



ANNUAL REPORT

2021

EMC PUBLIC COMPANY LIMITED



Message from the Chairman

In 2021, the country's economic growth rate has returned to positive after a slowdown the year before, from the impact of the COVID-19 outbreak, that continued longer than expected. There are also periodic international trade conflicts. Construction industry and real estate business are still inevitably affected as well. In addition, the construction industry is still affected by the rapidly rising cost of building materials, especially steel construction materials. As a result, contractors have to bear the burden of increasing costs throughout the year, so 2021 will be a bad year for the construction industry.

As for the outlook in 2022, the overall economy of the country is likely to improve. Because the world's population, including Thailand, has received more vaccinations against the COVID-19 virus, causing the outbreak to decrease. Many countries began to open more countries. The industrial business sector has driven towards normalcy. Both public and private investments are expected to increase in the same direction. However, the construction industry and real estate development business is still another challenging year for entrepreneurs who have to manage their businesses in the unfavorable economic conditions both abroad and in the country. Including the international community is increasingly facing the risk of international military wars.

however The company continues to strive to offer high quality construction services. Deliver work on time and bring new technology to support the work for maximum efficiency to meet the needs of the public and private sectors. In addition, the company remains committed to recruiting and creating new projects under the concept of sustainable quality of life development along with environmental conservation to return nature to society. The company is confident that with long experience in the construction business Together with the dedication of the executives and all employees will help the company to overcome obstacles and will enable the company to grow continuously so that it can return sustainable profits to shareholders.

The success of the company would not have been possible without the great support of all involved parties. On behalf of the Board of Directors, I would like to thank the shareholders, financial sponsor Business partners, media, government and private agencies involved and all participants who have supported the company very well throughout the past year. The company pledges to operate its business on the basis of creating stability and sustainable growth. Taking into account the interests of all stakeholders and continually complying with good corporate governance



Mr. Chanachai Leenabanchong

Chairman of the Board

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1. Structure and Operations of the Group

1.1 Policy and Overall Business Operations

History of EMC Public Company Limited ("the Company") was registered as a juristic person incorporated in Thailand in 1979, transformed into a public limited company on June 9, 1995 and listed on the Stock Exchange of Thailand. On May 15, 1996, with its registered office at 140/66-67 ITF Tower, 28-30th Floor, Silom Road, Suriyawong Sub-district, Bangrak District, Bangkok 10150, with the main business involved Provide services under long-term service contracts Construction and real estate development contracts. Business operate the Company's main business and still maintain a comprehensive construction contractor business. By accepting construction work from government agencies and private sectors Service from the outset until the construction of the building is completed in a manner known as "One stop point", which includes work from the preparatory work, piling work, foundation work, soil protection, structural work Architecture Landscape architecture And system engineering work, including electrical systems, mechanical systems, sanitation work, elevator systems, air conditioning systems And various automation works in the building, etc.

The construction work of the company has been taken in accordance with the appropriate steps. Either in the event that the employer is a government agency, state enterprise, or the private sector, which procedures will be determined Different pricing methods, timeframe, implementation and construction conditions If the company has been selected through price negotiation And specify the construction conditions that are satisfied with all parties already Therefore finally hired to construct Generally, the company will be the main contractor for the construction. Construction specific May consider participating in the operation of a joint venture with other companies. Which caused the exchange of techniques in the work Learning and transferring new technology Knowledge of various fields Promote innovation development Which is considered to expand the working potential of the company To provide opportunities to participate in bidding for major projects in the government and private sectors in the future For the construction workers The company has a portion of its own daily workers. And the other part comes from the commissioning Subcontractors that have been properly registered with the company. And must meet the criteria set by the company The advantage in this section is that the workforce can be set according to the needs of each period appropriately. And bring effective cost control as well.

1.1.1 Vision and Mission of company

The company's Board of Directors has determined the vision and mission of the company for the purpose and procedure of business operation. The details are as follow;

VISION

To be a leading construction and property development in Thailand by deliver performance to meet international standards under the concept of sustainability and improving the quality of life for the Thai people, Social Quality and to create the highest satisfaction of all stakeholders in all sectors, include of customers, business partners, employees, surrounded community to grow together.

MISSION

Continue creativity while modernize Products and Services, development with highly innovative function consistently. Accompany with organizational development and human resources will be driven companies to achieve business goals to deliver performance and service quality as well as to meet international standards under the transparent resourcesmanagement and efficiency to contribute the highest effectiveness and verifiability.

The company has a business goal

In the past, the company has set a goal to be a leader in the construction and real estate development business in Thailand that delivers international standard and have steady income growth along with studying and developing products and services as well as innovation to meet and cover for real estate buyers in all genders, ages and levels under the concept of sustainability and improving the quality of life for Thai people. In addition, the company still focuses on accepting construction work in both the public and private sectors to create more stable income and sustainable growth every year as well as looking for partners who are ready to expand their investment base to neighboring countries as well.

1.1.2 Significant changes and development

The company has changed the management of shareholding structure with significant capital structure for the past 3 years as follows:

Year 2021 Important changes and developments**March**

- At the Board of Directors Meeting No. 2/2021 on March 12, 2021, the meeting resolved the following important matters.

1. Approved to propose to the shareholders' meeting to acknowledge the non-allocation of legal reserve funds. And no dividend payment for the performance of the company For the fiscal year ended December 31, 2020 because the company still has accumulated losses

2. Approved to propose to the shareholders' meeting to appoint 4 directors as follows:

| | |
|-------------------------------|--|
| 1. Mr.Chanachai Leenabanchong | Chairman of the Board |
| 2. Ms. Prowmat Huntra | Independent Director / Audit Committee |
| 3. Mr. Pinij Kanrtikul | Company Director |
| 4. Mr. Wachara Pakdeemonthon | Company Director |

Who are the directors who have to retire by rotation at this time Returned to being a director of the Company for another term.

3. Approved to propose to the 2021 Annual General Meeting of Shareholders to appoint an auditor.

Name-Surname Certified Public Accountant No.

| <u>Name-Surname</u> | <u>Certified Public Accountant No.</u> |
|------------------------------|--|
| Mrs. Suwimol Chrityakierne | 2982 |
| Ms. Somchintana Phonhirunrat | 5599 |
| Mr. Jumpadprai Rattanakorn | 7645 |
| Mr. Napruk Phitsanuwong | 7764 |
| Ms. Supaporn Mangchit | 8125 |
| Mr. Wiroj Sajjathanukul | 5128 |

Audit fee rate: 2,640,000.00 baht (two million six hundred and forty thousand baht only)

4. Approved to propose to the shareholders' meeting to consider the remuneration for the Board of Directors and the Audit Committee for the year 2020 in an amount not exceeding 4,000,000 baht as follows:

Meeting allowance

- Chairman of the Board of Directors, Chairman of the Nomination and Remuneration Committee, Chairman of the Audit Committee Will receive a meeting allowance of 30,000 baht per meeting attendance
- - Director of the Company, Member of the Nomination and Remuneration Committee, Member of the Audit Committee Will receive a meeting allowance of 20,000 baht per meeting attendance

Other remuneration of the board

- Not more than 1% of net profit
- For directors who are in the agenda for less than a year To be paid according to the period of service in that year

April

- The Company held the Annual General Meeting of Shareholders for the year 2021 at EMC Public Company Limited. It was a meeting via electronic media (E-AGM)_The shareholders' meeting resolved to approve as proposed by the Company's directors.

Year 2020 Important changes and developments

April - At the Board of Directors Meeting No. 2/2020 on March 13, 2020, the meeting resolved the following important matters.

