the Employees must not accept gifts and/or hospitality from any participating company;
- It is given openly, not secretly.

In case the WIIC group cannot refuse and have to receive gifts or other benefits that the price or value in excess of Baht 5,000. Employees on behalf of the WIIC group must notify the supervisor by use the gifts receiving form and send the gift to the Secretary of Chief Executive Officer to be rewarded to employees or donate to charity as appropriate.

#### 7) Risk assessment

The Company's management have to provide the Control Self-Assessment which covers the potential risk of corrupt regularly and reviewing the existing risk management measures to be appropriate to protect the risk to be in acceptable level.

#### 8) Human resources

This Policy will be adopted by the Human Resources and Administration Department of the Company and its subsidiary and apply to all aspects of personnel management, i.e. recruitment, training, performance evaluation, remuneration and promotion.

#### 9) Communicating Anti-Corruption Policy

- 9.1 The Company shall post the notice of anti-corruption policy on every public relation board of the Company.
- 9.2 The Company shall communicate anti-corruption policy through communication channels of the Company including the Company's website, annual transaction statements (Form 56-1), and annual report (Form 56-2).
- 9.3 Every employee must sign the form as an agreement for acknowledging the Codes of Conduct and anti-corruption policy and agree to comply with the regulations to prevent for using reason of not having read or signed the form as an excuse to not comply with the Code and policy.

- 9.4 If any regulation in the Codes of Conduct or anti-corruption policy is canceled, such cancellation shall be approved by the Board of Directors and must be immediately announced.
- 9.5 The Company will communicate the Anti-corruption policy to the agents, Suppliers, Distributors/Service Providers as well as the other parties involved to acknowledge from the beginning of business relations and later as appropriate. The Company encourages the agents, Suppliers, Distributors/Service Providers and the other parties involved adherence to standards of social responsibility as well as the Company and its subsidiary.

#### 10) Reporting or Complain

The Board of Directors has set out measures for reporting or submitting complains on unlawful or unethical acts or acts of corruption or wrongdoing by the company's personnel, as well as on inaccurate financial statements or defected internal control system and has implemented protective measures for reporters. This is to encourage stakeholders to be involved in overseeing and protecting the interests of the Company more efficiently.

##### 10.1 Scope of reporting and complaining

- Unlawful acts, acts of corruption, violation of the Company's Articles of Association or Ethics by the Directors, Executives, and employees.
- Anomalies in financial statements and defects in the internal control system.
- Matters affecting the interests or reputation of the Company.

##### 10.2 Reporting or complaining channels

- Opinion boxes of the Company
- Contact Chief Executive Officer  
E-mail: [wiboon@wiik.co.th](mailto:wiboon@wiik.co.th)  
Tel: 02-612-8600 Ext. 8650
- Contact Chairman of the Audit Committee  
E-mail: [pranee@wiik.co.th](mailto:pranee@wiik.co.th)  
Tel: 02-612-8600
- Contact Secretary to the Audit Committee  
E-mail: [chinanut@wiik.co.th](mailto:chinanut@wiik.co.th)  
Tel: 02-612-8600 Ext. 8620

### 10.3 Protective measures for reporters

- The Company shall not disclose information and identity of those who petition, complain, and the accused.
- The Company shall disclose information as necessary and shall consider the safety and damage of the reporter, source of information, and related persons.
- Those who receive damages shall be mitigated with fair and appropriate process.
- It is a duty of the commanders or heads of the units of the accused to exercise due care in giving orders to protect the petitioner, witness, and informant during investigation.

## 11) Process after reporting

### 11.1 Collecting facts

Officer shall proceed to collect all facts and send a report to Secretary to the Audit Committee.

### 11.2 Information screening and investigation

Secretary to the Audit Committee shall present the information to the Board of Director or Chief Executive Officer to appoint investigation committee to carry out information screening and investigation. The investigation committee shall be composed of:

Personnel Manager or representative from the department.

- Commander in the petitioner's line of work who shall not have conflict or material interest with the petitioner.
- Commander in the accused's line of work who shall not have conflict or material interest with the accused.
- Senior executive officer

Secretary to the Audit Committee shall participate to observe the investigation process.

### 11.3 Determining operation measures

Secretary to the Audit Committee shall prepare summary report and submit to the Board of Directors or Chief Executive Officer whichever the case for approval of operation.

For the case that affects the reputation, image, or financial status of the Company or conflicts with the business policy of the Company or relates to senior executive, Secretary to the Audit Committee shall submit report to the Audit Committee and/or Board of Directors for consideration.



12) Monitoring and reviewing

The Company Secretary will review this policy and proposed to the Audit Committee and the Board of Directors for approval, if there are changes including supervise and monitor this policy into practice and provide advice continuously. If there are any updates, the Company has to implement as soon as possible.

13) Punishment

The punishment shall be in accordance with the Company's rules of employee discipline and / or related laws.

(5) Whistleblowing

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

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

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

**And / or Audit Committee Secretary**

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

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

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

### (1) Attendance of Audit Committee Meeting

In 2021, the Company held 6 Audit Committee meetings with details of the Audit Committee's attendance as follows:

List of Audit Committee	Position	Meeting		Note
		Number of meeting	Number of attending	
POL.GEN. Chidchai Vanasatidya, Ph.D.	Chairman of the Audit Committee	6	6	-
Miss Pranee Ratakam	Audit Committee	6	6	-
Miss Benjawan Sinkunakorn	Audit Committee	6	6	-

### (2) Performance of the Audit Committee

The Audit Committee performed its duties and responsibilities that defined in the Charter of Audit Committee and assigned by the Board of Directors which comply to the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. In the year 2021 the Audit Committee held the meeting of all 6 times by meetings with the auditor, the internal auditor and the management that summarized as follows.

1. Reviewed the quarterly financial statements and the annual financial statements 2021.  
The Audit Committee reviewed quarterly financial statements and the annual financial statements 2020 of the Company and its subsidiaries including related transactions, transactions that may lead to conflicts of interest with the management and internal auditor. In consideration of quarterly and the annual financial statements, the Company invited the auditor attend meetings 1 times. The Audit Committee questioned the auditor on accuracy and completeness, updating of significant transactions which have an impact on the financial statements, adequacy and appropriateness of accounting methods and the scope of audit, information disclosure accurately and an independent of auditor to ensure that the preparation of financial statements in accordance with legal requirements and accounting standards as generally accepted accounting principles. Reliable, timeliness as well as information disclosure in financial statements sufficiently to be useful to investors and users of financial statements.
2. Reviewed the internal control and the internal audit. The Audit Committee reviewed and revised the internal control system with the internal auditor including monitoring performance, audit results, suggestions and progress of implementation on a quarterly basis. Moreover, the Company assessed the adequacy of internal control system under

the framework of international standard (The Committee of Sponsoring Organizations of the Treadway Commission: COSO) to achieve more confidence. Assessment results of Internal Control by the management, internal auditor and the Audit Committee commented that the internal control system of the Company adequate and reasonable.

3. Reviewed the corporate governance. The Audit Committee reviewed the performance of defined operational system. The Company's business operation morality and compliance with the Law on the Securities and Exchange, requirements of the Stock Exchange of Thailand as well as other laws related to the business operations of the Company. Especially, the connected transactions, transactions between the group companies to ensure that the Company follow the normal business practices sensibly. Reviewing the complaint and report process for corruption of the Company in order to comply with good corporate governance principles and the business philosophy of the Company as well as pushing for anti-corruption policy. The Audit Committee evaluated the performance of overall audit committee under the best practices of Audit Committee of the Stock Exchange of Thailand.
4. Appointment of auditor for the year 2021. The Audit Committee considered and agreed to appoint EY Office Limited as the auditor of the Company and its subsidiaries for the year 2021 and proposed to the Board of Directors for consideration and proposed to the Annual General Meeting of Shareholders 2021 for approval the appointment of auditor and determined audit fee.
5. Approved the hiring of the internal auditor of the Company and its subsidiaries for the year 2021. The Audit Committee appointed JP Tip Audit Company Limited as the Company's internal auditor from 1 January 2021 to 31 December 2021. JP Tip Audit Company Limited assigned Mr. Thanongsak Praditstarn as the main person responsible for the performance of the Company's internal auditor as well as approved the internal audit program as proposed by JP Tip Audit Company Limited.

### 8.3 Report on the performance of other sub-committees

#### 8.3.1 Executive Committee

##### (1) Attendance of Executive Committee Meetings

In 2021, the Company held 9 Executive Committee meetings with details of the meeting attendance of the Executive Directors as follows:

List of Executive Committee	Position	Meeting		Note
		Number of meeting	Number of attending	
Mr.Wiboon Sangwithayanon	Chief Executive Officer	9	9	-
Mrs. Sumalee Ongcharit	Executive Committee	9	9	-
Mr. Karn Siriphatras	Executive Committee	9	9	-
Mr.Yulong Li	Executive Committee	9	9	-
Mr. Zhe Li	Executive Committee	9	9	-
Miss Rewadee Whanchid	Executive Committee	9	9	-
Miss Chinanut Jariyarudeechai	Executive Committee	9	9	-

## (2) Performance of the Executive Committee

The Executive Committee has performed its duties and responsibilities as defined in the Charter and as assigned by the Board of Directors. During the year 2021, the Executive Committee held 9 meetings, summarized as follows.

- (1) Approve raw materials purchasing to produce in all items which excess from authority of the management.
- (2) Authorized to perform in financial transaction with financial institution in account opening with bank, financial institution and request guarantee from bank, financial institution of not exceeding Baht 50 million.
- (3) Approve the sales under normal transactions of the Company in the absence of guarantees or collateral or not protect or exceed credit limit by insurance in excess amount of Baht 20 million (total amount per client).
- (4) Appointment, removal, transferring, considering meritorious service as well as determine compensation and benefits for employees in various levels including other working group to perform various activities in management of the Company.

## 8.3.2 Nomination and Remuneration Committee

### (1) Attendance of the Nomination and Remuneration Committee Meeting

In 2021, the Company held 2 meetings of the Nomination and Remuneration Committee with details of the meeting attendance of the members as follows:

List of Nomination and Remuneration Committee	Position	Meeting		Note
		Number of meeting	Number of attending	
POL.GEN. Chidchai Vanasatidya, Ph.D.	Chairman of the NRC	2	2	-
Miss Pranee Ratakam	Nomination and Remuneration Committee	2	2	-
Miss Benjawan Sinkunakorn	Nomination and Remuneration Committee	2	2	-

## (2) Performance of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has performed its duties and responsibilities as defined in the Charter and as assigned by the Board of Directors. During the year 2021, the Nomination and Remuneration Committee held 2 meetings, summarized as follows.

- (1) The Nomination and Remuneration Committee are responsible for the selection of persons to replace directors and executives if the term expires, resign or other cases. This is to be in line with the good corporate governance guidelines of the Stock Exchange of Thailand and accordance with the Articles of Association of WIIC Public Company Limited, The directors and executives of the Company Must be fully qualified according to the Public Limited Companies Act 1992 and the Securities and Exchange Act 1992 and proposed to the Board of Directors to consider and approve as follows.

- Consider the term of directors, and approve the nominations who will serve as the new directors.

- (2) The Nomination and Remuneration Committee considered the remuneration of Directors by considering the suitability of the duties, responsibility, and the Company's performance and propose to the Board of Directors to consider and approve as follows.

- Consider and approve the remuneration of the Board of Directors for the year 2021.
- Consider and approve the payment of the directors' bonus for the year 2021.

## 9. Internal Control and Related Transactions

### 9.1 Internal Control

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

### 1) Organization and Environment

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

### 2) Risk Management

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

### 3) Management Control Activities

The company issues practical guide or operating manual for employees in order to be framework based on common system and high efficiency. The mentioned general practice can enhance overall process of each department and reduce unnecessary risk in each process at the same time. The company also considers the way in decentralised structures in order to define scope of responsibility and financial approval limit of each level of the management in writing to be more balanced and still under control, determined responsibilities of each function appropriately according to the principle of decentralization to achieve efficient operation, and monitors affiliated companies regularly. Moreover, the Audit Committee reviewed and approved annual audit plan. The Audit

Committee has internal audit department which is independent to response for monitoring internal control procedures and review critical system at least once a year to cover risky work processes in order to ensure that each section has sufficient supervision in terms of finance, operation, compliance with laws, regulations and rules. In case of any transaction that results in a long-term obligation, the Company required a person responsible for monitoring compliance with conditions and reporting to the Audit Committee periodically to verify appropriateness of the transaction throughout the contract period and to prevent relevant persons from exploiting company's benefits to their own advantages.

#### 4) Information System and Communication

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

#### 5) Monitoring System

The Company has system to track on going works or projects. Each management take action to compare performance of a processs or project and reporting all related progress through the executive committee, which is arranged monthly basis, to make sure that all mission will meet the objective. In 2021, the Company conducted 6 audit committee meetings. The Audit Committee had a duty to report audit results to the board of directors on a quarterly basis. Moreover, in the implementation of work plan, the overall operation was monitored and the financial impact was analyzed continuously. However, if any significant flaw was found, it would be reported to the Audit Committee and/or the board of directors to consider giving an order for implementing corrective action. Moreover, the Company stipulated that the internal audit department had to monitor internal controls on a regular basis to ensure transparency and good corporate governance of the Company.

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

The Board of Directors' meeting No.1/2022 on 23 February 2022 by the independent directors and audit committee include 3 members attended the meeting. The Board has assessed the Company's internal control system by questioning information from the management and inspection documents from the management including the assessment of the management and preparation of the report of the Audit Committee. The conclusion after an assessment of the internal control of the company in various five components: (1) Internal organization control (2) risk assessment (3) The operational control (4) Information and Communication system, and (5) Tracking and trace back system.

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

#### 9.1.2 The opinion of the Audit Committee

As the assessment of the internal control systems above, the Independent Director and Audit Committee do not have any further observations from the Board of Directors. Moreover the auditor of the company, Mr. Khitsada Lerdwana Auditor License No. 4958 of EY Office Limited, who is the auditor of quarterly and year ended 2021 expressed the opinion in the auditor report as follows;

I have audited the accompanying consolidated financial statements of WIIC 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 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 WIIC Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WIIC Public Company Limited and its subsidiaries and of WIIC 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.



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

The Audit Committee's meeting No.1/2021 on 25 February 2021 assigned JP Tip Audit Limited to perform the internal auditor of the Company since 1 January 2021 until 31 December 2021. The JP Tip Audit limited has appointed Mr. Thanongsak Praditsatan to be main duty of the internal auditors of the Company.