1. Approved to propose to the shareholders' meeting to acknowledge the non-allocation of legal reserve funds. And no dividend payment for the performance of the company For the fiscal year ended December 31, 2019 because the company still has accumulated losses.

2. Approved to propose to the shareholders' meeting to appoint 3 directors as follows:

- | | |
|-------------------------------|--|
| 1. Mr. Rattachai Phichayaphum | Company Director |
| 2. Ms. Yaowarin Srichainan | Independent Director / Audit Committee |
| 3. Ms. Taweesri Wikyathipat | Independent Director / Audit Committee |

Who are the directors who have to retire by rotation at this time Returned to being a director of the Company for another term.

3. Approved to propose to the 2020 Annual General Meeting of Shareholders to appoint an auditor.
Name-Surname Certified Public Accountant No.

| | |
|------------------------------|------|
| Mrs. Suwimol Chrityakierne | 2982 |
| Ms. Somchintana Phonhirunrat | 5599 |
| Mr. Jumpadprai Rattanakorn | 7645 |
| Mr. Napruk Phitsanuwong | 7764 |
| Ms. Supaporn Mangchit | 8125 |
| Mr. Wiroj Sajjathanukul | 5128 |

Audit fee rate: 2,640,000.00 baht (two million six hundred and forty thousand baht only)

4. Approved to propose to the shareholders' meeting to consider the remuneration for the Board of Directors and the Audit Committee for the year 2020 in an amount not exceeding 4,000,000 baht as follows:
Meeting allowance

- Chairman of the Board of Directors, Chairman of the Nomination and Remuneration Committee, Chairman of the Audit Committee Will receive a meeting allowance of 30,000 baht per meeting attendance
- Director of the Company, Member of the Nomination and Remuneration Committee, Member of the Audit Committee Will receive a meeting allowance of 20,000 baht per meeting attendance

Other remuneration of the board

- Not more than 1% of net profit
- For directors who are in the agenda for less than a year To be paid according to the period of service in that year

5. Approved to propose to the Annual General Meeting of Shareholders to consider and approve the amendment of Clause 3 of the Memorandum of Association of the Company from the original 67 items to 69 items (due to an error in sorting clause 66, no text by I would like to amend the number of objectives of the Company from Article 67 to Article 66) as follows:

- 67. Business farming, gardening, farming, agriculture
- 68. To engage in the business of raising pets, aquatic animals and livestock.

69. Business forestry, forestry and forest plantation

- The Company held the 2019 Annual General Meeting of Shareholders at the Meeting Room, Warehouse of EMC Public Company Limited, No. 14/15 Soi Krungthep Kreetha 31, Krungthep Kreetha Road, Prawet Subdistrict, Prawet District, Bangkok. The shareholders' meeting has passed a resolution approving as proposed by the Board of Directors.

November - EMC Public Company Limited would like to inform that Mr. Kritsana Sa-Sangsang has resigned from Director position With effect from 30 November 2020 onwards, the company reserves the position until finding suitable people. Replaced the position of director

Year 2019 Important changes and developments

January - EMC Public Company Limited would like to announce that on December 27, 2018, contract was signed with the Treasury Department for the construction and management of residential projects in accordance with the government's policy "Baan Khon Thai Pracha Rat".

With details as follows

- Joint venture with Chiang Mai Daily Company Limited and EMC Public Company Limited

Established date: 16 October 2018

Joint venture partners Investment proportion: - EMC Public Company Limited, investment proportion 51%

- Chiang Mai Daily Company Limited, a 49% shareholding

Joined the auction Construction and management of housing projects in accordance with the government's policy "Baan Thai People Pracharat" on state land, plot number registration no. 1745, important documents for the land, Nor.Sor.No. 40/2473, Amount 4846/9480. Land number 1, survey page - Chang Phueak Subdistrict, Mueang District, Chiang Mai Province The land area is approximately 15 rai 0 ngan 96 square wah (hereinafter referred to as "the project") in order to submit the project bidding documents of the project owner. Undertake any negotiation and make necessary agreements relating to the conditions of the bidding for the said project and perform the work and carry out the responsibilities of the contract parties Each party contract signed by a joint venture With the project owner and proceed to sell the said project, the project value is approximately 822 million baht

The company would like to inform you that The joint venture, Chiang Mai Daily Company Limited and EMC Public Company Limited, won the bid in the said project.

March - The Board of Directors Meeting No. 2/2019, held on March 20, 2019, passed a resolution entitled

Important as follows

- 1 . Approval to propose to the shareholders' meeting for acknowledgment of non-legal reserve allocation and

No dividend payment for the company's operating results For the fiscal year ending 31 December 2018, because the company still has accumulated losses

2. Approval to propose to the shareholders' meeting to consider and appoint 3 directors as follows:

1. Mr. Worawit Leenabanchong, Director
2. Mr. Panthee Sriwongthai Independent Director / Department of Audit
3. Acting Lieutenant Colonel Methi Itthiwichai, Director

Which is a director that has to resign according to this agenda Return to the position of director of Company for another term

3. Approval to propose to the shareholders' meeting to consider and approve the reduction of the company's registered capital And amend the company's memorandum of association, item 4. Subject: To comply with the capital reduction With details as follows

3.1 Resolve to propose that the shareholders' meeting consider and approve the reduction of the company's registered capital from 15,180,632,144 baht to 12,650,632,144 baht by canceling the registered ordinary shares that have not been issued and offer for sale 2,530,000,000 shares with a par value of 1 baht per share, which are ordinary shares reserved for the capital increase of the General Mandate which will be due on April 27, 2018, in order to comply with the provisions of the Public Company Limited Act Which requires the company to reduce the registered capital by canceling registered shares that have not been issued Before the company can increase the company's capital By presenting it to the shareholders' meeting for further approval.

- As EMC Public Company Limited issued and offered the 4,216,877,381 units of EMC-W6 warrants, with the exercise rights scheduled for every 15 days. Of the month of April and October of each year throughout the term of the warrants not exceeding 5 years (the last due date is 15 October 2023)

The company would like to inform the details regarding the exercise of the right to purchase ordinary shares as according to the warrants. For the first exercise period on 12 April 2019 April

- The Board of Directors Meeting No. 3/2019 of EMC Public Company Limited (the "Company") which Meeting on 4 April 2019, resolved to enter into the asset disposition transaction It is a redemption of the "Sea Side by North Beach Resort" project and the "Palmio" project, as well as all buildings and land. To persons not associated with the company

Entering into the said transaction is a transaction of acquisition or disposition of assets under the Notification of the Capital Market Supervisory Board No. ThorJor. And the announcement of the Stock Exchange of Thailand Subject: Disclosure of information and operations of listed companies regarding acquisition or disposition of assets 2004 ("Announcement of Acquisition or Disposal of Assets "). This transaction is worth 590 million baht. With the transaction size equal to 16.49 percent of the total value of consideration Based on the consolidated financial statements of the company as of 31 December 2018

The company has made an asset acquisition or disposal transaction during the past 6 months and the maximum transaction size is 3.16 percent of total assets. Based on the net tangible asset value criteria when combined with this transaction, there is a cumulative transaction size of 19.65 of total assets.

Therefore, the total transaction size in the past 6 months of the company is higher than 15% but lower than 50%. The said transaction is considered a Class 2 transaction under the Notification of Acquisition or Disposal of Assets.