The Audit Committee has considered the qualifications of JP Tip Audit Limited, Mr. Thanongsak Praditsatan and Mr.Napat Kongyarit and concluded that there is sufficient and appropriate for such duties. They are independence and experienced in the field of internal audit of the industry in the same as company business for 12 years

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

## 9.2 Related Party Transaction

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

Related Parties	Relationship	Category	Separate financial statements (Million Baht)			Description
			2021	2020	2019	
WIIC Water Co., Ltd.	A 82.69% holding subsidiary	▪ Sales	2.13	22.80	8.42	Selling pipe and fittings
		▪ Service income	-	0.16	-	Welding and engineering services income
		▪ Interest income	10.61	8.71	12.02	Loans maturity on demand
		▪ Other income	0.05	0.69	0.24	Transport income
		▪ Trade receivables	-	0.69	3.54	
		▪ Other receivables	-	-	0.87	
		▪ Investments in subsidiary	210.82	192.15	192.15	
		▪ Short-term loans	305.00	271.00	195.00	Interest rates are 1.0% to 5.2% per year

### 9.2.2 Necessity and reasonableness of the transaction

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

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

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

### 9.2.3 Policy and trends for transactions in the future

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

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

## Part 3

### Financial Statements

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

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

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

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

The Company's Board of Directors believes that the Company's overall internal control system is at satisfactory level. Financial statements of WIIC Public Company Limited and its subsidiaries as at 31 December 2021 substantially portray the Company's financial position, operating performance and cash flow in an accurate and reasonable manner and comply with generally accepted accounting principles and related laws and regulations.



(Mr.Wiboon Sangwithayanon)

Director



(Mr. Yulong Li)

Director

## 11. Independent Auditor's Report

To the Shareholders of WIIC Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of WIIC 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 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 WIIC Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WIIC Public Company Limited and its subsidiaries and of WIIC 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 of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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

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

#### Recognition of revenue from sales and service

Revenue from sales and service of the Group forms a significant portion of the Group's total revenues, as at 31 December 2021, sales and service income amounted to Baht 1,284 million and directly affects the Group's profit and loss. The Group has both local and oversea sales and service transactions, with various conditions of revenue recognition. There are therefore risks with respect to the amount and the timing of revenue recognition.

I have examined the recognition of revenue from sales and service of the Group by

- Assessing and testing the Group's internal controls with respect to the revenue from sales and service cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks.
- Applying a sampling method to select sales and service transactions to assess whether the revenue recognition was consistent with the conditions stipulated in the sales and service documents and in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for sales and service transactions occurring during the year and near the end of the accounting period, with special consideration given to expanding the scope of the examination of supporting documentation for transactions occurring near the end of the accounting period.
- Reviewing credit notes that the Group issued to their customers after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales and service transactions throughout the period, particularly for accounting entries made through journal vouchers.

## Inventories

Estimating the net realisable value of inventories, as disclosed in Note 5 and 9 to the financial statements, is an area of significant management judgement, particularly with regard to the estimation of provision for diminution in the value of slow moving or damage inventories. This requires detailed analysis of the product life cycle, the competitive environment, economic circumstances and the situation within the industry. There is thus a risk with respect to the amount of provision set aside for diminution in the value of inventories.

I assessed and tested the Group's internal controls relevant to the determination of provision for diminution in the value of inventories by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. In addition, I assessed the method and the assumptions applied by the management in determining such provision. The procedures that I performed included:

- Gaining an understanding of the basis applied in determining the provision for diminution in value of inventories and reviewing the consistency of the application of that basis, and the rationale for the recording of specific provisions.
- Comparing the inventory holding periods and inventory movements to identify product lines with indicators of lower than normal inventory turnover.
- Comparing net proceeds from sales transactions occurring after the date of the financial statements with the cost of inventories by product line.

## Other Information

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

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Khitsada Lerdwana

Certified Public Accountant (Thailand) No. 4958

EY Office Limited

Bangkok: 23 February 2022

## 12. Financial Statements and Notes

WIIC Public Company Limited and its subsidiaries

Statement 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	366,259,273	106,217,688	349,984,123	78,800,049
Restricted bank deposits	10	35,533,385	-	35,533,385	-
Trade and other receivables	8	427,188,552	604,062,804	295,133,671	509,163,114
Inventories	9	420,706,411	351,290,325	380,807,804	321,806,865
Short-term loans to related party	6	-	-	305,000,000	271,000,000
Advance payment to subcontractors		5,189	4,167,970	5,189	1,753,837
Other current assets		43,134,307	69,062,679	14,030,475	36,336,207
Total current assets		1,292,827,117	1,134,801,466	1,380,494,647	1,218,860,072
Non-current assets					
Restricted bank deposits	10	17,212,937	17,212,937	16,250,000	16,250,000
Other non-current financial assets	16	29,810,393	30,980,695	29,810,393	30,980,695
Investments in subsidiaries	11	-	-	210,822,200	192,147,200
Property, plant and equipment	13	1,007,343,249	1,009,289,538	590,393,272	600,965,425
Right-of-use assets	20	59,877,682	71,102,064	22,064,622	27,778,241
Assets for production of filtrated water that must be transferred at end of agreement of subsidiary	14	73,237,948	75,262,704	-	-
Intangible assets	15	141,155,789	148,991,898	3,853,174	3,959,869
Deferred tax assets	27	26,506,403	24,782,592	15,520,323	16,265,121
Advance payment for plant and equipment		2,488,289	1,890,131	1,993,289	1,395,131
Other non-current assets		10,865,148	10,181,873	1,354,426	1,602,917
Total non-current assets		1,368,497,838	1,389,694,432	892,061,699	891,344,599
Total assets		2,661,324,955	2,524,495,898	2,272,556,346	2,110,204,671

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

WIIK Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	17	-	416,131,396	-	416,131,396
Trade and other payables	18	62,142,152	150,351,353	53,099,134	124,980,781
Current portion of long-term loans	19	43,715,980	42,492,806	-	-
Income tax payable		3,532,542	15,722,833	3,532,542	15,722,833
Current portion of lease liabilities	20	14,142,395	13,262,527	7,972,047	7,433,129
Advance received from customers		62,251,986	120,670,661	61,715,182	119,617,603
Accrued expenses		25,562,711	29,972,743	20,951,817	25,110,599
Other current liabilities		45,219,782	56,434,508	36,169,911	47,607,983
Total current liabilities		256,567,548	845,038,827	183,440,633	756,604,324
Non-current liabilities					
Long-term loans, net of current portion	19	190,311,359	220,484,973	-	-
Lease liabilities, net of current portion	20	48,799,610	57,029,374	15,545,543	18,581,988
Provision for long-term employee benefits	21	27,294,708	27,355,727	23,403,122	24,171,205
Deferred tax liabilities	27	41,153,496	41,387,557	41,153,496	41,387,557
Provision for decommissioning		624,791	578,343	-	-
Other non-current liabilities		100,000	100,000	100,000	100,000
Total non-current liabilities		308,283,964	346,935,974	80,202,161	84,240,750
Total liabilities		564,851,512	1,191,974,801	263,642,794	840,845,074

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

WIIC Public Company Limited and its subsidiaries

Statement 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					
Registered					
1,072,263,290 ordinary shares of Baht 1 each					
(2020: 725,335,328 ordinary shares					
of Baht 1 each)	22	1,072,263,290	725,335,328	1,072,263,290	725,335,328
Issued and fully paid up					
837,683,062 ordinary shares of Baht 1 each					
(2020: 577,427,042 ordinary shares					
of Baht 1 each)	22	837,683,062	577,427,042	837,683,062	577,427,042
Share premium	22	859,613,073	417,162,132	859,613,073	417,162,132
Difference resulting from change in interest in					
subsidiary without loss of control		1,456,670	-	-	-
Retained earnings					
Appropriated - statutory reserve	23	52,597,372	48,303,728	52,597,372	48,303,728
Unappropriated		169,731,715	131,866,019	101,257,869	68,704,519
Other components of shareholders' equity		157,762,176	157,762,176	157,762,176	157,762,176
Equity attributable to owners of the company		2,078,844,068	1,332,521,097	2,008,913,552	1,269,359,597
Non-controlling interests of the subsidiaries		17,629,375	-	-	-
Total shareholders' equity		2,096,473,443	1,332,521,097	2,008,913,552	1,269,359,597
Total liabilities and shareholders' equity		2,661,324,955	2,524,495,898	2,272,556,346	2,110,204,671

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

**WIIC Public Company Limited and its subsidiaries**
**Statement of comprehensive income**
**For the year ended 31 December 2021**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales	28	1,095,652,177	1,216,892,352	1,025,793,082	1,107,979,679
Service income	28	188,770,008	396,946,996	63,873,699	283,952,365
Other income		10,622,555	7,952,514	9,937,252	8,618,633
Total revenues		1,295,044,740	1,621,791,862	1,099,604,033	1,400,550,677
Expenses					
Cost of sales		885,534,334	990,283,647	825,286,018	904,985,252
Cost of services		135,659,180	326,722,082	62,239,152	254,210,007
Selling and distribution expenses		43,655,531	44,171,849	43,655,531	44,171,849
Administrative expenses		98,712,700	97,758,813	61,715,862	56,841,925
Total expenses		1,163,561,745	1,458,936,391	992,896,563	1,260,209,033
Operating profit		131,482,995	162,855,471	106,707,470	140,341,644
Finance income	24	1,500,624	1,099,286	12,068,254	9,737,689
Finance cost	25	(23,623,290)	(34,502,507)	(12,445,634)	(22,689,658)
Profit before income tax expenses		109,360,329	129,452,250	106,330,090	127,389,675
Income tax expenses	27	(17,542,757)	(20,109,441)	(20,056,275)	(23,747,318)
Profit for the year		91,817,572	109,342,809	86,273,815	103,642,357
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial loss - net of income tax		2,721,247	-	2,541,613	-
Changes in surplus on revaluation of land - net of income tax		-	73,113,260	-	73,113,260
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		2,721,247	73,113,260	2,541,613	73,113,260
Other comprehensive income for the year		2,721,247	73,113,260	2,541,613	73,113,260
Total comprehensive income for the year		94,538,819	182,456,069	88,815,428	176,755,617
Profit attributable to:					
Equity holders of the Company		91,417,025	109,342,809	86,273,815	103,642,357
Non-controlling interests of the subsidiary		400,547	-	-	-
		91,817,572	109,342,809		
Total comprehensive income attributable to:					
Equity holders of the Company		94,127,774	182,456,069	88,815,428	176,755,617
Non-controlling interests of the subsidiary		411,045	-	-	-
		94,538,819	182,456,069		
Earnings per share	29				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.1357	0.2363	0.1281	0.2240
Diluted earnings per share					
Profit attributable to equity holders of the Company		-	0.2363	-	0.2240

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

WIIK Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2021

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	109,360,329	129,452,250	106,330,090	127,389,675
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	96,970,525	87,723,564	46,925,824	44,803,048
Reversal Impairment loss on financial assets	(3,874,152)	(2,102,322)	(3,874,152)	(2,102,322)
Reduction of inventories to net realisable value	6,246,564	5,686,511	6,246,564	5,686,511
Write-off inventories	423,594	2,558,993	423,594	2,558,993
Gain on sale of plant and equipment	(194,932)	(217,105)	(151,701)	(217,105)
Write-off withholding income tax	-	2,178,503	-	1,607,188
Long-term employee benefits expenses	5,031,540	4,558,452	3,786,133	3,386,979
Unrealised loss (gain) on exchange	1,157,876	(2,904,769)	1,182,568	(2,905,698)
Loss on fair value adjustment of financial instruments	1,085,488	-	1,085,488	-
Finance income	(1,500,624)	(1,099,286)	(12,068,254)	(9,737,689)
Finance cost	23,623,290	34,502,507	12,445,634	22,689,658
Profit from operating activities before changes in operating assets and liabilities	238,329,498	260,337,298	162,331,788	193,159,238
Operating assets (increase) decrease				
Trade and other receivables	181,741,462	(222,272,158)	218,897,693	(220,756,534)
Inventories	(76,086,244)	90,087,415	(65,671,097)	84,879,532
Advance payment to subcontractors	4,162,781	5,592,831	1,748,648	(1,753,837)
Other current assets	28,505,082	8,264,794	24,884,093	7,339,285
Other non-current assets	217,652	327,163	248,492	327,963
Operating liabilities increase (decrease)				
Trade and other payables	(88,662,618)	(51,172,440)	(72,336,213)	71,883,186
Advance received from customers	(58,418,675)	(135,675,831)	(57,902,421)	(136,658,323)
Accrued expenses	(3,663,616)	494,498	(3,462,788)	3,093,143
Other current liabilities	(11,140,908)	31,277,756	(11,364,256)	28,019,396
Employee benefit paid during the year	(1,691,000)	(1,816,102)	(1,377,200)	(1,280,800)
Cash from (used in) operating activities	213,293,414	(14,554,776)	195,996,739	28,252,249
Interest paid	(22,069,229)	(32,044,998)	(12,510,111)	(21,163,429)
Corporate income tax paid	(35,636,085)	(14,722,046)	(34,735,157)	(12,932,590)
Cash returns from withholding tax	-	646,547	-	-
Net cash from (used in) operating activities	155,588,100	(60,675,273)	148,751,471	(5,843,770)

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

WIIK Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2021

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
	2021	2020
Cash flows from investing activities		
Increase in restricted bank deposits	(35,533,385)	(712,937)
Net cash payment for investment in subsidiary	-	-
Cash receipt from advance payment for purchase of shares	-	5,000,000
Cash payment for short-term loans to related party	-	-
Cash receipt from repayment of short-term loans to related party	-	31,000,000
Acquisition of property, plant and equipment	(62,464,278)	(96,320,233)
Proceeds from sales of plant and equipment	199,533	500,716
Acquisition of assets for production of filtrated water that must be transferred at end of agreement of subsidiary	(2,273,519)	(66,773,788)
Acquisition of intangible assets	(879,300)	(5,348,279)
Increase in cash payment in advance for plant and equipment	(1,993,289)	(1,395,131)
Interest received	1,499,086	1,117,012
Net cash used in investing activities	(101,445,152)	(163,932,640)
Cash flows from financing activities		
Decrease in short-term loans from financial institutions	(416,131,396)	(109,203,289)
Proceed from increase in share capital of subsidiary	18,675,000	-
Cash receipt from issuance promissory note to third party	-	100,000,000
Repayment of promissory note to third party	-	(100,000,000)
Cash receipt from long-term loans	-	172,000,000
Repayment of long-term loans	(28,950,440)	(35,442,157)
Proceeds from increase in share capital	702,706,961	280,000,000
Payment of principal portion of lease liabilities	(16,970,812)	(17,168,862)
Dividend paid	(51,957,437)	(56,815,520)
Net cash from financing activities	207,371,876	233,370,172
Net increase (decrease) in cash and cash equivalents	261,514,824	8,762,259
Unrealised gain (loss) on exchange for cash and cash equivalents	(1,473,239)	3,061,352
Cash and cash equivalents at beginning of year	106,217,688	94,394,077
Cash and cash equivalents at end of year	366,259,273	106,217,688
Supplemental disclosure of cashflow information		
Non-cash transactions		
Surplus on revaluation of land	-	91,391,575
Increase in other payables from acquisition of equipment	975,420	3,697,540
Increase in right-of-use assets from lease liabilities	6,310,639	3,423,672
Transferred cash payment in advance for plant and equipment to plant and equipment	1,395,131	8,802,526
Provision for decommissioning of plant and equipment	46,448	43,008
Transferred right-to-use assets to property, plant and equipment	657,944	-

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



WIIC Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements										
	Note	Issued and paid-up share capital	Share premium	Difference resulting from change in interest in subsidiary without loss of control	Retained earnings		Other components of equity Other comprehensive income Surplus on revaluation of assets	Total shareholders' equity	Non-controlling interests of the subsidiaries	Total shareholders' equity
					Appropriated	Unappropriated				
Balance as at 1 January 2020		437,427,042	277,162,132	-	42,412,850	85,279,583	84,648,916	926,930,523	-	926,930,523
Profit for the year		-	-	-	-	109,342,809	-	109,342,809	-	109,342,809
Other comprehensive income for the year		-	-	-	-	-	73,113,260	73,113,260	-	73,113,260
Total comprehensive income for the year		-	-	-	-	109,342,809	73,113,260	182,456,069	-	182,456,069
Increase share capital		140,000,000	140,000,000	-	-	-	-	280,000,000	-	280,000,000
Dividend paid		-	-	-	-	(56,865,495)	-	(56,865,495)	-	(56,865,495)
Transferred unappropriated retained earnings to statutory reserve	23	-	-	-	5,890,878	(5,890,878)	-	-	-	-
Balance as at 31 December 2020		577,427,042	417,162,132	-	48,303,728	131,866,019	157,762,176	1,332,521,097	-	1,332,521,097
Balance as at 1 January 2021		577,427,042	417,162,132	-	48,303,728	131,866,019	157,762,176	1,332,521,097	-	1,332,521,097
Profit for the year		-	-	-	-	91,417,025	-	91,417,025	400,547	91,817,572
Other comprehensive income for the year		-	-	-	-	2,710,749	-	2,710,749	10,498	2,721,247
Total comprehensive income for the year		-	-	-	-	94,127,774	-	94,127,774	411,045	94,538,819
Increase share capital	22	260,256,020	442,450,941	-	-	-	-	702,706,961	-	702,706,961
Dividend paid	32	-	-	-	-	(51,968,434)	-	(51,968,434)	-	(51,968,434)
Increase in non-controlling interests of the subsidiary	11	-	-	1,456,670	-	-	-	1,456,670	17,218,330	18,675,000
Transferred unappropriated retained earnings to statutory reserve	23	-	-	-	4,293,644	(4,293,644)	-	-	-	-
Balance as at 31 December 2021		837,683,062	859,613,073	1,456,670	52,597,372	169,731,715	157,762,176	2,078,844,068	17,629,375	2,096,473,443

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

WIIC Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Note	Separate financial statements				Other components	Total	
		Issued and paid-up share capital	Share premium	Retained earnings		of equity		
						Other comprehensive income		
								Surplus on
shareholders'								
equity								
Balance as at 1 January 2020		437,427,042	277,162,132	42,412,850	27,818,535	84,648,916	869,469,475	
Profit for the year		-	-	-	103,642,357	-	103,642,357	
Other comprehensive income for the year		-	-	-	-	73,113,260	73,113,260	
Total comprehensive income for the year		-	-	-	103,642,357	73,113,260	176,755,617	
Increase share capital		140,000,000	140,000,000	-	-	-	280,000,000	
Dividend paid		-	-	-	(56,865,495)	-	(56,865,495)	
Transferred unappropriated retained earnings								
to statutory reserve	23	-	-	5,890,878	(5,890,878)	-	-	
Balance as at 31 December 2020		577,427,042	417,162,132	48,303,728	68,704,519	157,762,176	1,269,359,597	
Balance as at 1 January 2021		577,427,042	417,162,132	48,303,728	68,704,519	157,762,176	1,269,359,597	
Profit for the year		-	-	-	86,273,815	-	86,273,815	
Other comprehensive income for the year		-	-	-	2,541,613	-	2,541,613	
Total comprehensive income for the year		-	-	-	88,815,428	-	88,815,428	
Increase share capital	22	260,256,020	442,450,941	-	-	-	702,706,961	
Dividend paid	32	-	-	-	(51,968,434)	-	(51,968,434)	
Transferred unappropriated retained earnings								
to statutory reserve	23	-	-	4,293,644	(4,293,644)	-	-	
Balance as at 31 December 2021		837,683,062	859,613,073	52,597,372	101,257,869	157,762,176	2,008,913,552	

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

WIIC Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2021

1. General information

WIIC Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Lesso (Thailand) Investment Limited, which was incorporated in Hong Kong Special Administrative Region of the People’s Republic of China. The parent company of the Group is China Lesso Group Holdings Limited. The Company is principally engaged in the manufacture and distribution of High Density Polyethylene (HDPE) pipe and related certain fittings, Low Density Polyethylene (LDPE) pipe, Polypropylene (PP) pipe, Polybutylene (PB) pipe and Weholite Spiro pipe. The registered office of the Company is as follow:

Factory:	7/214 Moo 6 Amata City Industrial Estate, Tambol Mabyangporn, Amphur Pluakdaeng, Rayong 21140
Head Office:	90 CW Tower A 35 <sup>th</sup> Floor, Ratchadapisek Road, Huaykwang, Bangkok 10310
Branch:	Benitez Apartments, National Road, Poblacion, Danao City, Cebu, Republic of the Philippines 6004

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of “WIIC Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2021</u>	<u>2020</u>
			Percent	Percent
<u>Investments in subsidiaries</u>				
Wiik Water Company Limited	Pipe installation services and water management	Thailand	94.16	100.00
WIIC PT Company Limited (held by Wiik Water Company Limited)	Water production with Ultra filtration and Reverse Osmosis systems	Thailand	94.16	100.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries is prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

## 2.3 The separate financial statements present investments in subsidiaries under the cost method.

- 2.4 The Company has joint arrangements which assessed as joint operations between the Company and other joint operators. The Company recognises its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, to the separate financial statements, the details as follows:

Name of entity	Nature of Business	Country of incorporation	Interest in joint operations	
			2021	2020
			Percent	Percent
P.S.I - WIIC Joint Venture	Construction	Thailand	99.00	99.00

On 29 April 2020, the Company and P.S.I. Engineering Co., Ltd. entered into a Joint Venture Agreement which is not registered as a new juristic person namely P.S.I - WIIC Joint Venture in order to participate in construction bidding. The proportion of work responsibilities for the project is P.S.I. Engineering Co., Ltd. with 51 percent of project value and the Company with 49 percent of project value. The P.S.I - WIIC Joint Venture signed a construction contract value of Baht 123.9 million with respect to improvement of drainage pipes for flood prevention project on 29 May 2020.

On 10 August 2020, the Company and P.S.I. Engineering Co., Ltd. entered into the Joint Venture Agreement. The Company agrees to purchase the right for 50 percent of the responsibility in the Project. P.S.I. Engineering Co., Ltd. has a proportion of responsibility of 1 percent of the project value, and the Company has a proportion of responsibility of 99 percent of the project value.

### 3. New financial reporting standards

#### 3.1 Financial reporting standards that became effective in the current period

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 is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

### 3.3 Impact of discontinuing Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

During the year, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of asset. As the temporary relief measures on accounting alternatives is no longer applicable for the period after 31 December 2020, the Group recognised losses resulting from these impacts totaling Baht 1.17 million (the Company only: Baht 1.17 million) in administrative expenses in the statement of comprehensive income for the year ended 31 December 2021. These related to measurement of fair value measurement of investments in unquoted equity instruments.

## 4. Significant accounting policies

### 4.1 Revenue and expense recognition

#### Sales of goods

Revenue from sales of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

#### Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion.

The recognised revenue which is not yet due per the contracts has been presented as “Unbilled receivables” under the caption of trade and other receivables in the statement of financial position. The amount recognised as contract assets are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Advances received from customers” in the statement of financial position. Advances received from customers are recognised as revenue when the Group performs under the contract.

#### Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

#### Dividends

Dividends are recognised when the right to receive the dividends is established.

### 4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### 4.3 Inventories

Finished goods and work in process are valued at the lower of cost and net realisable value. The cost of inventories is measured using standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

#### 4.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

#### 4.5 Property, plant and equipment/Depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Lands are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvements	-	5	years
Building and improvements	-	5 - 40	years
Machinery and equipment	-	5 - 24	years
Furniture, fixtures and office equipment	-	5	years
Motor vehicles	-	5 - 10	years
Leasehold improvements	-	5	years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.



An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 4.7 Assets for production of filtrated water that must be transferred at end of agreement of subsidiary

Assets for production of filtrated water that must be transferred at end of agreement of subsidiary are carried at cost less any accumulated amortisation and any provision for impairment losses (if any).

Assets for production of filtrated water that must be transferred at end of agreement of subsidiary has estimated useful lives 5 - 10 years.

Amortisation of assets from production of filtrated water is included in determining income.

No amortisation is provided on assets under installation.

#### 4.8 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	5 - 10 years
License for the products under WEHOLITE trademark	5 years
License for use of water supply system	20 years
Right to manage the water production plant with Ultra filtration and Reverse Osmosis	24 years
Leasehold	24 years
License for use of HDPE fitting under Provincial Waterworks Authority	5 years
Product certificate	10 years

Intangible assets with indefinite useful lives (customer list) are not amortised, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

#### 4.9 Leases

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

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### **Right-of-use assets**

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	18 -23 years
Buildings	5 - 8 years
Machinery and equipment	4 - 16 years
Furniture, fixtures and office equipment	2 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 Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### **Short-term leases and leases of low-value assets**

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

#### **4.10 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group' operations.

#### 4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### 4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

#### 4.13 Employee benefits

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits**

##### **Defined contribution plans**

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by their employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

##### **Defined benefit plans**

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

#### 4.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 4.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group review and reduce 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 record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### 4.16 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

## Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

## Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### Derecognition of financial instruments

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

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

#### Impairment of financial assets

For trade receivables and unbilled receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

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

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

#### Offsetting of financial instruments

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

### 4.17 Derivatives

The Group uses derivatives, such as forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### 4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

#### 5. Significant accounting judgements and estimates

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

Allowance for diminution in value of inventories

In determining an allowance for diminution in the value of inventories, the management is required to make estimates of the loss on damage and slow moving stock, and the net realisable value of inventories based on the amount the inventories are expected to realise.



## 6. Related party transactions

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

	Consolidated		Separate		(Unit: Million Baht)
	financial statements		financial statements		Transfer Pricing
	2021	2020	2021	2020	Policy
Transactions with subsidiaries company (eliminated from the consolidated financial statements)					
Sales	-	-	2	23	Market price
Other income	-	-	-	1	Market price
Interest income	-	-	11	9	1.0 to 5.2 percent per annum (2020: 4.4 to 7.0 percent per annum)

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

	Consolidated		Separate		(Unit: Thousand Baht)
	financial statements		financial statements		
	2021	2020	2021	2020	
<u>Trade and other receivables - related party</u> (Note 8)					
Trade receivables					
Subsidiary	-	-	-	689	
Total trade receivables - related party	-	-	-	689	
Total trade and other receivables - related party	-	-	-	689	

### Short-term loans to related party

As at 31 December 2021 and 2020, the balances of short-term loans between the Company and its subsidiary and the movements are as follows:

	Separate financial statements				(Unit: Thousand Baht)
	Balance as at	Increase	Decrease	Balance as at	
	1 January 2021	during the year	during the year	31 December 2021	
Short-term loans					
Subsidiary					
Wiik Water Company Limited	271,000	65,000	(31,000)	305,000	
Total	271,000	65,000	(31,000)	305,000	

### Directors and management's benefits

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

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	41,798	41,854	31,743	30,988
Post-employment benefits	2,682	2,110	2,016	1,402
Total directors and managements remuneration	<u>44,480</u>	<u>43,964</u>	<u>33,759</u>	<u>32,390</u>

### Guarantee obligations with related parties

The Company had outstanding guarantee obligations with its subsidiaries, as described in Note 33.4 to the financial statements. No guaranteed fee was charged for those guarantees. In addition, the Company has mortgaged its land and construction thereon with net book value of Baht 120 million (2020: Baht 120 million) as collateral against long-term loan of its subsidiary.

## 7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash	165	165	95	95
Bank deposits	366,094	106,053	349,889	78,705
Total	<u>366,259</u>	<u>106,218</u>	<u>349,984</u>	<u>78,800</u>

As at 31 December 2021, bank deposits in saving and current accounts carried interests between 0.05 and 0.40 percent per annum (2020: between 0.05 and 0.30 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<u>Trade receivables - related party (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	-	-	-	689
Total trade receivables - related party	-	-	-	689
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	167,623	154,395	149,540	141,231
Past due				
Up to 3 months	73,806	100,142	67,797	86,199
3 - 6 months	34,780	56,151	18,816	56,151
Over 6 - 12 months	29,710	30,946	10,915	8,289
Over 12 months	63,937	65,427	36,110	51,737
Total	369,856	407,061	283,178	343,607
Less: Allowance for expected credit losses	(25,574)	(29,448)	(25,574)	(29,448)
Total trade receivables - unrelated parties - net	344,282	377,613	257,604	314,159
Retention receivables as per contract	31,088	21,515	27,865	18,291
Total	375,370	399,128	285,469	332,450
Total trade receivables - net	375,370	399,128	285,469	333,139
<u>Other receivables</u>				
Other receivables - unrelated parties	496	634	-	168
Accrued income	33,177	12,491	-	-
Unbilled receivables - unrelated parties	18,146	191,810	9,665	175,856
Total other receivables	51,819	204,935	9,665	176,024
Total trade and other receivables - net	427,189	604,063	295,134	509,163

The normal credit term is 30 to 180 days.

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

(Unit: Thousand Baht)		
	Consolidated and Separate financial statements	
	2021	2020
Beginning balance	29,448	31,550
Provision for expected credit losses (reversal)	(3,360)	5,817
Amount recovered	(514)	(7,919)
Ending balance	25,574	29,448

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

## 9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	267,547	238,238	(36,333)	(29,960)	231,214	208,278
Work in process	43,080	17,032	-	-	43,080	17,032
Raw materials	125,975	105,079	(246)	(372)	125,729	104,707
Spare parts and factory supplies	21,122	21,712	(439)	(439)	20,683	21,273
<b>Total</b>	<b>457,724</b>	<b>382,061</b>	<b>(37,018)</b>	<b>(30,771)</b>	<b>420,706</b>	<b>351,290</b>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	262,240	228,179	(36,333)	(29,960)	225,907	198,219
Work in process	19,478	10,830	-	-	19,478	10,830
Raw materials	125,975	105,079	(246)	(372)	125,729	104,707
Spare parts and factory supplies	10,133	8,490	(439)	(439)	9,694	8,051
<b>Total</b>	<b>417,826</b>	<b>352,578</b>	<b>(37,018)</b>	<b>(30,771)</b>	<b>380,808</b>	<b>321,807</b>

During the current year, the Group reduced cost of inventories by Baht 6 million (2020: 6 million) (The Company only: Baht 6 million (2020: 6 million)), to reflect the net realisable value. This was included in cost of sales.