- The 2019 Annual General Meeting of Shareholders has considered the appointment of directors who are retired Re-election for another term

1. Mr. Worawit Leenabanchong
2. Mr. Panthee Sriwongthai
3. Mr. Matee Itthirirwichai

September - As EMC Public Company Limited issued and offered the warrants to purchase shares EMC-W6 is 4,216,877,381 units, with the exercise date on the 15th of April and October of each year throughout the term of the warrants no more than 5 years (the last due date is October 15, 2023)

The company would like to inform the details regarding the exercise of the right to purchase ordinary shares as according to the warrants. (Schedule for the 2nd exercise on 15 October 2019)

October - Mr. Paiboon Thongrai, director of the company died on October 6, 2019, however Board of directors will proceed to consider appointing suitable persons to hold the position instead of being vacant

1.1.3 The use of fundraising funds is in accordance with the objectives stated in the registration statement for the offering of securities.

The company will not raise funds in 2021. The source of funds for the company's investment in 2021 will come from the company's cash flow and loans from domestic financial institutions.

1.1.4 The obligations that the company makes in the statement

The company has no funding in 2021.

1.1.5 Name, location of the head office

| | |
|--------------------------------|---|
| Company name | : EMC Public Company Limited |
| Initials | : EMC |
| Location of the Head Office | : 140/66-67 ITF Tower, 28th-30th Floor, Silom Road, Suriyawong, Bangrak, Bangkok 10500 |
| Nature of Business | : Provide services under long-term service contracts Construction and real estate development |
| contracts Registration Number: | 0107538000321 |
| Telephone | : 02-615-6100 |
| Fax | : 02-615-6128-30 |

| | | |
|--------------------|---|--|
| Website | : | www.emc.co.th |
| Registered Capital | : | 12,650,632,144 Baht |
| Paid-Up Capital | : | 8,433,754,763 Baht |
| Par Value | : | 1 Baht Per Share |
| Period | : | January – 31 December |

1.2 Nature of business

1.2.1 Revenue Structure

The revenue structure of EMC Public Company Limited for a period of 3 years is presented as follows:

| Description | Consolidate Financial Statements | | | | | |
|--|----------------------------------|----------------|-----------------|---------------|-----------------|----------------|
| | 2564 | | 2563 | | 2562 | |
| | Million Baht | % | Million Baht | % | Million Baht | % |
| Revenues | | | | | | |
| Revenue from construction | 948.88 | 86.13 | 1,345.74 | 91.87 | 940.45 | 72.13 |
| Revenue from sales of real estate | 107.34 | 9.74 | 50.68 | 3.46 | 236.53 | 18.14 |
| Rental income and fee leasehold | 8.44 | 0.77 | 13.24 | 0.90 | 18.39 | 1.41 |
| Other income | | | | | | |
| Revenue from project consultant | 0.83 | 0.08 | 1.03 | 0.07 | 2.23 | 0.17 |
| Finance income | 0.53 | 0.05 | 1.39 | 0.09 | 2.24 | 0.17 |
| Other income | 35.63 | 3.23 | 52.76 | 3.60 | 103.99 | 7.98 |
| Total revenues | 1,101.65 | 100.00 | 1,464.84 | 100.00 | 1,303.83 | 100.00 |
| The rate of increase (decrease) | | - 24.79 | | 12.35 | | - 46.16 |

| Description | Separate Financial Statements | | | | | |
|--|-------------------------------|----------------|-----------------|---------------|-----------------|----------------|
| | 2564 | | 2563 | | 2562 | |
| | Million Baht | % | Million Baht | % | Million Baht | % |
| Revenues | | | | | | |
| Revenue from construction | 948.88 | 86.13 | 1,345.74 | 91.87 | 940.45 | 72.13 |
| Revenue from sales of real estate | 29.50 | 2.68 | 11.73 | 0.80 | 208.65 | 16.00 |
| Rental income and fee leasehold | 3.97 | 0.36 | 8.32 | 0.57 | 13.31 | 1.02 |
| Other income | | | | | | |
| Revenue from project consultant | 2.40 | 0.22 | 7.31 | 0.50 | 16.49 | 1.26 |
| Finance income | 1.28 | 0.12 | 6.53 | 0.45 | 32.99 | 2.53 |
| Other income | 34.59 | 3.14 | 43.77 | 2.99 | 98.35 | 7.54 |
| Total revenues | 1,020.62 | 100.00 | 1,423.40 | 100.00 | 1,310.24 | 100.00 |
| The rate of increase (decrease) | | - 28.30 | | 8.64 | | - 45.11 |

1.2.2 Information about products and services

The company's business operation is divided into two main categories as follows.

1. Construction Business
2. Real Estate Business

Type of business

The company's type of business is divided into two main categories such as general construction and electrical and mechanical engineering. The details are as follows :

1.1 General Construction

To provide services regarding contracting for construction of skyscrapers and industrial construction.

The details are as follows :

A) Building Construction

The company renders one-stop service of building construction which covers designing and construction. The company has experiences in construction of economic buildings, sport complexes, educational institutes, accommodation buildings, hospitals, retail business buildings and facilities in industrial factories and residences.

B) Industrial Construction

Industrial construction shall be in form of turn-key projects. The company provides services of designing, construction and system planning necessary to usage in factories such as sanitary system and

electrical system that the company has experiences in food industrial construction, petrochemical construction, polyester construction and so on.

C) Civil Construction

Civil construction is of work of public sector such as barrage construction, waterway construction, soil destruction prevention, roadway construction, etc.

1.2 Electrical and Mechanical Engineering

The company provides services of installing public utilities with a design, installing electrical system, plumbing system and ventilation system for several buildings such as hotel, hospital, condominium, office, shopping mall and industrial factory.

A) Electrical system

The company has a competency to serve installing various electrical system in form of full packaging to satisfy the needs of customers. Services of electrical system is composed of

- Electrical system installation
- Fire alarm system and fire prevention system installation
- Sound system installation
- Communication and Telecommunication system installation
- MATV installation
- CCTV installation
- Lighting protection system installation
- Installation of intelligent building systems or automatic control system

B) Plumbing and Sanitary System

The company provides services of plumbing and sanitary system covering a design and installation of waste water treatment system in accommodation buildings, offices and industrial factories. Such services is composed of

- Water heating system, water cooler system and drinking water system installation
- Fire extinction system installation
- Sewerage system installation
- Waste water treatment system installation
- Gutter system installation
- Sanitary system installation

C. Air Conditioning and Ventilation System

Services of Air Conditioning and Ventilation System are composed of

- Cooler system installation in buildings and factories
- Air conditioning system installation
- Air conditioner's air diffusion system installation

- Air piping system installation
- Temperature controlling system installation
- Air filter system installation

Projects that commenced contracts and construction in 2019-2021

| No. | Project Name | Project Location | Contract Value | Work Percentage |
|--------------|---|--|----------------------|-----------------|
| 1 | Thammasat University Rangsit Campus | Thammasat University | 370,147,971 | 99.64 |
| 2 | Thammasat University Rangsit Campus (Some renovation work on the 3rd floor) | Thammasat University | 23,364,486 | 99.93 |
| 3 | iFactory in The Forest | Plaeng Yao District, Chachoengsao Province | 570,710,280 | 100.00 |
| 4 | Taksin Hospital Medical Office | Somdet Chao Phraya Road , Khlong San District | 1,950,503,382 | 21.87 |
| 5 | Amazon Factory and Infrastructure | Wangnoi District, Phra Nakhonsi Ayutthaya Province | 1,058,000,000 | 97.56 |
| 6 | Chulalongkorn University Demonstration Secondary School | Chulalongkorn University | 448,112,215 | 0.62 |
| Total | | | 4,420,838,334 | |

- ☐ Civil – Structural Work
- ☐ Architecture – Architecture Work
- ☐ M&E – Building System Work

Marketing Strategy and Competition

1. Competitive strategy

The strategy for marketing and competition

In order to achieve business objectives, the Company has set the marketing strategy and competition by business line as follows :

1. Comprehensive construction company

The company has received a variety of construction works consisting of high-rise buildings office building various factory buildings result in the company being a source of executives and expert engineers. Which has the potential to push the work of the company and the development of work efficiency starting to be able to save costs and reduce costs according to the policies laid down from the complete construction experience, the Company is ready to enter the bidding for large-scale projects or turnkey contracting work. There is also a policy to expand construction work in various forms such as small shopping malls in the form of a community mall, hospital buildings. Including industrial buildings from the original high-rise buildings in the form of condominiums and hotels In order to reduce operational risks.