## 10. Restricted bank deposits

These represent fixed deposits of 17 million pledged with the banks to secure credit facilities and saving deposit of 36 million pledged with bank to secure the issuance of bank guarantees granted by the banks to the Company.

## 11. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2021	2020	2021 (%)	2020 (%)	2021	2020	2021	2020
Wiik Water Co., Ltd.	192,500	170,000	94.16	100.00	218,337	199,662	-	-
Total					218,337	199,662	-	-
Less: Allowance for impairment loss					(7,515)	(7,515)		
Total investments in subsidiaries - net					210,822	192,147		

On 9 February 2021, the Extraordinary General Meeting of the Shareholders of Wiik Water Company Limited (the Subsidiary) passed a resolution to approve an increase of the registered capital, from Baht 170,000,000 to Baht 260,000,000, by issuing 900,000 new ordinary shares at a par value of Baht 100 per share to enhancing the liquidity of future business of the Subsidiary at the offering price of Baht 166 per share. The initial payment for the shares is required at 25 percent of the new registered capital, and the payment for the remainder will be called for by the Board of Directors upon the necessity.

The Company purchased the additional shares of the Subsidiary in the amount of 450,000 ordinary shares of Baht 166 per share, a total of Baht 74.70 million, and to waive the right to purchase the remaining 450,000 ordinary shares, as a result of decreasing the Company's shareholding from 100.00 percent to 94.16 percent. There is no change in status of its subsidiary. On 16 February 2021, the Company made an initial payment of 25 percent of total payment for the shares, or a total of Baht 18.675 million.

For the remaining of new 450,000 ordinary shares, the Subsidiary's Extraordinary General Meeting of the Shareholders authorised the Subsidiary's Board of directors and/or the Subsidiary's authorised directors allocated the remaining new ordinary shares to directors, executives, and employees of the Company and the Subsidiary, totaling 12 persons, and to 7 investors who are not related to the Company.

The Subsidiary received the initial payment of 25 percent of total payment, or a total of Baht 37.35 million and registered the increase in its registered capital with the Ministry of Commerce on 23 February 2021.

## 12. Joint arrangements - joint operations

Financial information of the Company only and the joint arrangements which are the joint operations in 1 entity as described in Note 2.4 to the financial statements are presented including in the separate financial statement as below.

(Unit: Million Baht)

	As at 31 December 2021			
	The Company only	The joint arrangements	Elimination entries	Separate financial statement
Summarised information about financial position:				
Current assets	1,378.4	2.1	-	1,380.5
Non-current assets	892.0	-	-	892.0
Current liabilities	183.4	-	-	183.4
Non-current liabilities	80.2	-	-	80.2
Unappropriated retained earnings	99.2	2.1	-	101.3

(Unit: Million Baht)

	For the year ended 31 December 2021			
	The Company only	The joint arrangements	Elimination entries	Separate financial statement
Summarised information about profit or loss:				
Total revenues	1,099.1	22.6	(22.1)	1,099.6
Total expenses	(992.9)	(22.1)	22.1	(922.9)
Operating profit	106.2	0.5	-	106.7
Financial income	12.0	-	-	12.0
Finance cost	(12.4)	-	-	(12.4)
Profit before income tax expenses	105.8	0.5	-	106.3
Income tax expenses	(19.9)	(0.1)	-	(20.0)
Profit for the year	85.9	0.4	-	86.3

13. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements								
	Revaluation								
	basis	Cost basis							
					Machinery	Furniture, fixtures			
		Land	Building and	Leasehold	and	Motor	and office	Assets under	
	Land	improvement	improvements	improvement	equipment	vehicles	equipment	installation	Total
Cost/Revaluation									
1 January 2020	240,941	9,657	284,569	5,151	970,341	27,004	28,746	114	1,566,523
Decrease due to TFRS 16 adoption	-	-	-	-	(12,650)	(14,702)	-	-	(27,352)
Additions	-	-	3,354	49	50,049	2,321	1,757	51,290	108,820
Revaluations	91,392	-	-	-	-	-	-	-	91,392
Disposals and write-off	-	-	(110)	-	-	(1,872)	(7)	-	(1,989)
Transfer in (out)	-	-	80	-	20,499	-	333	(20,912)	-
31 December 2020	332,333	9,657	287,893	5,200	1,028,239	12,751	30,829	30,492	1,737,394
Additions	-	1,133	2,151	-	22,964	30	1,793	36,764	64,835
Transfer in from right-of-use asset	-	-	-	-	-	2,507	-	-	2,507
Disposals and write-off	-	-	-	-	-	-	(382)	-	(382)
Transfer in (out)	-	-	676	-	64,411	-	-	(65,087)	-
31 December 2021	332,333	10,790	290,720	5,200	1,115,614	15,288	32,240	2,169	1,804,354

(Unit: Thousand Baht)

## Consolidated financial statements

	Revaluation	Cost basis							
	basis								
					Machinery		Furniture, fixtures		
		Land	Building and	Leasehold	and	Motor	and office	Assets under	
	Land	improvement	improvements	improvement	equipment	vehicles	equipment	installation	Total
Accumulated depreciation									
1 January 2020	-	8,432	137,330	5,136	482,001	16,088	20,923	-	669,910
Decrease due to TFRS 16 adoption	-	-	-	-	(1,121)	(6,422)	-	-	(7,543)
Depreciation for the year	-	600	7,060	7	52,204	615	3,066	-	63,552
Depreciation on disposals and write-off	-	-	(110)	-	-	(1,591)	(4)	-	(1,705)
31 December 2020	-	9,032	144,280	5,143	533,084	8,690	23,985	-	724,214
Depreciation for the year	-	638	7,471	14	57,200	965	2,996	-	69,284
Depreciation on disposals and write-off	-	-	-	-	-	-	(377)	-	(377)
31 December 2021	-	9,670	151,751	5,157	590,284	9,655	26,604	-	793,121
Allowance for diminution in value									
31 December 2020	-	-	-	-	3,890	-	-	-	3,890
31 December 2021	-	-	-	-	3,890	-	-	-	3,890
Net book value									
31 December 2020	332,333	625	143,613	57	491,265	4,061	6,844	30,492	1,009,290
31 December 2021	332,333	1,120	138,969	43	521,440	5,633	5,636	2,169	1,007,343
Depreciation for the year									
2020 (Baht 61 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)									63,552
2021 (Baht 66 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)									69,284



(Unit: Thousand Baht)

	Separate financial statements								
	Revaluation basis	Cost basis							
					Machinery and	Motor	Furniture, fixtures and office	Assets under	
	Land	Land improvement	Building and improvements	Leasehold improvement	equipment	vehicles	equipment	installation	Total
Cost/Revaluation									
1 January 2020	240,941	7,967	245,503	4,623	566,302	16,911	23,883	102	1,106,232
Decrease due to TFRS 16 adoption	-	-	-	-	(12,650)	(10,903)	-	-	(23,553)
Additions	-	-	1,132	-	33,350	2,322	1,311	9,081	47,196
Revaluations	91,392	-	-	-	-	-	-	-	91,392
Disposals and write-off	-	-	(110)	-	-	(1,872)	(7)	-	(1,989)
Transfer in (out)	-	-	80	-	8,054	-	333	(8,467)	-
31 December 2020	332,333	7,967	246,605	4,623	595,056	6,458	25,520	716	1,219,278
Additions	-	1,133	2,127	-	16,095	30	1,565	4,132	25,082
Transfer in from right-of-use asset	-	-	-	-	-	2,507	-	-	2,507
Disposals and write-off	-	-	-	-	-	(180)	(363)	-	(543)
Transfer in (out)	-	-	676	-	2,592	-	-	(3,268)	-
31 December 2021	332,333	9,100	249,408	4,623	613,743	8,815	26,722	1,580	1,246,324
Accumulated depreciation									
1 January 2020	-	7,533	134,895	4,621	413,064	7,373	18,658	-	586,144
Decrease due to TFRS 16 adoption	-	-	-	-	(1,121)	(4,662)	-	-	(5,783)
Depreciation for the year	-	263	5,261	2	27,245	827	2,169	-	35,767
Depreciation on disposals and write-off	-	-	(110)	-	-	(1,591)	(4)	-	(1,705)
31 December 2020	-	7,796	140,046	4,623	439,188	1,947	20,823	-	614,423
Depreciation for the year	-	299	5,609	-	28,950	1,176	2,080	-	38,114
Depreciation on disposals and write-off	-	-	-	-	-	(138)	(358)	-	(496)
31 December 2021	-	8,095	145,655	4,623	468,138	2,985	22,545	-	652,041

(Unit: Thousand Baht)

	Separate financial statements								
	Revaluation basis	Cost basis							
	Land	Land improvement	Building and improvements	Leasehold improvement	Machinery and equipment	Motor vehicles	Furniture, fixtures and office equipment	Assets under installation	Total
Allowance for diminution in value									
31 December 2020	-	-	-	-	3,890	-	-	-	3,890
31 December 2021	-	-	-	-	3,890	-	-	-	3,890
Net book value									
31 December 2020	332,333	171	106,559	-	151,978	4,511	4,697	716	600,965
31 December 2021	332,333	1,005	103,753	-	141,715	5,830	4,177	1,580	590,393
Depreciation for the year									
2020 (Baht 34 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)									35,767
2021 (Baht 36 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)									38,114

The Group arranged for an independent professional valuer to appraise the value of its land in 2020 by using the market approach.

Key assumptions used in the valuation are summarised below:

	Consolidated and Separate financial statements	Result to fair value where as an increase in assumption value
Price per rai (Baht)	4,000,000	Increase in fair value

Had the land been carried in the financial statements on historical cost basis, its net book value as of 31 December 2021 and 2020 would have been as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2021</u>	<u>2020</u>
Land	135,130	135,130

As at 31 December 2021, the Group certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 383 million (2020: Baht 344 million) (The Company only: Baht 368 million 2020: Baht 341 million).

The Group has mortgaged its land and construction thereon and machinery with net book value as at 31 December 2021 of Baht 439 million (2020: Baht 442 million) as collateral against the Group's credit facilities received from financial institutions.

14. Assets for production of filtrated water that must be transferred at end of agreement of subsidiary

(Unit: Thousand Baht)

	Consolidated financial statements				
	Building and improvements	Machinery and Equipment	Furniture and office equipment	Assets under installation	Total
Cost					
31 December 2020	-	9,200	69	67,663	76,932
Additions	246	109	92	1,826	2,273
Capitalised interest	-	-	-	303	303
Transfer in (out)	15,457	54,335	-	(69,792)	-
31 December 2021	15,703	63,644	161	-	79,508
Accumulated amortisation					
31 December 2020	-	1,663	6	-	1,669
Amortisation for the year	533	4,043	25	-	4,601
31 December 2021	533	5,706	31	-	6,270
Net book value					
31 December 2020	-	7,537	63	67,663	75,263
31 December 2021	15,170	57,938	130	-	73,238
Amortisation for the year					
2020					1,182
2021					4,601

Amortisation of such assets for production of treated water has been included as part of cost of sales of treated water.

Assets for production of treated water of the subsidiary will be transferred after the end of the 10-year agreement to produce and sell treated water, which will expire in 2029.

During the year, the Subsidiary capitalised interest amounting to Baht 0.3 million (2020: Baht 1.1 million) to costs of machinery and equipment. These borrowing costs arose on loans obtained specifically for these projects and were determined based on the capitalisation rate of 3.83 percent per annum. (2020: 3.08 percent per annum).

15. Intangible assets

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

(Unit: Thousand Baht)

Consolidated financial statements									
	Product certificate	License for use of water supply system	Customer list	License for the products under WEHOLITE Trademark	Right to manage the water production plant with Ultra filtration and Reverse Osmosis	License for use of HDPE fitting under Provincial Waterworks Authority	Leasehold	Computer software	Total
As at 31 December 2021									
Cost	386	110,000	12,257	3,720	38,746	3,417	13,391	16,062	197,979
<u>Less</u> Accumulated amortisation	(6)	(30,719)	-	(3,720)	(4,820)	(1,336)	(1,625)	(14,597)	(56,823)
Net book value	380	79,281	12,257	-	33,926	2,081	11,766	1,465	141,156
As at 31 December 2020									
Cost	-	110,000	12,257	3,720	38,746	3,417	13,391	15,569	197,100
<u>Less</u> Accumulated amortisation	-	(25,222)	-	(3,720)	(3,210)	(653)	(1,064)	(14,239)	(48,108)
Net book value	-	84,778	12,257	-	35,536	2,764	12,327	1,330	148,992

(Unit: Thousand Baht)

	Separate financial statements				
	Product certificate	License for the products under WEHOLITE trademark	License for use of HDPE fitting under Provincial Waterworks Authority	Computer software	Total
As at 31 December 2021					
Cost	386	3,720	3,417	15,754	23,277
<u>Less</u> Accumulated amortisation	(6)	(3,720)	(1,336)	(14,362)	(19,424)
Net book value	380	-	2,081	1,392	3,853
As at 31 December 2020					
Cost	-	3,720	3,417	15,261	22,398
<u>Less</u> Accumulated amortisation	-	(3,720)	(653)	(14,065)	(18,438)
Net book value	-	-	2,764	1,196	3,960

A reconciliation of the net book value of intangible assets for the years ended 31 December 2021 and 2020 are presented below.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	148,992	152,389	3,960	505
Product certificate	386	-	386	-
Acquisition of computer software	493	1,056	493	1,056
Acquisition of leasehold	-	875	-	-
License for use of HDPE fitting under Provincial Waterworks Authority	-	3,417	-	3,417
Amortisation for the year	(8,715)	(8,745)	(986)	(1,018)
Net book value at end of year	141,156	148,992	3,853	3,960

16. Other non-current financial assets

	Consolidated and Separate financial statements	
	2021	2020
<u>Financial assets at FVTPL</u>		
Nakhonluang Capital Public Co., Ltd.	29,810	30,981
K-Tech Construction Public Co., Ltd.	30	30
Total financial assets at FVTPL	29,840	31,011
Less: Allowance for impairment loss	(30)	(30)
Total other non-current financial assets - net	29,810	30,981

## 17. Short-term loans from financial institutions

	Interest rate		Consolidated		(Unit: Thousand Baht)	
	(percent per annum)		financial statements		Separate	
	2021	2020	2021	2020	2021	2020
Short-term loans from						
financial institutions	-	2.91 - 4.37	-	416,131	-	416,131
Total short-term loans from financial institutions			-	416,131	-	416,131

The Company's short-term loans from financial institutions are secured by the mortgage of the Company's land and construction thereon and machinery and the pledge of its fixed deposits at banks.

## 18. Trade and other payables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
Trade payables - unrelated parties	48,977	129,605	43,076	108,236
Other payables - unrelated parties	13,165	20,746	10,023	16,745
Total trade and other payables	62,142	150,351	53,099	124,981

## 19. Long-term loans

Interest rate	Repayment schedule	Consolidated financial		(Unit: Thousand Baht)	
		statements		Separate financial	
		2021	2020	2021	2020
MLR - 1.75	Monthly installments as from				
	November 2016 - July 2024	32,015	43,747	-	-
MLR - 1.75	Monthly installments as from				
	November 2017 - August 2025	47,570	59,895	-	-
MLR - 1.75	Monthly installments as from				
	March 2020 - October 2027	31,313	36,063	-	-
MLR - 1.75	Monthly installments as from				
	March 2020 - August 2027	123,129	123,273	-	-
Total		234,027	262,978	-	-
Less: Current portion		(43,716)	(42,493)	-	-
Long-term loans, net of current portion		190,311	220,485	-	-

Movement of the long-term loan account during the years ended 31 December 2021 and 2020 are summarised below:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Beginning balance	262,978	126,420	-	-
Additional borrowings	-	172,000	-	-
Repayments	(28,951)	(35,442)	-	-
Ending balance	<u>234,027</u>	<u>262,978</u>	<u>-</u>	<u>-</u>

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

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

As at 31 December 2021, the long-term credit facilities of the Subsidiary which have not yet been drawn down amounted to Baht 108 million (2020: Baht 108 million).

## 20. Leases

### 20.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 23 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					
	Land	Buildings	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Total
1 January 2021	10,480	37,739	25,339	259	8,280	82,097
Additions	-	-	-	-	3,424	3,424
Depreciation for the year	(557)	(7,091)	(3,371)	(111)	(3,114)	(14,244)
Due to the election to apply the Temporary Relief Measures for Accounting Alternatives - reduction in lease payments	-	(175)	-	-	-	(175)
31 December 2020	9,923	30,473	21,968	148	8,590	71,102
Additions	-	-	-	-	4,973	4,973
Increase from lease modification	-	1,337	-	-	-	1,337
Transfer out to property, plant and equipment	-	-	-	-	(2,507)	(2,507)
Adjustment discount from transfer right-of-use assets to property, plant and equipment	-	-	-	-	(658)	(658)
Depreciation for the year	(557)	(7,465)	(3,371)	(111)	(2,865)	(14,369)
31 December 2021	9,366	24,345	18,597	37	7,533	59,878

(Unit: Thousand Baht)

	Separate financial statements				
	Buildings	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Total
1 January 2021	16,962	11,529	259	6,241	34,991
Additions	-	-	-	903	903
Depreciation for the year	(3,412)	(2,530)	(111)	(1,965)	(8,018)
Due to the election to apply the Temporary Relief Measures for Accounting Alternatives - reduction in lease payments	(98)	-	-	-	(98)
31 December 2020	13,452	8,999	148	5,179	27,778
Additions	-	-	-	4,402	4,402
Increase from lease modification	874	-	-	-	874
Transfer out to property, plant and equipment	-	-	-	(2,507)	(2,507)
Adjustment discount from transfer right-of-use assets to property, plant and equipment	-	-	-	(658)	(658)
Depreciation for the year	(3,692)	(2,530)	(111)	(1,491)	(7,824)
31 December 2021	10,634	6,469	37	4,925	22,065

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Lease payments	74,290	84,681	25,302	29,038
Less: Deferred interest expenses	(11,348)	(14,389)	(1,785)	(3,023)
Total	62,942	70,292	23,517	26,015
Less: Portion due within one year	(14,142)	(13,263)	(7,972)	(7,433)
Lease liabilities - net of current portion	48,800	57,029	15,545	18,582

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Balance at beginning of year	70,292	80,052	26,015	32,902
Additions	4,973	3,424	4,402	903
Increase from lease modification	1,337	-	874	-
Accretion of interest	3,311	4,181	1,385	2,051
Repayments	(16,971)	(17,169)	(9,159)	(9,732)
Adjustment due to the election to apply the Temporary Relief Measures for Accounting Alternatives - reduction in lease payment	-	(196)	-	(109)
Balance at end of year	<u>62,942</u>	<u>70,292</u>	<u>23,517</u>	<u>26,015</u>

A maturity analysis of lease payments is disclosed in Note 35.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Depreciation expense of right-of-use assets	14,370	14,419	7,825	8,117
Interest expense on lease liabilities	3,311	4,181	1,385	2,051
Expense relating to short-term leases	5,946	10,228	5,729	9,223
Expense relating to leases of low-value assets	325	397	232	172

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 23 million (2020: Baht 28 million) (Separate financial statements: Baht 15 million (2020: Baht 19 million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 6 million (2020: Baht 3 million) (Separate financial statements: Baht 5 million (2020: 1 million)).

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		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Provision for long-term employee benefits at beginning of year	27,356	24,613	24,171	22,065
Included in profit or loss:				
Current service cost	4,631	4,209	3,440	3,077
Interest cost	400	350	346	310
Included in other comprehensive income:				
Actuarial loss arising from				
Financial assumptions changes	(3,401)	-	(3,177)	-
Benefits paid during the year	(1,691)	(1,816)	(1,377)	(1,281)
Provision for long-term employee benefits at end of year	27,295	27,356	23,403	24,171

The Group will not expect to pay of long-term employee benefits during the next year (Separate financial statements: Nil) (2020: Baht 1.6 million, separate financial statements: Baht 1.4 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 6.04 - 9.52 years (Separate financial statements: 6.04 years) (2020: 6.41 - 9.62 years, separate financial statements: 6.41 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate	1.4 - 1.9	1.5 - 1.6	1.4	1.5
Future salary increase rate	3.0	4.0	3.0	4.0
Staff turnover rate	0.0 - 31.0	0.0 - 39.0	0.0 - 31.0	0.0 - 37.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

(Unit: Million Baht)

	As at 31 December 2021			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1.6)	1.9	(1.3)	1.5
Salary increase rate	1.9	(1.7)	1.5	(1.4)
Turnover rate	(1.7)	0.3	(1.4)	0.3

(Unit: Million Baht)

	As at 31 December 2020			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1.7)	1.9	(1.4)	1.6
Salary increase rate	2.5	(2.2)	2.0	(1.9)
Turnover rate	(1.8)	0.3	(1.5)	0.2

## 22. Share capital/Warrant

The warrants to buy ordinary shares of the Company No.2 ("WIIC-W2") ("Warrant") of not exceeding 124,979,511 units had been allocated to the existing shareholders, free of charge in a ratio of 1 warrant for every 3 existing ordinary shares, total allotment 124,971,656 units. The warrants are to have an exercise price Baht 5 per share and a term of up to 3 years from the date they are issued and offered (The first exercise date is on 30 December 2019 and the last exercise date is on 2 January 2022). (In case that the exercise date is not a Business Day, then the exercise date shall be moved to the Business Day before the exercise date.)

The trading of the warrants to buy ordinary shares of the Company No.2 ("WIIC-W2") on the Stock Exchange of Thailand was approved on 21 January 2019.

On 23 April 2021, the Annual General Meeting of the Company's shareholders approved the capital increase of Baht 16,927,962 from Baht 725,335,328 to 742,263,290 by issuing 16,927,962 ordinary shares with a par value of Baht 1.00 per share to reserve for the adjustment of the rights of the warrants to purchase ordinary shares of the Company No.2 (WIIC-W2) from the payment of dividend over 60 percent of the net profit of the separate financial statements.

On 30 April 2021, the Company adjusted the rights of the Company's ordinary share warrants No.2 ("WIIK-W2") under article 4.2 (e) on page 16 in order to protect the rights of the warrant holders, as follows.

New exercise ratio	1 warrant to 1.319 ordinary shares
New exercise price	Baht 3.796 per share

As at 30 December 2021, the final exercise date, 10,866 WIIK-W2 warrants were exercised to 14,331 ordinary shares by 3 warrant holders at a price of Baht 3.796 per share. On 12 January 2022, the Company registered the increase in its paid-up share capital with the Ministry of Commerce.

Following such final exercise date of the WIIK-W2 warrants was 30 December 2021, and as result the 124,960,790 unexercised WIIK-W2 warrants still outstanding lost their status as securities listed on the Stock Exchange of Thailand, effective from 31 December 2021, and can no longer be exercised. The Company will continue to reduce its registered capital.

On 15 July 2021, the Extraordinary General Meeting of the Company's Shareholders passed the following resolutions.

1. Approved the increasing capital and the allotment of new ordinary shares not over 330,000,000 new ordinary shares with a par value of Baht 1 per share to existing shareholders of the Company proportionate to their shareholding (Right Offering) at an offering ratio of 1.75 existing shares to 1 new ordinary share (a fraction of share shall be disregarded) at the offering price of Baht 2.70 per share, representing not over Baht 891 million.

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

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

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

23. 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.

24. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest income on bank deposits	715	402	672	327
Interest income on loans	785	697	11,396	9,411
Total	<u>1,500</u>	<u>1,099</u>	<u>12,068</u>	<u>9,738</u>

25. 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	20,266	30,279	11,061	20,639
Interest expenses on lease liabilities	3,311	4,181	1,385	2,051
Interest expense on others	46	43	-	-
Total	<u>23,623</u>	<u>34,503</u>	<u>12,446</u>	<u>22,690</u>

26. 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>
Salaries and wages and other employee benefits	175,181	180,813	140,061	142,602
Depreciation and amortization	96,970	87,724	46,926	44,803
Rental expenses from operating lease agreements	6,074	10,625	5,772	9,395
Raw materials and consumables used	646,583	661,235	631,815	650,301
Changes in inventories of finished goods and work in progress	(25,297)	93,816	(42,711)	95,376

27. Income tax

Income tax expenses 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>
Current income tax:				
Current income tax charge	20,181	27,649	20,181	27,649
Deferred tax:				
Relating to origination and reversal of temporary differences	(2,638)	(7,540)	(125)	(3,902)
Income tax expenses reported in profit or loss	<u>17,543</u>	<u>20,109</u>	<u>20,056</u>	<u>23,747</u>

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 on actuarial loss	680	-	635	-
Deferred tax on gain from revaluation of land	-	(18,279)	-	(18,279)
Total	<u>680</u>	<u>(18,279)</u>	<u>635</u>	<u>(18,279)</u>



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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit before tax	109,360	129,452	106,330	127,390
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	21,872	25,890	21,266	25,478
Decrease (set up) of temporary differences on deferred tax for the year	5	(1,127)	5	(1,127)
Effects of:				
Promotional privileges (Note 28)	(3,737)	(3,071)	-	-
Non-deductible expenses	1,116	1,374	308	912
Additional expense deductions allowed	(1,713)	(2,957)	(1,523)	(1,516)
Total	(4,334)	(4,654)	(1,216)	(604)
Income tax expenses reported in profit or loss	17,543	20,109	20,056	23,747

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for expected credit losses	1,538	2,233	1,538	2,233
Allowance for diminution in value of inventories	7,403	6,154	7,403	6,154
Allowance for asset impairment	778	778	778	778
Provision for long-term employee benefits	5,459	5,471	4,681	4,834
Other provision	1,120	2,266	1,120	2,266
Unused tax loss	10,208	7,881	-	-
Total	26,506	24,783	15,520	16,265
Deferred tax liabilities				
Revaluation surplus of land	39,441	39,441	39,441	39,441
Fair value of other non-current financial assets	1,712	1,947	1,712	1,947
Total	41,153	41,388	41,153	41,388

The unused tax losses amounting to Baht 55 million will expire within 2026.

28. Promotional privileges

The subsidiary has received promotional privileges from the Board of Investment. Subject to certain conditions, the significant privileges are as follow:

Details	Promotional certificate no. 60-0780-1-00-1-0
1. Promotional privileges for the manufacture of	Water supply for industry type 7.1.2 Industrial water supply/stream business
2. Promotional privileges	
2.1 Exemption of corporate income tax for net earnings from promotional activities of not exceeding 100% of investment, exclusive of land and working capital, and exemption of income tax on dividends paid from the profit of the operations throughout the period in which the corporate income tax is exempted.	6 years from the date the promoted operations commenced generating (For corporate income tax which not exceed Baht 53,500,000)
2.2 A fifty percent reduction of the normal rate of corporate income tax on net earnings derived from the promoted activity for a period of five years after the expiration of the above corporate income tax exemption period.	Granted
2.3 Exemption from import duties on machinery as permitted by the BOI	Granted
3. Date of first earning operating income	23 June 2017

The Group's operating revenues for the years ended 31 December 2021 and 2020, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Sales and service income						
Domestic sales and service income	53,817	42,698	1,107,417	1,395,102	1,161,234	1,437,800
Export sales and service income	-	-	123,188	176,039	123,188	176,039
Total sales and service income	<u>53,817</u>	<u>42,698</u>	<u>1,230,605</u>	<u>1,571,141</u>	<u>1,284,422</u>	<u>1,613,839</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Sales and service income						
Domestic sales and service income	-	-	966,479	1,215,893	966,479	1,215,893
Export sales and service income	-	-	123,188	176,039	123,188	176,039
Total sales and service income	-	-	1,089,667	1,391,932	1,089,667	1,391,932

## 29. Earnings per share

Basic earnings per share is calculated by dividing profits for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to the equity holder at the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the weighted an average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Profit for the year (Thousand Baht)	91,417	109,343	86,274	103,642
Weighted average number of ordinary shares (Thousand shares)	673,681	462,673	673,681	462,673
Earnings per share (Baht per share)	0.1357	0.2363	0.1281	0.2240
Diluted earnings per share (Baht per share)	-	0.2363	-	0.2240

There is no calculation of diluted earnings per share for the years ended 31 December 2021 since unexercised warrants were expired, as described in Note 22 to the financial statements and for the year 2020 since the exercise price of warrant exceeded the fair value of the Company's ordinary shares.

### 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.

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows:

- The production distribution and pipe installation services segment is a part manufacture distribution and provide welding services for the product of high density polyethylene pipe and fittings, Low Density Polyethylene pipe, Polypropylene pipe, Polybutylene pipe, and Weholite Spiro pipe.
- The water management segment is a part which is water management, water distribution and water supply system, design construction and operation of water supply system.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2021 and 2020 as follow.