2. Thailand's leading system contractor company

EMC is a leading contractor for electrical, mechanical and sanitation system engineering. Its credentials and achievements in system works have earned acceptability across the nation. The Company

focuses on efficient and quality works with punctual delivery under the management certification of ISO 9001:2008, where the existing work systems have been developed and upgraded.

The Company has also developed its cost control and accounting system to allow for consistent monitoring of the cost status. Its personnel development has been an on-going process, with performance-based compensation and under good corporate governance principles. Its strategies have been set out mainly with a view to cost reduction and efficiency improvement.

3. Extend target group to government

To support stimulate economic policy of government, the company has established team for extended target group from private sector to governmental sector. Extension target group will reduce the operation risk of private sector and project for government will have better support credit facilities from financial institution.

4. Policy on quality, efficiency and punctuality, as well as security at workplace

The Company has instituted the key policy of producing quality works by staff with efficient and secure performance and completed as scheduled, being up to the standard of the ISO 9001:2008 certification. It also has good internal audit system in place, with development of computer system and software programs to ensure consistent monitoring of construction work status. This has allowed for top executives' access to clear and accurate information for timely decision making.

5. Business alliance

Business alliance is a key factor in competing with construction companies, both local and overseas. Besides collaborating with its alliances for local projects, EMC has expanded its work scope to overseas markets with its system engineering works.

6. Clients' confidence and trust

Having projects completed with high quality all along, the Company has gained full confidence and trust with consistent bidding invitations by the existing clients, the new clients as recommended by the existing ones and the new clients, who have seen its past achievements.

7. Highly experienced management team

Besides the managerial expertise, the Company's management team has accumulated knowledge and long-time experience in engineering contractor works with on-going management system development to enhance work efficiency, cut down cost and ensure generation of quality works in a rapid pace.

8. Pricing policy

The Company has instituted a marked to market pricing policy by calculating the cost of raw materials, labor wages, expense for production and gross profit based on reason and justice for consumers.

Target customer profile

EMC's target customers can be classified into 2 groups, one being government agencies and state enterprises, and the other being private sector customers. The revenue proportion between these 2 groups is indefinite, as the Company's business operations are of the project by project nature. Project bidding may take place at any time, and the type of customers will depend on the nature of the project and the time of the bidding on a case by case basis.

Distribution and distribution channels

In the construction contractor business, direct contacts with the customers are the main channel for the contractors. The Company set up Business Development Department to follow up latest news on the bidding invitations by both the public and private sectors. The Company may acquire private projects in an unlimited contract value but for public projects there are stricter requirements more than private sectors. In particular, the determination of the completed construction work that the company has undertaken. Therefore the Company has a policy to accumulate works for use in bidding for government sector jobs. At this time, the company has already completed the construction work which can participate in bidding for large-scale government projects and focus on bidding for various special projects to generate more profit from construction. Meanwhile, in order to maintain distribution channels for private sector jobs the Company has a policy to maintain good relations between Project owner with periodic assessments to keep the old customer base firmly and adding new customers by maintaining quality of work and create good results.

1. Industry Conditions and Competitions

The industry condition and trend

Condition of the general construction contract business is moving in the same direction with the expansion of the domestic construction sector. While the construction industry is changing in the same direction with the growth rate of GDP (Gross Domestic Products: GDP). If we consider according to the type of investment, we will find out that the construction industry of government and private sectors generally have changed in the opposite direction. That is, when the economy is in the expansion, investment in the construction of private sector is high while the government sector will reduce its investment in the construction to slow up the economy and the price level (inflation) to be not in a too high level that will harm the stability of the economy of the country as a whole. In contrast, when the economy is in a downturn or recession, investment in the construction of the private sector will be low while the government sector has to stimulate the economy through investments in the construction industry.

For value of the construction industry, 60-70 percent of total construction value comes from the investment of government sector while the remaining 30-40 percent of its investment comes from the private sector. This is because of the government policy to stimulate the government's construction business including an expectation that public sector investment would still be the main factor that will drive the growth of the construction industry in the future. This is a result of the investment projects that the government will start in the future including in-process ongoing projects, especially investment in the transportation sector and the development of public health and education system. All of these would be a major driving force in the government's construction business.

The characteristics of entrepreneurs in same competitive market

1. The entrepreneurs in industry of electrical and mechanical engineering system in large and medium size

Such entrepreneurs shall have wide experiences in business operation in electrical and mechanical engineering line as well as having renowned accomplishment of work. The entrepreneurs are mainly from bidders as main contractors such as EMC Public Co., Ltd., Powerline Engineering Public Co., Ltd., Jardine Engineering Company Limited, MECT Company Limited, Tai Khisha (Thailand) Company Limited, SEGGO Company Limited, etc.

2. The entrepreneurs in industry of electrical and mechanical engineering system in small size

Such entrepreneurs have working capitals in limited amount. Normally, they are not allowed to attend biddings as main contractor but shall be sub-contractor from entrepreneurs in large and medium size.

3. The entrepreneurs in construction industry in large size

Such entrepreneurs have investment budgets in construction in amount of more than 200 million baht.

4. The entrepreneurs in construction industry in small size

Such entrepreneurs have investment budgets in construction in amount of less than 200 million baht.

5. The entrepreneurs in construction industry in full packaging

Such entrepreneurs are in minority group that serve construction in full packaging. They are mostly large entrepreneurs such as Powerline Engineering Public Co., Ltd.

2. Sourcing of the products

3.1 Method to source the products

Capacity to produce

Capacity of business in construction engineering and mechanical and electrical engineering unable to calculate in a figure clearly because of production capacity of this type of business have many variable factors such as

- *Number of engineer* which are project director, project manager, project engineer and engineer.
- *Number of sub-contractor* who have talent, experience and expertise in the construction and installation engineering for each type.

The company will manage the number of engineers and the number of sub-contractor each projects for deliver within the determinate time and serve demand of customers.

Raw material

a. The main raw material used in construction

The main raw material used in general construction engineering, operations engineering construction infrastructure and environmental engineering, and engineering work in the petrochemical and energy industry will be general raw materials used in construction such as steel bars, structural steel, concrete, cement, surface materials, wall materials and floor surfaces Lotus material, wall, material, wood, door, window, material color, roof but there will be some materials that will vary according to the nature of the line and customer needs.

The main raw material used in the operation of electrical and mechanical systems engineering can be divided by line The details are as follows :

Electrical system : electrical cable, electrical pipe, transformer BUS DUCT, electricity generator, plug, lamp, communications equipment, fire alarm equipment, audio equipment, TV antenna equipment, CCTV equipment, security devices.

Sanitation and Fire : PVC pipe, galvanized steel pipe, black iron pipe, turn off water valves, water pump, septic toilet tank, fire cabinet, fire line, Fire water dispenser, fire pumps.

Air conditioning : Water pipes, air cleaners, air ducts, cool air ducts, ventilation ducts Air cooler Ventilation fan, cold air tower, cold water machine, cold water pump.

b. Sourcing of raw materials

The company purchased all raw materials from domestic supplier; these included the domestic manufacturers and distributors within the country. Most of the material that the company purchases from manufacturers are common material used in electrical and mechanical engineering and general construction engineering such as steel, cement, electricity wire, PVC pipe etc. The raw material that company purchase from local distributors are the material's that characteristic needs of customers such as expensive luxury such as lamp, transformer, switches, high power pump, refrigerator, fire cabinet, fire alarms.