(Unit: Thousand Baht)

	The production and installation of the pipeline	The water management	Total Segment reporting	Eliminations and adjustments	Consolidated financial statements
For the year ended 31 December 2021					
Revenue from external customers	1,087,537	196,885	1,284,422	-	1,284,422
Revenue between segments	2,130	-	2,130	(2,130)	-
Other income	9,937	697	10,634	(11)	10,623
Finance income	12,068	43	12,111	(10,611)	1,500
Total Revenue	1,111,672	197,625	1,309,297	(12,752)	1,296,545
Cost of sale and service	(847,217)	(91,752)	(938,969)	2,081	(936,888)
Selling and distribution expenses	(43,656)	-	(43,656)	-	(43,656)
Administrative expenses	(55,097)	(30,950)	(86,047)	-	(86,047)
Income tax income (expenses)	(20,056)	2,513	(17,543)	-	(17,543)
Finance cost	(12,446)	(21,788)	(34,234)	10,611	(23,623)
Depreciation and amortisation	(46,926)	(50,699)	(97,625)	655	(96,970)
Total expenses	(1,025,398)	(192,676)	(1,218,074)	13,347	(1,204,727)
Segment profit	86,274	4,949	91,223	595	91,818

(Unit: Thousand Baht)

	The production and installation of the pipeline	The water management	Total Segment reporting	Eliminations and adjustments	Consolidated financial statements
For the year ended 31 December 2020					
Revenue from external customers	1,368,973	244,866	1,613,839	-	1,613,839
Revenue between segments	22,959	-	22,959	(22,959)	-
Other income	8,619	20	8,639	(686)	7,953
Finance income	9,738	75	9,813	(8,714)	1,099
Total Revenue	1,410,289	244,961	1,655,250	(32,359)	1,622,891
Cost of sale and service	(1,120,926)	(145,111)	(1,266,036)	24,277	(1,241,759)
Selling and distribution expenses	(44,172)	-	(44,172)	-	(44,172)
Administrative expenses	(50,309)	(34,972)	(85,281)	-	(85,281)
Income tax incomes (expense)	(23,747)	3,638	(20,109)	-	(20,109)
Finance cost	(22,690)	(20,527)	(43,217)	8,714	(34,503)
Depreciation and amortisation	(44,803)	(43,375)	(88,178)	454	(87,724)
Total expenses	1,306,647	(240,346)	(1,546,993)	33,445	(1,513,348)
Segment profit	103,642	4,615	108,257	1,086	109,343

#### Major customers

For the year 2021, the Group has revenue from two major customers in amount of Baht 198 million and Baht 101 million, arising from sales by the producing plastic pipes and fittings and providing related piping system design, welding and installation services. (For the year 2020, the Group has revenue from two major customers in amount of Baht 303 million and Baht 134 million, arising from sales by the producing plastic pipes and fittings and providing related piping system design, welding and installation services.)

### 31. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 5 million (2020: Baht 5 million) (The Company only: Baht 4 million 2020: Baht 3 million) to the fund.

### 32. Dividend payment

On 23 April 2021, the Annual General Meeting of the Company's shareholders approved the appropriation of Baht 5,098,622 of the 2020 net profit to the statutory reserve and the dividend payment for the year 2020 as follows:

- Acknowledged the interim dividend payment for the first half-year period of Baht 0.10 per share, with 437,427,042 shares entitled to receive the dividend, representing a total of Baht 43,742,704. The Company already paid interim dividends to shareholders on 9 November 2020.
- Approved the dividend payment for the second half-year period to the shareholders of Baht 0.09 per share, with 577,427,042 shares entitled to receive the dividend, representing a total of Baht 51,968,434 and the designation of 5 May 2021 as the day of the rights of shareholders ("Record Date") to receive dividends, such dividend already paid to shareholders on 21 May 2021.

The total payment of dividend in respect of the 2020 net profit amounts to Baht 95,711,138.

### 33. Commitments and contingent liabilities

#### 33.1 Capital commitments

As at 31 December 2021, the Group had capital commitments of approximately Baht 9.0 million and US dollar 0.1 million (2020: Baht 23.9 million), relating to the acquisition of machinery (The Company only: Baht 8.6 million and US dollar 0.1 million (2020: Baht 2.2 million), relating to the acquisition of machinery).

#### 33.2 Raw material purchase commitments

As at 31 December 2021, the Group had raw material purchase commitments amounting to Baht 198.2 million (2020: Baht 222.7 million) (The Company only: Baht 198.2 million (2020: Baht 222.7 million)).

### 33.3 Long-term service commitments

- (a) The Company entered into Licensing Agreement with Uponor Infra Ltd. for the products under WEHOLITE trademarked for a period of 5 years. The Licensing Agreement is for Licensing Fee and Royalty Fee. For the year ended 31 December 2021, the Licensing Fee and Royalty Fee was approximately Baht 2.6 million (2020: Baht 2.8 million).
- (b) On 17 May 2016, the subsidiary signed an agreement with a company (the Licensor) granting it a license to manage a water supply system, whereby the subsidiary is to manage operation of the water supply distributed to Siam Eastern Industrial Park for a period of 20 years from the first day the water supply system is operational (1 June 2016). The subsidiary has to pay to the Licensor compensation amounting to Baht 110 million and compensation for rental as stipulated in the agreement at Baht 1.2 million per annum for 20 years. The subsidiary is required to maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. The Licensor agrees to purchase treated water that the subsidiary produces in a volume sufficient to meet the demand of its users at the price stipulated in the agreement, with minimum guaranteed purchases of 12,000 cubic meters per day and the subsidiary has to purchase raw water only from the licensor at the price stipulated in the agreement. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement.
- (c) On 21 October 2016, the subsidiary signed an agreement with a company (Employer) to design, construct and operate a potable water production system for Wellgrow Industrial Estate for a period of 20 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for the acquisition of machinery and equipment used in the production of potable water, including installation of potable water system and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement. Employer agrees to purchase treated water that the subsidiary produces in a volume to meet the demand of Employer at the price stipulated in the agreement, with minimum guaranteed purchases of 17,500 cubic meters per day.

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

Subsequently, on 21 July 2020, the subsidiary signed an amendment to the above the agreement, with minimum guaranteed purchases of 10,500 cubic meters per day and increase the selling price per cubic meters which will be effective from 21 July 2020 onward. The subsidiary presented income at the minimum offtake quantities under service income in profit or loss for the year ended 31 December 2021.

- (d) On 4 January 2019, the subsidiary purchased ordinary shares of WIJK PT Company Limited (“WPT”) (Formerly known as “WOG ITR Water Solution Company Limited (“WOG ITR”)), the subsidiary of Wiik Water Co., Ltd., with an objective of acquiring the right to manage the water production plant with Ultra filtration and Reverse Osmosis systems to provide services in accordance with the agreement of production and / or supply of good water (RO) to Patong Municipality, Kathu District, Phuket Province (client) dated 16 July 2012 with a term of 30 years (at present, such agreement remains 24 years). Under the agreement, WPT is responsible for providing engineers, technicians and person who has knowledge and specialty in design, procurement and installation of Reverse Osmosis systems including the acquisition of machinery and equipment used in the production of RO, and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at WPT own expense. Moreover, WPT is also obliged to comply with certain provisions and conditions stipulated in the agreement.
- (e) On 31 March 2019, the subsidiary signed the water recycling agreement with a company (Buyer) in Wellgrow Industrial Estate for a period of 10 years from the first day the water supply system is operational. Under the agreement, the subsidiary is responsible for design, construct and install the water recycling system with standard stipulated in the agreement, including acquisition of machinery and equipment used in the production of filtrated water and maintain such machinery and equipment in good and workable condition throughout the term of the agreement, at its own expense. Moreover, the subsidiary is also obliged to comply with certain provisions and conditions stipulated in the agreement, including deliver and transfer ownership of machines, equipment and relevant items, in relation to the entire water recycling system to Buyer when that agreement terms have been expired. Buyer agrees to purchase filtrated water that the subsidiary produces in a volume to meet the demand of Buyer at the price stipulated in the agreement, with minimum guaranteed purchases of 475 cubic meters per day.



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

#### 33.4 Guarantees

- (a) As at 31 December 2021, the Company has guaranteed bank credit facilities of its subsidiaries amounting to US dollar 1 million and Baht 595 million (2020: US dollar 1 million and Baht 595 million).
- (b) As at 31 December 2021, there were outstanding bank guarantees of approximately Baht 104.7 million (2020: Baht 96.3 million) issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 35.0 million (2020: Baht 35.0 million) to guarantee payment due to suppliers, Baht 15.5 million (2020: Baht 36.0 million) to guarantee contractual performance, Baht 5.9 million (2020: Baht 6.7 million) to guarantee electricity use, among others, Baht 48.3 million to guarantee bid bond (2020: Nil) and Baht 18.6 million to guarantee cash received from customers and retention as at 31 December 2020 (2021: Nil).

34. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the asset that was measured at fair value, as follows:

(Unit: Million Baht)

Consolidated and Separate financial statements				
As at 31 December 2021				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Other non-current financial assets	-	-	29.81	29.81
Land	-	-	332.33	332.33
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.04	-	0.04

(Unit: Million Baht)

Consolidated and Separate financial statements				
As at 31 December 2020				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Other non-current financial assets	-	-	30.98	30.98
Land	-	-	332.33	332.33
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.12	-	0.12

35. Financial instruments

35.1 Derivatives

(Unit: Thousand Baht)

Consolidated and Separate financial statements		
	2021	2020
Derivative liability		
Derivatives liabilities not designated as hedging instruments		
Foreign exchange forward contracts	38.8	123.6
Total derivative liability	38.8	123.6

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 6 months.

### 35.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, short-term loans to related party, deposits at bank with restrictions, other non-current financial assets, short-term loans, trade and other payables, long-term loans and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

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

#### Trade receivables and contract assets

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

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

## Financial instruments and cash deposits

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### Market risk

There are 2 types of market risk comprising interest rate risk and foreign currency risk.

### Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated and Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	1.3	1.1	0.2	0.2	33.4199	30.0371
Philippine peso	77.0	32.6	26.9	30.0	0.6550	0.6261

### Foreign currency sensitivity

There is no significant impact on the Group's profit before tax arising from the change in the fair value of monetary assets and liabilities due to the possible change in exchange rates of assets and liabilities that are denominated in foreign currencies.

### Interest rate risk

The Group's exposure to interest rate risk relates primarily to its short-term and long-term loans. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	As at 31 December											
	Consolidated financial statements											
	Fixed interest rates				Floating		Non-interest				Effective	
	Within 1 year		1 - 5 years		interest rate		bearing		Total		interest rate	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(% per annum)											
Financial assets												
Cash and cash equivalents	-	-	-	-	366	106	-	-	366	106	0.05 to 0.40	0.05 to 0.30
Trade and other receivables	-	-	-	-	-	-	427	604	427	604	-	-
Deposits at bank with restrictions	17	17	-	-	36	-	-	-	53	17	0.10 to 0.38	0.13 to 0.60
Other non-current financial assets	-	-	-	-	-	-	30	31	30	31		
	17	17	-	-	402	106	457	635	876	758		
Financial liabilities												
Short-term loans	-	416	-	-	-	-	-	-	-	416	-	2.91 to 4.28
Trade and other payables	-	-	-	-	-	-	62	150	62	150	-	-
Long-term loans	-	-	-	-	234	263	-	-	234	263	3.83	3.83
Lease liabilities	14	13	49	57	-	-	-	-	63	70	0.75 to 11.51	0.21 to 20.35
	14	429	49	57	234	263	62	150	359	899		

(Unit: Million Baht)

	As at 31 December											
	Separate financial statements											
	Fixed interest rates				Floating		Non-interest				Effective	
	Within 1 year		1 - 5 years		interest rate		bearing		Total		interest rate	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	( % per annum )											
Financial assets												
Cash and cash equivalents	-	-	-	-	350	79	-	-	350	79	0.05 to 0.40	0.05 to 0.30
Trade and other receivables	-	-	-	-	-	-	295	509	295	509	-	-
Short-term loans to related party	305	271	-	-	-	-	-	-	305	271	1.00 to 5.23	4.38 to 5.23
Deposits at bank with restrictions	16	16	-	-	36	-	-	-	52	16	0.10 to 0.13	0.25
Other non-current financial assets	-	-	-	-	-	-	30	31	30	31	-	-
	321	287	-	-	386	79	325	540	1,032	906		
Financial liabilities												
Short-term loans from financial institutions	-	416	-	-	-	-	-	-	-	416	-	2.91 to 4.28
Trade and other payables	-	-	-	-	-	-	53	125	53	125	-	-
Lease liabilities	8	7	15	19	-	-	-	-	23	26	0.75 to 11.51	0.75 to 20.35
	8	423	15	19	-	-	53	125	76	567		

### Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of current ratio. The Group's policy is that not less than 0.9 times over a period of 2 quarters. As at 31 December 2021, the Group has a current ratio of 5.0 times (2020: 1.3 times) (The Company only: 7.5 times, 2020: 1.6 times). The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 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	Over 5 years	Total
Non-derivatives					
Trade and other payables	-	62,142	-	-	62,142
Lease liabilities	-	16,878	35,252	22,216	74,346
Long-term loans	-	52,184	159,051	49,084	260,319
Total non-derivatives	-	131,204	194,303	71,300	396,807

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2020				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	420,264	-	-	420,264
Trade and other payables	-	150,351	-	-	150,351
Lease liabilities	-	16,637	44,064	24,063	84,764
Long-term loans	-	52,184	186,664	56,186	295,034
Total non-derivatives	-	639,436	230,728	80,249	950,413

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives					
Trade and other payables	-	53,099	-	-	53,099
Lease liabilities	-	9,040	16,318	-	25,358
Total non-derivatives	-	62,139	16,318	-	78,457

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2020				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	420,264	-	-	420,264
Trade and other payables	-	124,981	-	-	124,981
Lease liabilities	-	8,896	20,224	-	29,120
Total non-derivatives	-	554,141	20,224	-	574,365

### 35.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

### 36. Capital management

The primary objective of the Group's capital management are to ensure that it has appropriate capital structure in order to support their businesses and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2021, the Group's debt-to-equity ratio was 0.27 :1 (2020: 0.89:1) and the Company's was 0.13:1 (2020: 0.66:1).

### 37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2022.



## Attachment

Attachment 1 Details of Directors, Executives, and Controlling Person, A person assigned the highest responsibility in accounting and finance, A person assigned to be directly responsible for overseeing accounting, the company secretary and coordinating agent in case of foreign company

### (1) Profile of Directors, Executives, Controlling Persons, and Company secretary

Qualification list of Directors, Executives, Controlling Persons, and Company secretary as at 31 December 2021.