3.2 Responsibility towards Environment

The company's business operation in general construction constitutes environmental impacts towards community nearby construction area in respect of dust, noise and reverberation that the company has a policy to reduce the size and impact towards community as such to be of the least. To achieve this, the company shall

- Use canvas to prevent dust during construction.
- Try to understand and build good relationship with people living nearby.
- Get an insurance for protection of damage in all risks for risky projects.

4. Projects that have not yet been completed in 2021

The company has a project under operation, with a total project value of 3,850.13 million baht, with the remaining work value of 1,996.38 million baht.

| No. | Project Name | Project Location | Contract Value | Work Percentage |
|--------------|---|--|----------------------|----------------------|
| 1 | Thammasat University Rangsit Campus | Thammasat University | 370,147,971 | 1,323,939 |
| 2 | Thammasat University Rangsit Campus (Some renovation work on the 3rd floor) | Thammasat University | 23,364,486 | 16,312 |
| 3 | Taksin Hospital Medical Office | Somdet Chao Phraya Road , Khlong San District | 1,950,503,382 | 1,523,955,197 |
| 4 | Amazon Factory and Infrastructure | Wangnoi District, Phra Nakhonsi Ayutthaya Province | 1,058,000,000 | 25,765,257 |
| 5 | Chulalongkorn University Demonstration Secondary School | Chulalongkorn University | 448,112,215 | 445,319,527 |
| Total | | | 3,850,128,053 | 1,996,380,231 |

2. Real Estate Development

The nature of business divided into products as follows:

1.1 Residential business

In August 2015, the Company has expanded its business from construction business to real estate development with the notion of sustainability and life uplifting to Thai people. Besides the Company is determined to increase the profits since real estate business gain profits far better than that of construction business and for the faster income acknowledgement. Also, this will lessen the risk at the initial stage of real estate development business. The Company has done business transaction by purchasing entities from previous experienced entrepreneurs in such area. Also the income of projects purchased is partly acknowledged in the 2nd quarter, year of 2015.

Projects the Company has purchased as follows;



North Beach Resort project : At present, the condominium is registered under the name of North Beach and uses the name for the sale that Seaside Bangsaen is a 6-storey with 2 buildings, completed in 2017 with 200 units for sale, under Richman Property Company Limited and start transferring ownership of condominium units to customers since mid-January 2018. Which has already transferred ownership of all 15 units, valued at 43,441,359 baht



North land Condominium project: Recently, the project's name is changed to Palmio which consists of residential buildings 8 floors, 3 buildings, construction in process by commencing in 2014 under Sajja Bangsand Condominium Company Limited. The remaining land is waiting for development or for further sale.

In addition, the company has developed real estate projects under the name of EMC Public Company Limited which consists of



URBITIA Project is an 8-storey low-rise condominium project with 130 units in Soi Sukhumvit 36, which is only 230 meters away from Thonglor BTS Station, starting size from 28 - 97 square meters. 2016 At present, the project is completed and ready to move in. Which the project has been handing over and transferring ownership since June 2018 for this project All 103 units have been transferred, representing an area of 4,098.71 square meters or 77.24% of the total sales area. Moreover, with the potential of the project location near BTS Thonglor and with attractive price. Causing customers to give a good response to this project and is expected to close the sale of the entire project by 2022

In addition to the projects mentioned above the company plans to develop more residential projects in 2020 on land near the existing mass transit system. And to come in the future Including in the provinces that are business centers and tourist attractions This is a new location with high potential and demand for housing to expand the business into the real estate business fully. With more than 38 years of construction experience and expertise, the company is very well prepared to run the business and transform itself into a real estate developer.

2.2 Housing and land estate

In March 2015, in order to recognize revenue faster and reduce business risks at the beginning stage. Therefore, the Company has acquired the business from the same entrepreneurs who have expertise in that area and the company can gradually recognize some revenue since the second quarter of 2015. The company has invested in real estate business type of housing project in a horizontal manner in the form of a townhome along with the development of various utilities in the project, which is a project located on the land in Chonburi province. The projects that the company has purchased are



Siam Iyara Resort is a 3-storey and 2-storey townhome, totaling 251 units under Siam Bangkok Development Co., Ltd. For this project until the end of 2021, all 233 units have been transferred or Representing 92.83% of the total number of units It is another project that has been accepted by the residents as well.

2.3 Real estate Development (Mixed uses)

The Company has developed real estate (Mixed uses) projects consisting of community mall and commercial buildings under EMC Company (Public) Limited as follows;



Landmark Mahachai Project: Community Mall and Commercial buildings projects near the Nikom Mahachai railway residences around Wongwien Yai - Mahachai of Thai railway station by acquiring the land lease right in land developing projects for the period of 34 years. The duration of construction agreement is of 4 years and land use agreement for the period of 30 years which has been already affixed the signatures and shall be effective on 2nd January 2015. The Company has a plan to develop project to be of community mall under Landmark Mahachai project consisting of plaza building 5,471.49 sqm. and commercial building for 101 units with 21,849 sqm., which shall be sold in 2nd quarter of year 2015 and begin the delivery and registration of leasehold rights To customers in the year 2019.

In October 2016, the Company acquired Imperial Land Co., Ltd., the location of the project is located on Charoenkrung Road next to the Dragon Temple or Wat Leng Ne Yi, away from the Dragon Temple Station subway just 110 meters. The project is located near the economic district of Yaowarat and is a complete construction project making it possible to recognize income immediately.



Station One project is a commercial area on the 1-3 floor with a sales area of 1,168.07 square meters and a residential area on floors 4-7 of 56 units with a sales area of 1,910.22 square meters. Sales of rental space For the commercial area Has sold a total of 571.40 square meters of leased / rented area or 53.18% of the total retail space. There are stores such as Starbucks, 7-Eleven, Super Rich, Bodytune and there is an office, a office in the area to live in. There are customers who rented residential areas on the 7th floor. In addition, after the Dragon Temple Station opened for service in July 2019, the project has attracted a lot of attention from both residential customers and various investors.

The Market and Competition Condition

1. Competition strategy

Market and competition strategy

Real estate market in Thailand which composes of various real estate developers and variety of size as well as behaviors and being a deciding factor to purchase for customers at the present time such as affordable price, location, quality and standard of house, residential buildings, types of project and of house patterns and function arrangement in house or in room with the reputation of entrepreneurs that satisfy the customers. Accordingly, there are competition in design, product and service quality, environment and facilities in projects as well as pricing competition in certain product. Therefore not only the Company has many competitors in registered in SET but also competitors not registered in SET and other small competitors. The nature of competition shall depend upon the form of products, pattern and quality, location and pricing. The Company has a potentiality and capability to compete with other entrepreneurs by means of competition strategy as follows;

Product and service Strategy

- The Company prioritizes location of project to be of potentiality by considering to choose location where community extension tends to be and public transportation expansion in future. To emphasize the quality of structure and pattern with facilities and modern design with green space. The building is designed to be open-aired and decent ventilation with natural light being utilized for family as well as saving energy, solid foundation in long run and no useless space. Besides, building society to be of quality is crucial in the project. Enhancing the relation within family and community in projects.

- To manufacture products to cover various residences such as house, twin house, townhouse, town home, commercial buildings and condominiums in different areas throughout Bangkok and other provinces where the growth of economic is on the rise. Such location shall be potential with high demand to reflect the demand in the market and spread the risk of investment.