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
1. Pol.Gen. Chidchai Vanasatidya, Ph.D. Independent Director / Chairman of the Board of Directors / Chairman of the Audit Committee Appointed on 27 Oct 2020	76	<ul style="list-style-type: none"> <li>Bachelor of Public Administration (Police Science) Royal Police Academy, Thailand</li> <li>Master Degree in Police Management, Eastern Kentucky University U.S.A.</li> <li>Ph.D. (Justice Administration) University of Louisville, Kentucky, U.S.A.</li> <li>Diploma, National Defense College, The Joint State-private Sector Course (Class 1), National Defense College of Thailand</li> <li>Director Accreditation Program (DAP), Class 75/2008 Thai Institute of Directors Association (IOD)</li> <li>Capital Market Academy (CMA) Class 10/2010</li> <li>Thai-Chinese Leadership Studies Class 2/2019, Huachiew Chalermprakiet University</li> </ul>	0.13% (1,055,100 shares)	None	Oct 2020 – present	Independent Director / Chairman of the Audit Committee / Chairman of the Board of Directors	WIIC PLC
					Present	Independent Director	Merchant Partners Securities PLC
					Present	Director	Merchant Partners Asset Management Ltd
					Present	Director	Merchant Partners Ltd
					Present	Chairman of the Board of Directors	Erawan Sugar Co., Ltd.

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
2. Miss Pranee Ratakam Independent Director / Audit Committee Appointed on 21 Apr 2016	58	<ul style="list-style-type: none"> <li>Master of Business Administration (Exec.), Chulalongkorn University</li> <li>Certified Public Accountant (CPA)</li> <li>Bachelor of Accounting, Chulalongkorn University</li> <li>Director Accreditation Program (DAP) class 79/2009</li> </ul>	None	None	Oct 2020 – present Apr 2016 – Oct 2020  2010 – present 2003 – Mar 2021	Independent Director / Audit Committee Independent Director / Chairman of the Audit Committee Independent Director / Audit Committee Senior Vice President	WIIC PLC WIIC PLC  Aqua Corporation PLC Krungthai Card PLC
3. Miss Benjawan Sinkunakorn Independent Director / Audit Committee Appointed on 11 May 2020	64	<ul style="list-style-type: none"> <li>MBA, Thammasat University</li> <li>Bachelor of Law, Thammasat University</li> <li>Bachelor of Accounting, Thammasat University</li> <li>Bachelor of Art, Beijing Language and Culture University</li> <li>Certified Public Accountant (CPA)</li> <li>Director Certification Program (DCP) 2006</li> <li>Director Accreditation Program (DAP) 2004</li> </ul>	None	None	May 2020 – Present 2015-Present  2008-Present 2004-Present 1998-Present	Independent Director / Audit Committee Audit Committee  Audit Committee Audit Committee Associate	WIIC PLC Wealth Magik Mutual Fund Brokerage Co., Ltd. Multibax PLC Syntec Construction PLC Prospect Consulting Co., Ltd.
4. Dr. Shaoquan Lin Director Appointed on 27 November 2020	47	<ul style="list-style-type: none"> <li>Doctorate degree in polymer chemical and physics, Sun Yat-sen University, People's Republic of China</li> </ul>	None	None	Nov 2020 – Present Present Jan 2013 – Present Jan 2010 – Present	Director Vice president and Executive Director President Executive Director	WIIC PLC China Lesso Group Holdings Ltd Lesso America Incorporation China Lesso Group Co., Ltd
5. Mr. Zhe Li Director / Executive Committee (Authorized signatory) Appointed on 27 November 2020	40	<ul style="list-style-type: none"> <li>Bachelor of Accountancy, Zhongnan University of Economics and Law, China</li> <li>Semi-senior Accountant Certification</li> </ul>	None	None	Nov 2020 – Present Oct 2012 – Present Jul 2005 – Oct 2012	Director / Executive Committee Director of Financial department Financial Manager of Indonesia & Vietnam	WIIC PLC China Lesso Group Co., Ltd Midea Group Co., Ltd
6. Mr.Yulong Li Director / Executive Committee (Authorized signatory) Appointed on 27 October 2020	35	<ul style="list-style-type: none"> <li>Bachelor of Communication Engineering, Northeast Dianli University</li> </ul>	None	None	Oct 2020 – Present Sep 2019 – Present Aug 2014 – Sep 2019	Director / Executive Committee Deputy General Manager Thailand Business Development Manager	WIIC PLC Samanea Bangna Ltd China Lesso Group Holdings Ltd

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
7. Mr. Karn Siriphatras Director / Executive Committee (Authorized signatory) Appointed on 10 Aug 2018	54	<ul style="list-style-type: none"> <li>Western Michigan University, Kalamazoo, Michigan, Bachelor of Science (IE) major in Industrial Engineering</li> <li>King Monkut Institute of Technology, Bangkok, Thailand Vocational Certificate in Apprentice Auto Mechanic</li> <li>Director Accreditation Program (DAP) class 156/2019</li> </ul>	None	None	Jan 2019 – present Aug 2018 – present Feb 2016 – present Oct 2014 – Feb 2016 Apr 2007 – Oct 2014	Director / Managing Director Director / Executive Committee Director / Managing Director Managing Director Managing Director	Wiik PT Co.,Ltd. WIIC PLC Wiik Water Co.,Ltd. Clear Water Solutions Co., Ltd. PPS Energy and Marine Co., Ltd.
8. Mr. Wiboon Sangwithayanon Director / Chief Executive Officer (Authorized signatory) Appointed on 3 Jun 2015	57	<ul style="list-style-type: none"> <li>Master of Business Administration (MBA), Major in Marketing Management, National Institute of Development Administration</li> <li>Bachelor of Engineering (BE), Major in Civil Engineering, Chulalongkorn University</li> <li>Director Accreditation Program (DAP) class 120/2015</li> </ul>	0.03% (210,000 shares)	None	Jan 2019 – present Jun 2015 – present Jun 2015 – present 2012 – May 2015 2007 – 2012 2005 – 2007 2002 – 2005 1989 – 2002	Director Chief Executive Officer Director Vice President – Sales & Marketing Business Development Manager / Project Manager Managing Director Business Development Manager Marketing Manager	Wiik PT Co., Ltd. WIIC PLC Wiik Water Co., Ltd. WIIC PLC Vi-Va Limited Partnership Phetsiam PE Pipe Co., Ltd. Matech International Limited Partnership WIIC PLC
9. Mrs. Sumalee Ongcharit Executive Committee Appointed on 27 November 2020	59	<ul style="list-style-type: none"> <li>Master's Degree in Business Administration (Finance), Thammasat University</li> <li>Bachelor in Marketing Ramkhamhaeng University</li> <li>Bachelor of Science (Biotechnology) Kasetsart University</li> <li>Director Accreditation Program (DAP)</li> </ul>	9.69% (81,150,450 shares)	None	Nov 2020 – present Nov 2020 - Present Present Present Present 2012 - 2020	Executive Committee Director / Executive Committee Director Director Director Vice President	WIIC PLC Wiik Water Co., Ltd. Capital Alliance Co., Ltd. Seashell Siam Co., Ltd. Keeree Tara Co., Ltd. Lifeprep Foundation

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
10. Miss Rewadee Whanchid Executive Committee Appointed on 11 Aug 2015	53	<ul style="list-style-type: none"> <li>Master of Business Administration, Kasetsart University</li> <li>Bachelor of Business Administration, Ramkhamhaeng University</li> <li>Director Accreditation Program (DAP) class 79/2009</li> </ul>	None	None	Jan 2019 – present Feb 2015 – present Feb 2015 – Aug 2019 Feb 2015 – present 2014- present  2012- present 2008- present 1994- present	Director Executive Committee Director Director Director  Director Director Assistant Managing Director	Wiik PT Co.,Ltd. WIIC PLC WIIC PLC Wiik Water Co.,Ltd. Thai Consumer Distribution Centre Co., Ltd. Mantra Assets Co., Ltd. Aqua Ad PLC Aqua Corporation PLC
11. Miss Chinanut Jariyarudeechai Executive Committee / Chief financial controller/ Secretary of the Audit Committee Appointed on 12 May 2015	44	Bachelor of Accounting , Chiangmai University	None	None	May 2015 – present  Dec 2014 – Apr 2015 2011-2014	Executive Committee / Chief financial controller Accounting Manager Accounting Manager	WIIC PLC  WIIC PLC Real Move Co., Ltd.
12. Mr. Peerapon Thantranon Domestic Sales Manager	54	<ul style="list-style-type: none"> <li>St. Joan Of Arc Commercial School</li> </ul>	None	None	Jul 2015 – present Mar 2013 – Jun 2015 Jan 2008 – Sep 2009 Jan 2006 – Jan 2007 Sep 1993 – Jan 2006	Domestic Sales Manager Assistant Sales Manager Sales & Marketing Executive Assistant Sales Manager Senior Executive Officer	WIIC PLC WIIC PLC Texcom Export Co.,Ltd. Phetsiam PE Pipe Co.,Ltd. WIIC PLC
13. Mrs. Sasiwimon Wirojchewan Administrative & Procurement Manager	55	<ul style="list-style-type: none"> <li>Master of arts in Economic Law, Faculty of Law, Chulalongkorn University</li> <li>Bachelor of Science in Social Psychology, Faculty of Education, Ramkhamhaeng university</li> </ul>	None	None	2005 - present	Administrative & Procurement Manager	WIIC PLC
14. Miss Jarunee Anansuksakun Technical & Product Manager	48	<ul style="list-style-type: none"> <li>Master of Business Administration National Institute of Development Administration</li> <li>Bachelor of Environmental Engineering, Chulalongkorn University</li> </ul>	None	None	2000- present	Technical & Product Manager	WIIC PLC

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
15. Mr. Arom Petchmanee Factory Manager	57	<ul style="list-style-type: none"> <li>• Doctor of Business Administration (DBA) Western University</li> <li>• Master of Business Administration (MBA) Burapha University</li> <li>• Master of Business Economics (MBE) Kasetsart University</li> <li>• Bachelor of Laws (LL.B.) Ramkhamhaeng University</li> <li>• Bachelor of Industrial Technology in Electrical Engineering (Electrical Power) Srinakharinwirot University</li> <li>• Bachelor of Science in Industrial Technology (Electronics) Rajabhat Institute Chachoengsao</li> <li>• Bachelor of Science in Industrial Technology (Production) Petchburiwittayalongkorn Teachers College. (under the Royal Patronage)</li> </ul>	None	None	2007 – present	Factory Manager	WIIC PLC
16. Mr. Krisnat Busapavanij Export Sales Manager	51	<ul style="list-style-type: none"> <li>• Master of Business Administration: International Management Emphasis, Bellevue University, USA.</li> <li>• Bachelor of Business Administration, Bangkok University</li> </ul>	None	None	2010 - present	Export Sales Manager	WIIC PLC
17. Miss Parichart Wongwiwat Business Development Manager	52	<ul style="list-style-type: none"> <li>• Bachelor of Business Administration, General Administration, Ramkhamhaeng university</li> <li>• Master of Public Administration, Public and Private Management, National Institute of Development Administration</li> </ul>	None	None	Jun 2015 – present May 2010- May 2015 Oct 1998 – Feb 2010	Business Development Manager Assistant Managing Director Assistant Manager of Sales and Marketing	WIIC PLC Thai Gow Gai Group Co., Ltd. WIIC PLC

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Share holding (%)	Family relationship between Directors and Executives	Work experience		
					Period	Position	Company / Corporate
18. Mr. Pano Intrapphan Project Manager	59	<ul style="list-style-type: none"> <li>Bachelor of Architecture, University of San Carlos, Talamban Campus, Cebu City, Philippines</li> <li>Survey &amp; Land Development Training Course, University of the Visayas, Cebu City, Philippines</li> </ul>	None	None	May 2017 – present	Project Manager	WIIC PLC
					2008 – 2017	Project Manager	Wiik Water Co., Ltd.
					2004 – 2008	Project Executive	WH Pipe (Thailand) Co., Ltd.
					1997 - 2004	Project Supervisor	WH Pipe (Thailand) Co., Ltd.
19. Mrs. Aphitchaya Hemtanon Accounting Manager Appointed on 1 January 2020	39	<ul style="list-style-type: none"> <li>Master in Finance and Banking, Ramkhamhaeng University</li> <li>Bachelor of Accounting, Ramkhamhaeng University</li> </ul>	None	None	Jan 2020 - Present	Accounting Manager	WIIC PLC
					Mar 2016 - 2019	Assistant Account Manager	WIIC PLC
					May 2015 - Feb 2016	Head of General Accounting	WIIC PLC
					2012 - Apr 2015	Account specialist	Real Move Co., Ltd.
20. Mr. Wittaya Janta-ummao Company Secretary Appointed on 12 May 2015	37	<ul style="list-style-type: none"> <li>Bachelor of Economics, Chiangmai University</li> <li>Company Secretary Program (CSP) class 125/2022</li> </ul>	None	None	May 2015 - present	Corporate Secretary / Investor Relations	WIIC PLC
					Oct 2014 – Apr 2015	Corporate Secretary / Investor Relations	Asset Bright PLC
					2011 – Sep 2014	Corporate Secretary / Investor Relations	General Engineering PLC
					2008 - 2011	Research Assistant / Transport economist	Smart Plan Consultant Co., Ltd.

Note Shareholding in the Company includes shares of spouse and underage children.

(2) Tenure of Directors and Executives in other companies

Information on tenure of Directors and Executives in other companies as at 31 December 2021.

No.	List of Directors	Position	Listed companies	Non-listed companies	Other business that cause conflict of Interest
1.	Pol.Gen. Chidchai Vanasatidya, Ph.D.	Independent Director / Chairman of the Board of Directors / Chairman of the Audit Committee	-None-	1) Independent Director, Merchant Partners Securities PLC 2) Director, Merchant Partners Asset Management Ltd 3) Director, Merchant Partners Ltd 4) Chairman of the Board of Directors, Erawan Sugar Co., Ltd.	-None-
2.	Miss Pranee Ratakam	Independent Director / Audit Committee	1) Independent Director / Audit Committee, Aqua Corporation PLC	-None-	-None-
3.	Miss Benjawan Sinkunakorn	Independent Director / Audit Committee	1) Audit Committee, Multibax PLC 2) Audit Committee, Syntec Construction PLC	1) Audit Committee, Wealth Magik Mutual Fund Brokerage Co., Ltd. 2) Associate, Prospect Consulting Co., Ltd.	-None-
4.	Dr. Shaoquan Lin	Director	-None-	1) Vice president and Executive Director, China Lesso Group Holdings Ltd 2) President, Lesso America Incorporation 3) Executive Director, China Lesso Group Co., Ltd.	-None-

No.	List of Directors	Position	Listed companies	Non-listed companies	Other business that cause conflict of Interest
5.	Mr. Zhe Li	Director / Executive Committee	-None-	1) Director of Financial department, China Lesso Group Company Limited	-None-
6.	Mr.Yulong Li	Director / Executive Committee	-None-	1) Deputy General Manager, Samanea Bangna Ltd	-None-
7.	Mr. Karn Siriphatras	Director / Executive Committee	-None-	-None-	-None-
8.	Mr. Wiboon Sangwithayanon	Director / Chief Executive Officer	-None-	-None-	-None-



(3) Tenure as Directors and Executives in Subsidiaries, Associates and related companies

Information on the tenure as Directors and Executives in Subsidiaries, Associates and related companies as of 31 December 2021.

No.	List of Directors	The Company	Subsidiaries		Associates (None)	Related Companies (None)
			WIIC Water Co., Ltd.	WIIC PT Co.,Ltd.		
1.	Pol.Gen. Chidchai Vanasatidya, Ph.D.	X				
2.	Miss Pranee Ratakam	/				
3.	Miss Benjawan Sinkunakorn	/				
4.	Dr. Shaoquan Lin	/				
5.	Mr. Zhe Li	//				
6.	Mr.Yulong Li	//	//	/		
7.	Mr. Karn Siriphatras	//	//	//		
8.	Mr.Wiboon Sangwithayanon	//	/	/		

Notes

- (1) / = Director      X = Chairman of the board      // = Executive Director
- (2) Related Companies shall mean juristic person definition of the person who may have a conflict of this announcement.

Attachment 2 Details of Directors in subsidiaries

Directors of subsidiaries as at December 31, 2021 are as follows:

List of directors	WIIC Water Co., Ltd.	WIIC PT Co.,Ltd.
1. Mr.Wiboon Sangwithayanon	/	/
2. Mrs. Sumalee Ongcharit	//	-
3. Mr. Karn Siriphatras	//	//
4. Mr.Yulong Li	//	/

Note                      / = Director                      X = Chairman                      // = Executive Director

### Attachment 3 Details of the Head of Internal Audit and Compliance

#### 1) Head of Internal Audit

The Audit Committee's meeting No.1/2021 on 25 February 2021 assigned JP Tip Audit Limited to perform the internal auditor of the Company since 1 January 2021 until 31 December 2021. The JP Tip Audit limited has appointed Mr. Thanongsak Praditsatan to be main duty of the internal auditors of the Company. The details of the Company's Head of Internal Audit as of December 31, 2021 are as follows:

Name - Last Name / Position / Appointed date	Age (Years)	Educational background	Work experience		
			Period	Position	Company / Corporate
Mr. Thanongsak Praditsatan  Internal Audit Controller  February 25, 2021	41	<ul style="list-style-type: none"> <li>Bachelor of Business Administration in Accounting, Ramkhamhaeng University</li> <li>Certified Public Accountant of Thailand</li> </ul>	2013 – Present	Managing Director	JP Tip Audit Co., Ltd.
			2004	Senior Audit Manager	ANS Audit Co., Ltd. (SEC License)
			2002	Assistant Auditor	Office of Pitisevi Co., Ltd. (SEC License)

#### Service scope

- (1) Study the process of working for each system. And the authority to approve transactions according to the Company's management structure
- (2) Review and assess the adequacy of internal controls of important work systems under the guidelines of COSO 2013 (The Committee of Sponsoring Organization of the Treadway Commission), which are covered as follows:
  - Control Environment
  - Risk Assessment
  - Control Activities
  - Information and Communication
  - Monitoring
- (3) Review the transactions related to the important work system that is it complies with the regulations set by the company and is it correct as it should.
- (4) Report to the company the facts detected and provide suggestions for improvements in important work systems.
- (5) The office will review the internal control system of important work systems of the company by using the standard criteria from the Company's operating manual, which is set by the management, including the criteria for good performance following the COSO guidelines, as well

as use other audit methods considered necessary, to obtain a summary of the Company's internal control system according to a standardized audit program.

#### Report

- (1) Report to the company the facts detected from the audit of the said internal control system.
- (2) Follow up on the results of the review of the system for systems already been reviewed and report the results continuously.
- (3) Attends the Audit Committee meeting to report issues and observations from internal control audit over time. However, the office will report the results of the internal control system directly to the Audit Committee on the issues about the top management. However, issues will be discussed with the people involved until the end which may be resolved on various issues or not.

#### 2) Compliance

-None-

Attachment 4 Business assets and details on asset valuation

On August 5, 2020, the Company had a land appraisal by CPM Capital Company Limited, an independent appraiser, and record such assets at revised price. The details of the appraisal of the property are as follows:

Assessment Objectives	To record book value
Asset type	Land with buildings (appraised only the part of the land)
Asset location	Within Amata City Rayong Industrial Estate, Chachoengsao-Sattahip Road (Thor Lor.3 3 1), Mapyangphon Sub-district, Pluakdaeng District, Rayong Province.
Coordinates	LAT : 12.979790 LONG : 101.110406
Land title document	Two title deeds no. 2027 and 9963 Total land area 83-0-33.3 rai or 33,233.3 square wa
Owner of the land	Title Deed No. 2027, WIIC Public Company Limited Title Deed No. 9963, WIIC Public Company Limited
Mortgage obligations	Title deed no. 2027, mortgage as collateral with Bank of Ayudhya Public Company Limited Title deed no. 9963, mortgage as collateral with Bangkok Bank Public Company Limited
Assessment criteria	To determine market value
Assessment method	Market Approach
Appraised asset value	332,333,000 Baht (Three hundred thirty-two million, three hundred thirty-three thousand Baht only)
Assessment date	August 5, 2020

Appraisal method chosen for the property

In choosing the method of valuing this property, CPM Capital Company Limited has examined and considered various factors. related to the appraised property such as nature of legal rights, property characteristics, suitability for use or development, general market conditions with various restrictions, and additional/special assumptions, or special conditions for assessment to select an appropriate valuation method, and following the purpose for which it was hired. This is an important condition that will lead to a systematic opinion and summarize the final property value of the appraisal to determine the market value.

In this appraisal, CPM Capital Company Limited chooses a valuation method that is suitable for the nature of the assets, as follows;

#### Market Approach and Cost Approach

Because the property is land with buildings that are used for commercial purposes. There is a specific building style that cannot find similar market information to compare, so the Market Approach method cannot be used to assess the value of all assets. But using the Market Approach method only in the part of the land. As for the buildings, the Cost Approach method is used. Then add the two parts to the market value of the appraised property.

#### Comparative market data in property valuation

From the price survey, rental fee, or the bid price of various assets near the location of the appraised property found that there are other assets that can be compared for the valuation with the details summarized as follows:

No.	Property type	Location	Land area (Rai)	Offer price (Baht/Rai)
Data 1	Empty land	Inside the Amata City Rayong Industrial Estate	10-0-00.0 Rai (4,0000.0 square wa)	11,250.- Baht per square wa
Data 2	Empty land	Inside the Amata City Rayong Industrial Estate	21-3-20.0 Rai (8,720.0 square wa)	11,500.- Baht per square wa
Data 3	Empty land	Inside the Eastern Industrial Park Rayong	13-0-00.0 Rai (5,200.0 square wa)	15,000.- Baht per square wa
Data 4	Empty land	Inside Eastern Seaboard Industrial Estate, Rayong	55-0-58.0 rai (22,058.0 square wa)	11,250.- Baht per square wa

Attachment 5 Full version of Corporate Governance Policy and Practice and business ethics

5.1 CODE OF CONDUCT) for Directors, Management and Employees

[https://www.wiik.co.th/wp-content/uploads/2021/11/Code-of-Conduct-WIIC-2020\\_EN.pdf](https://www.wiik.co.th/wp-content/uploads/2021/11/Code-of-Conduct-WIIC-2020_EN.pdf)

5.2 Purchasing Code of Conduct

[https://www.wiik.co.th/wp-content/uploads/2021/11/03\\_Purchasing-Code-of-Conduct-Policy\\_TH.pdf](https://www.wiik.co.th/wp-content/uploads/2021/11/03_Purchasing-Code-of-Conduct-Policy_TH.pdf)

5.3 Anti-Corruption Policy

<https://www.wiik.co.th/en/investor-relations/corporate-governance/anti-corruption-policy/>

5.4 Charter of Board of Directors

<https://www.wiik.co.th/en/about-us/board-of-directors/>

5.5 Charter of Audit Committee

<https://www.wiik.co.th/en/about-us/audit-committee/>

5.6 Charter of Executive Committee

<https://www.wiik.co.th/en/about-us/executive-committee/>

5.7 Charter of Nomination and Remuneration Committee

<https://www.wiik.co.th/en/about-us/nomination-and-remuneration-committee/>

Attachment 6 Sub-Committee Report

## 6.1 Report of Audit Committee

The Audit Committee of WIIC Public Company Limited consists of 3 independent directors such as Police General Chidchai Vanasatidya, Ph.D. is Chairman of Audit Committee, Miss Pranee Ratakam and Miss Benjawan Sinkunakorn are members of Audit Committee and Miss Chinanut Jariyarudeechai, Chief Financial Controller is Secretary of Audit Committee.

The Audit Committee performed its duties and responsibilities that defined in the Charter of Audit Committee and assigned by the Board of Directors which comply to the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. In the year 2021 the Audit Committee held the meeting of all 6 times by meetings with the auditor, the internal auditor and the management that summarized as follows.

1. Reviewed the quarterly financial statements and the annual financial statements 2021. The Audit Committee reviewed quarterly financial statements and the annual financial statements 2021 of the Company and its subsidiaries including related transactions, transactions that may lead to conflicts of interest with the management and internal auditor. In consideration of quarterly and the annual financial statements, the Company invited the auditor attend meetings 1 times. The Audit Committee questioned the auditor on accuracy and completeness, updating of significant transactions which have an impact on the financial statements, adequacy and appropriateness of accounting methods and the scope of audit, information disclosure accurately and an independent of auditor to ensure that the preparation of financial statements in accordance with legal requirements and accounting standards as generally accepted accounting principles. Reliable, timeliness as well as information disclosure in financial statements sufficiently to be useful to investors and users of financial statements.
2. Reviewed the internal control and the internal audit. The Audit Committee reviewed and revised the internal control system with the internal auditor including monitoring performance, audit results, suggestions and progress of implementation on a quarterly basis. Moreover, the Company assessed the adequacy of internal control system under the framework of international standard (The Committee of Sponsoring Organizations of the Treadway Commission: COSO) to achieve more confidence. Assessment results of Internal Control by the management, internal auditor and the Audit Committee commented that the internal control system of the Company adequate and reasonable.
3. Reviewed the corporate governance. The Audit Committee reviewed the performance of defined operational system. The Company's business operation morality and compliance with the Law on the Securities and Exchange, requirements of the Stock Exchange of Thailand as well as other



laws related to the business operations of the Company. Especially, the connected transactions, transactions between the group companies to ensure that the Company follow the normal business practices sensibly. Reviewing the complaint and report process for corruption of the Company in order to comply with good corporate governance principles and the business philosophy of the Company as well as pushing for anti-corruption policy. The Audit Committee evaluated the performance of overall audit committee under the best practices of Audit Committee of the Stock Exchange of Thailand.

4. Appointment of auditor for the year 2021. The Audit Committee considered and agreed to appoint EY Office Limited as the auditor of the Company and its subsidiaries for the year 2021 and proposed to the Board of Directors for consideration and proposed to the Annual General Meeting of Shareholders 2021 for approval the appointment of auditor and determined audit fee.
5. Approved the hiring of the internal auditor of the Company and its subsidiaries for the year 2021. The Audit Committee appointed JP Tip Audit Company Limited as the Company's internal auditor from 1 January 2021 to 31 December 2021. JP Tip Audit Company Limited assigned Mr. Thanongsak Praditstarn as the main person responsible for the performance of the Company's internal auditor as well as approved the internal audit program as proposed by JP Tip Audit Company Limited.

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



(Police General Chidchai Vanasatidya, Ph.D.)

Chairman of the Audit Committee

23 February 2022

## 6.2 Report of Executive Committee

The Executive Committee of WIIC Public Company Limited consists of 7 executives such as (1) Mr. Wiboon Sangwithayanon as Chief Executive Officer (2) Mrs. Sumalee Ongcharit (3) Mr. Karn Siriphatras (4) Mr. Yulong Li (5) Mr. Zhe Li (6) Miss Rewadee Whanchid and (7) Miss Chinanut Jariyarudeechai as members of Executive Committee and Mr. Wittaya Janta-ummao is secretary of Executive Committee.

The Executive Committee has performed its duties and responsibilities as defined in the Charter and as assigned by the Board of Directors. During the year 2021, the Executive Committee held 9 meetings, summarized as follows.

- (1) Approve raw materials purchasing to produce in all items which excess from authority of the management.
- (2) Authorized to perform in financial transaction with financial institution in account opening with bank, financial institution and request guarantee from bank, financial institution of not exceeding Baht 50 million.
- (3) Approve the sales under normal transactions of the Company in the absence of guarantees or collateral or not protect or exceed credit limit by insurance in excess amount of Baht 20 million (total amount per client).
- (4) Appointment, removal, transferring, considering meritorious service as well as determine compensation and benefits for employees in various levels including other working group to perform various activities in management of the Company.
- (5) Make recommendations on strategic direction, Management structure, Business plan and annual budget for the Board of Directors.

In summary, the Executive Committee complied with the duties and responsibilities defined in the Charter which approved by the Board of Directors by using the knowledge and caution careful adequately to benefit equally the stakeholders.



(Mr. Wiboon Sangwithayanon)

Chief Executive Officer

23 February 2022

### 6.3 Report of Nomination and Remuneration Committee

The Nomination and Remuneration Committee of WIIC Public Company Limited consists of 3 independent directors such as Police General Chidchai Vanasatidya, Ph.D. as Chairman of the Nomination and Remuneration Committee, Miss Pranee Ratakam and Miss Benjawan Sinkunakorn as members of the Nomination and Remuneration Committee and Mr. Wittaya Janta-ummao is secretary of Nomination and Remuneration Committee.

The Nomination and Remuneration Committee has performed its duties and responsibilities as defined in the Charter and as assigned by the Board of Directors. During the year 2021, the Nomination and Remuneration Committee held 2 meetings, summarized as follows.

- (1) The Nomination and Remuneration Committee are responsible for the selection of persons to replace directors and executives if the term expires, resign or other cases. This is to be in line with the good corporate governance guidelines of the Stock Exchange of Thailand and accordance with the Articles of Association of WIIC Public Company Limited, The directors and executives of the Company Must be fully qualified according to the Public Limited Companies Act 1992 and the Securities and Exchange Act 1992 and proposed to the Board of Directors to consider and approve as follows.
  - Consider the term of directors, and approve the nominations who will serve as the new directors.
- (2) The Nomination and Remuneration Committee considered the remuneration of Directors by considering the suitability of the duties, responsibility, and the Company's performance and propose to the Board of Directors to consider and approve as follows.
  - Consider and approve the remuneration of the Board of Directors for the year 2021.
  - Consider and approve the payment of the directors' bonus for the year 2021.

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



(Police General Chidchai Vanasatidya, Ph.D.)  
Chairman of the Nomination and Remuneration Committee  
23 February 2022