Pricing strategy

- Develop pricing strategies by integrating financial principles with marketing In product pricing to be able to compete with nearby competitors. In order to gain product advantage, price and customer satisfaction and to achieve trade-off between the number of units sold and gross profit that makes the most benefit to the company.

Promotion strategy

- To properly and continuously support the activities of promotion and marketing in each project to be the deciding factor in the mind of customers such as Aggressive Pricing Strategy for certain units/ Projects.

Uniqueness of products and services strategy

- To gradually improve innovation of production such as choosing the effective construction method with international standard, choosing high quality material, improving designing of house and residences to reflect lifestyles or way of life of new generation people as well as to correspond with saving energy and environment. To effectively improve the system of inspection and approval of work and the after- service to satisfy the customers.

- To improve novation of service mind system for customers allowing the convenience for customers before and after selling such as improving online reservation system in sale offices so that the customers can see the unit plan and deduct units via online reservation by sending information directly to headquarter office of the Company resulting in the precise and faster service. To improve channel for payment such as payment by bar code card, payment by deducting bank account or credit card.

Confidences in customers Strategy

- To improve the projects and constructions in process to be completely finished within due date and deliver to customers on time.
- To engage in the international standard ISO 9001: 2008 to standardize products and services including inspection of working system and controlling the quality of work of subcontractors, employees, consultants and other suppliers by providing team to scrutinize every stages of construction and put "QC sticker" on prior to delivery of house and residences to customers as well as issuance of warranty to customers for reassurance in products and services as after service.

Targeted customer group

Targeted customer group of the Company shall be customers who have purchasing power as follows;

(1) Residential housing and buildings

Targeted customer group shall be office workers, directors, entrepreneurs and middle class persons as follows;

- Customers with low average incomes in the range of 20,000 - 50,000 THB per month
- Customers with average incomes in the range of 50,000- 120,000 THB / month
- Customers with top average incomes in the range of 120,000 THB/ month onwards

(2) Mixed use project consisting of community mall and commercial buildings

Targeted customers group such as entrepreneurs, businessmen and persons who seek the area for selling products and services to extend their branches to new trading area in the heart of the city such as Mahachai,Yaowarat etc.

Distribution and Channel

The Company Group has main channel to distribute as follows;

The Company engages in distribution channel through sale offices located in each project and selling online via website of the Company and agent by advertising and broadcasting the information relating to the Company Group and the progressiveness of the project through various media Online Offline for penetrating the targeted customer group such as newspaper, advertising board, e-mail, website, facebook and so on.

2. Industrial and competition condition

If it is mentioned the real estate economy in that country, Thailand has a GDP17 trillion baht. The real estate sector is worth 1.1 trillion baht or 6.47% of GDP. If including the construction sector Will be worth up to 1.7 trillion baht, or about 10% of the total GDP. If including the construction sector will be worth up to 1.4 trillion baht or 8.8% of the total GDP, which is considered larger than the financial sector transport and transportation sector and communication sector reflecting the real estate investment situation still in a good direction but there may be some slowdowns in some periods due to trade barriers between the United States and China which also affect Thailand. Especially the Chinese demand that wants to buy condominiums for investment in Thailand Concerns from the determination of the LTV ceiling rate according to the Bank of Thailand policy used in the year 2019. Resulting in a higher down payment for investors with more than 2 property on hand. During the third quarter of 2018, the past of real estate entrepreneurs different promotions to accelerate sales

in the remaining parts in order to drain all existing products, condominium products are still products that can grow well. Both the economy of other sectors in the downtrend average result has risen by 6% - 21% as a result of the development of mass transit extensions in many areas of Bangkok and its vicinity. Resulting in business opportunities, In the year 2019, the real estate entrepreneurs various projects are opened along the new BTS line the overall real estate price index has a tendency to rise the landmark in the year 2019 is the central Bangkok area - outside, such as Suan Luang, Bang Khae, Sawan-Mai and Lam Luk Ka. The extension of the skytrain, especially the Yellow Line, Ladprao-Srinakarin, Blue Line, Hua Lamphong - Lak Song, causing the expansion of the market from the inner area to the perimeter.

From the government's investment plan that encourages investment in mass transit systems to connect major cities in the country such as high-speed trains, double-track trains, special expressways connecting Bangkok and various districts and to look at this year is to push the U-Tapao Airport project to become the 3rd international airport and a commercial airport and aviation industry supports all forms of transportation, the Mart Ta Phut Port Extension project and Laem Chabang Port. to respond to the development of the special economic zone of the Eastern Region (EEC), which is Chachoengsao, Chonburi and Rayong and has invested in a railway project connecting 3 airports, Don Mueang, Suvarnaphum and U-Tapao together forming HUB. Investment in tourism and industry large sectors in the eastern districts, which stimulates employment and private investment causing money into the economy makes the property market have spread to this region and result in demand-supply growth residents in Chachoengsao, Chonburi and Rayong provinces. In addition, after the land and buildings Tax Act, which has passed the cabinet resolution, may affect the property market structure, causing the land to be traded and changed hands. To develop more real estate projects in the future and allowing entrepreneurs who have accumulated land in their hands to develop new housing projects

Which the EMC Public Company Limited strategic plan focuses on the government's investment plan and development of mass transit systems. In addition to distributing the prosperity of the city is an investment promotion that makes important cities the country has driven the economy. Therefore is an investment opportunity by choosing to invest in Chonburi Province, which is a province with economic growth both in tourism and services and the industrial sector, with the Seaside Bangsaen condominium project located on Bangsaen beach, the Palmio condominium project located near Amata Nakorn Industrial Estate and the Siam Ayara Resort Housing Project located on Ban Bueng in order to comply with the government's investment expansion plan.

This year, the company continues to focus on the original strategic plan and ready to develop existing land and invest in new projects. Along the land adjacent to the BTS extension especially the land

along the yellow line, green line, pink line and blue line that connects urban communities to suburban areas. Which are mostly residential areas such as Lad Phrao, Lat Krabang, Lam Luk Ka, Ramindra and Bang Khae, respectively to develop projects to meet the needs of that community, whether it be condominiums, townhouses or semi-detached houses etc.

In early 2019, the Company has driven the business by cooperating with Chiang Mai Rai Wan Company Limited under the name of the joint venture company Chiang Mai Rai Wan and EMC Co., Ltd. to cooperate and develop the project "Ban KonThai Pracharat Chiang Mai" housing according to government policy for people who are entitled to state welfare cards, people with income not exceeding 35,000 baht per month, and the general public have their own residence on the state property with the department of treasury Chiang Mai. The project is located in Chang Phueak Subdistrict, Chiang Mai Province, on an area of 15 rai with a total of 7 buildings, 1,170 units and 10 commercial buildings. The project was opened on March 9, 2019.

Product Supplier

○ Land supply and forms of project development.

The business development department is a main unity to allocate land, explore, for selection of location for project development, to enhance potentiality to select proper lands. This department shall analyze and study the probability in project development through working together with other departments such as design and product developer, project developer, legal and financial and marketing to scrutinize and decide to choose the types of residences suitable for such location such as condominium, single house, townhouse, commercial buildings with taking legal matters into account such as the height of buildings, set back, so on. Design and product developer shall consider the nature of land, planning projects to be in properness by taking account of legal matters and project developer shall consider the probability of the construction, the budget. Also, business developer shall estimate the entire selling amount by employing marketing information from marketing and sales department or explore new markets for enhancing the precise predictions and specifying the selling price in accordance with the current situation.

○ Material purchasing

The Company purchases all material from suppliers in the country who are manufacturer and distributors in Thailand. The material purchased mostly are general material for electrical engineering and machines and construction engineers such as steel, plaster, wire, PVC, water pipe, etc. The material purchased from distributors in Thailand shall be customized as customers' order such as luxurious material with high price such as lamp, electric transformer, high voltage switch, cooler, fire extinguisher, fire alarm.

For Quality control, the Company has selected manufacturers and suppliers by comparing the volume of products and potentiality in providing material at the decent price as well as delivery on time to guarantee the suppliers shall provide materials with high standard and specified quantity within timeframe

delivery. The Company shall regularly estimate the performance of each supplier to be ensured all of the standard stated by the Company.

○ Subcontractors supply

Supply of Subcontractors who can deliver the good quality of work within timeframe is a crucial factor in business operation. Therefore the selection of subcontractors, the Company shall consider the capability of subcontractors in construction by taking quality of work, timeframe and delivery on time into account. The Company shall consider the budget and standard for single house and townhouse development project. Most of projects are in Chonburi province. Hence the Company employs local subcontractors which the cost is low compared to the cost of subcontractors in Bangkok since there is no transportation and material delivery. The Company provides small subcontractors for construction leading to the flexibility in altering construction plan to respond the changing situation. For condominium, the Company shall firstly consider the power of manufacturing of construction of the Company whether it can proceed the construction or not. If construction works are overloaded, the Company shall hire subcontractors outside the Company. Such hire shall be exclusive subcontractor to complete the whole process of construction so as to control the construction cost. Besides, the Company still has a system to control construction to be in accordance with specific plan and has quality control system in a stringent manner according to ISO 9001: 2008

Environmental responsibility

The Company is in process of planning in managing public utility system of project to be in line with laws of land management as well as studying the impact of environment within the project according to laws for the projects unnecessary to require studying the impact on environment. The Company takes into account of the effect on environment and nearby community.

Projects that have not yet been delivered, completed in 2021

| Project | Location | Type | Start Project | Sales area (sq.m.) | project progress | Total sales area and value | | transferred | | remaining | | | |
|---------------------------------|---|---------------------|---------------|--------------------|------------------|----------------------------|-------------|-------------|-------------|-----------|-------------|------|----------------|
| | | | | | | Unit | Value(Baht) | Unit | Value(Baht) | Unit | Value(Baht) | Unit | Value(Baht) |
| | | | | | | | | | | | | | |
| residential project | | | | | | | | | | | | | |
| Siam Iyara | Nong Bon Daeng Road, Ban Bueng District Chonburi Province | Town Home | Mar-58 | 5801.20 Sq.wa | 1 | 251 | 406,548,888 | 233 | 370,086,388 | 11 | 16,722,500 | 7 | 19,740,000 |
| residential condominium project | | | | | | | | | | | | | |
| Nort Beach | Bangsaeen Lang Road, Wonnapha, BeachSaensuk - Subdistrict, Mueang District, Chonburi Province | Condominium | Aug-57 | 8,030.94 | 1 | 200 | 512,229,185 | 17 | 46,978,611 | 8 | 25,798,000 | 175 | 440,182,616 |
| Palmio | Soi Wat U-Tapao Phibun Pracharak Rd. Nong Mai Daeng - Subdistrict, Mueang District, Chonburi Province | Condominium | Aug-57 | 7,476.00 | 0.39 | 231 | 257,761,900 | 0 | 0 | 12 | 8,401,900 | 219 | 247,355,000 |
| Urbitia | Soi Sukhumvit 36 (Thonglor) Phra Khanong Subdistrict, Khlong Toei District, Bangkok | Condominium | Feb-59 | 5,303.93 | 1 | 130 | 903,645,759 | 103 | 696,306,219 | 12 | 80,160,130 | 15 | 127,179,410 |
| mixed-use project | | | | | | | | | | | | | |
| Landmark Mahachai | Railway Nikom Rd., Mahachai Subdistrict, Mueang District Samut Sakhon Province | Commercial Building | Nov-57 | 21,849.00 | 1 | 101 | 406,796,050 | 3 | 25,990,000 | - | - | 98 | 380,806,050.42 |
| | | Community Mall | | 5,471.00 | | 83 | 321,988,442 | - | - | - | - | - | 321,988,442.00 |
| Station One | Charoenkrung Road, Pom Prap District Pom Pran Sattru Phai Sub-district, Bangkok | Plaza | Oct-59 | 1,074.40 | 1 | 61 | 116,660,522 | 1 | 5,220,000 | - | - | 60 | 111,440,522 |
| | | Accommodation | | 1,944.46 | | 56 | 160,014,137 | - | - | - | - | 56 | 160,014,137 |

Remark : ** Total value of the Landmark Mahachai Project Calculated from the rental fee over the lease term for a total of 30 years, then recalculated to the present value separately. Community Mall total 321,988,442-baht And commercial buildings in the amount of 406,796,050 - baht, the sale of space in the Community Mall section The company will enter into a contract with the customer. The term of the lease is from 1 - 3 years, renew the contract for 3 years, depending on the agreement in each individual. With regard to the best interests of the company is important. Therefore, the area that has been delivered to the shop amount 291 square meters.

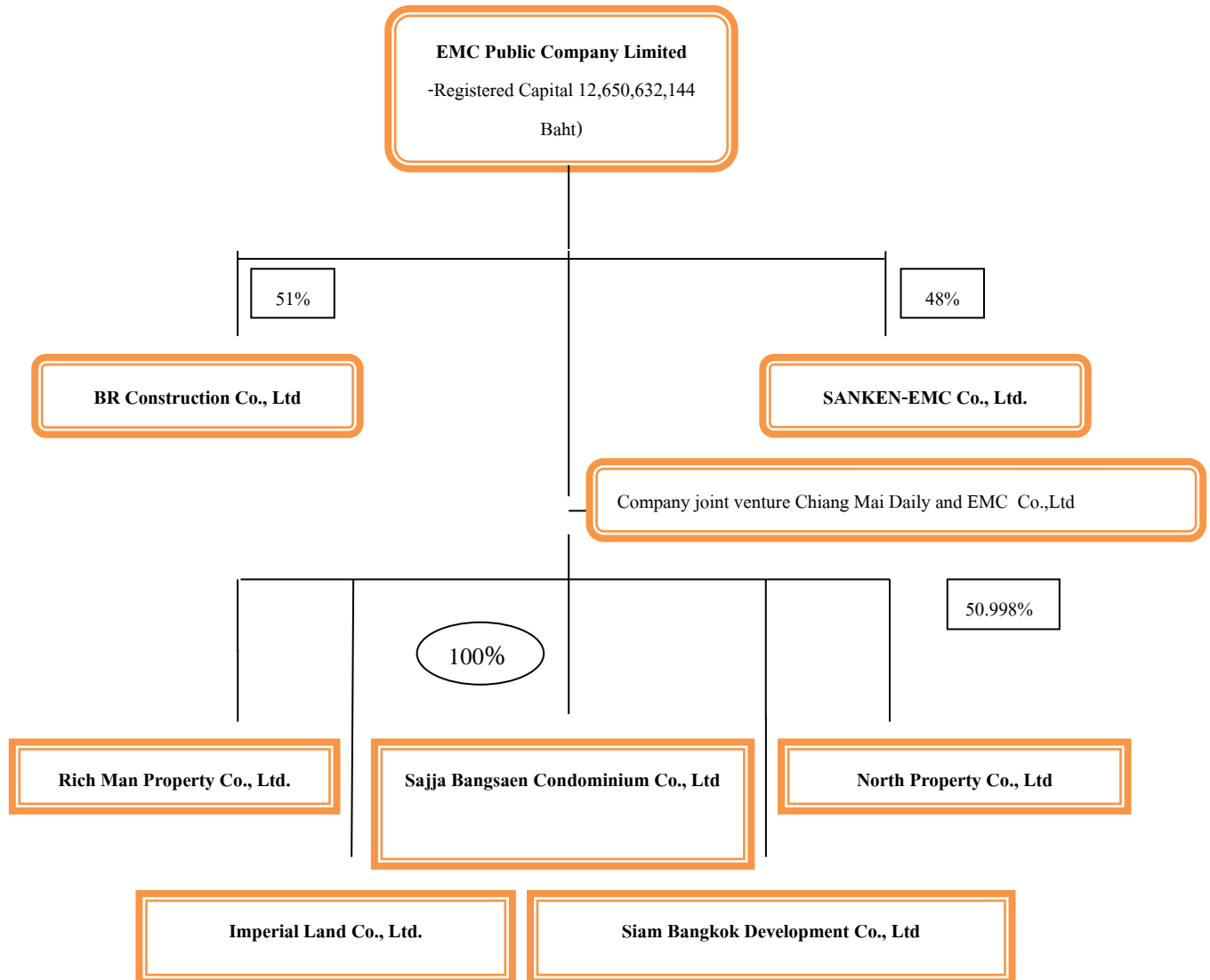
*** The total value of the Station One project is calculated from the rental fee over the lease term for a total of 30 years and then calculated back to the current value, separated into the plaza, total 116,660,522 baht and the residential part of 160,014,137 baht in the community mall. The company will enter into a contract with the customer. The term of the lease is from 1 - 3 years, renew the contract for 3 years, depending on the agreement in each individual. With regard to the best interests of the company is important. Therefore, the area that has been delivered to the store and then rented out. For the commercial area Has sold a total of 626.36 square meters of leased / rented space with stores including Starbucks, 7-Eleven, Super Rich, Bodytune and an Office, Online office, where the 1st floor has been fully leased and for the contract. Long term rental it has the total value over the term of the lease agreement that the company has with the customer. Representing the current amount approximately 5,220,000-baht

1.3 Shareholding Structure of the Group

1.3.1 Shareholding Structure of the Group

As of December 31, 2021

Shareholding Structure



Name, location, business operations of the subsidiary and other associated companies as of December 31, 2021
Subsidiary

| | | |
|----------------------|---|---|
| (1) Company Name | : | North Property Company Limited |
| Head Office location | : | 140/66 ITF Tower, 28th Floor, Sisom Road, Suriyawong Subdistrict Bangrak District, Bangkok 10500 |
| Nature Of Business | : | Real estate development in Chonburi province |
| Contact Number | : | 02-615-6100 |
| Paid-Up Capital | : | 4,000,000 Baht |
| Shareholding | : | 100 Percent |
| | | |
| (2) Company Name | : | Richman Property Company Limited |
| Head Office location | : | 140/66 ITF Tower, 28th Floor, Sisom Road, Suriyawong Subdistrict Bangrak District, Bangkok 10500 |
| Nature Of Business | : | Real estate development in Chonburi province |
| Contact Number | : | 02-615-6100 |
| Paid-Up Capital | : | 5,000,000 Baht |
| Shareholding | : | 100 Percent |
| | | |
| (3) Company Name | : | Sajja Bangsaen Condominium Company Limited |
| Head Office location | : | 140/66 ITF Tower, 28th Floor, Sisom Road, Suriyawong Subdistrict Bangrak District, Bangkok 10500 |
| Nature Of Business | : | Real estate development in Chonburi province |
| Contact Number | : | 02-615-6100 |
| Paid-Up Capital | : | 4,000,000 Baht |
| Shareholding | : | 100 Percent |
| | | |
| (4) Company Name | : | Siam Bangkok Development Company Limited |
| Head Office location | : | 140/66 ITF Tower, 28th Floor, Sisom Road, Suriyawong Subdistrict Bangrak District, Bangkok 10500 |
| Nature Of Business | : | Real estate development in Chonburi province |
| Contact Number | : | 02-615-6100 |
| Paid-Up Capital | : | 20,000,000 Baht |
| Shareholding | : | 100 Percent |

(5) Company Nam : Imperial Land Company Limited
 Head Office location : 140/66 ITF Tower, 28th Floor, Sisom Road, Suriyawong Subdistrict
 Bangrak District, Bangkok 10500
 Nature Of Business : Real estate development in the Yaowarat area, Station 1 project
 Contact Number : 02-615-6100
 Paid-Up Capital : 110,000,000 Baht
 Shareholding : 100 Percent

(6) Company Nam : BR Construction Company Limited
 Head Office location : 140/66 ITF Tower, 28th Floor, Sisom Road, Suriyawong Subdistrict
 Bangrak District, Bangkok 10500
 Nature Of Business : Provide services under long-term service contracts and contracts
 Contact Number : 02-615-6100
 Paid-Up Capital : 60,000,000 Baht
 Shareholding : 51 Percent

บริษัทร่วม

(1) Company Nam : Sanken-EMC Company Limited
 Head Office location : 140/66 ITF Tower, 28 th Floor, Sisom Road, Suriyawong Subdistrict
 Bangrak District, Bangkok 10500
 Nature Of Business : Providing services under construction contracts
 Contact Number : 02-615-6100
 Paid-Up Capital : 40,000,000 Baht
 Shareholding : 48 Percent

(2) Company Nam : Joint Venture Vompamy Chiang Mai Daily and EMC Co., Ltd.
 Head Office location : 140/66 ITF Tower, 28 th Floor, Sisom Road, Suriyawong Subdistrict
 Bangrak District, Bangkok 10500
 Nature Of Business : Real estate development in Chiang Mai
 Contact Number : 02-615-6100
 Paid-Up Capital : 10,000,000 Baht
 Shareholding : 51 Percent

Business operations of subsidiaries and associates

| No. | Company Name | Office Location | Shareholding portion of the Company | Paid-up Capital | Registered Capital | Paid-up Shares | Par Value |
|--|--|--|-------------------------------------|-----------------|--------------------|----------------|-----------|
| Real estate development business | | | | | | | |
| 1 | Sajja Bangsean Condominium Company Limited | 140/66 ITF Tower, Floor 28, Silom Road, Suriyawongse, Bangrak, Bangkok | 100% | 4,000,000 | 4,000,000 | 400,000 | 10 |
| 2 | Rich Man Property Company Limited | 140/66 ITF Tower, Floor 28, Silom Road, Suriyawongse, Bangrak, Bangkok | 100% | 5,000,000 | 5,000,000 | 500,000 | 10 |
| 3 | North Property Company Limited | 140/66 ITF Tower, Floor 28, Silom Road, Suriyawongse, Bangrak, Bangkok | 100% | 4,000,000 | 4,000,000 | 400,000 | 10 |
| 4 | Siam Bangkok development Company Limited | 140/66 ITF Tower, Floor 28, Silom Road, Suriyawongse, Bangrak, Bangkok | 100% | 20,000,000 | 20,000,000 | 2,000,000 | 10 |
| 5 | Imperial Land Company Limited | 140/66 ITF Tower, Floor 28, Silom Road, Suriyawongse, Bangrak, Bangkok | 100% | 110,000,000 | 110,000,000 | 1,100,000 | 100 |
| Subsidiary companies providing services under long-term service contracts and construction contracts | | | | | | | |
| 1 | BR Construction Company | 140/66 ITF Tower, Floor 28, Silom | 51% | 60,000,000 | 60,000,000 | 60,000 | 1,000 |

| No. | Company Name | Office Location | Shareholding portion of the Company | Paid-up Capital | Registered Capital | Paid-up Shares | Par Value |
|---|--|---|-------------------------------------|-----------------|--------------------|----------------|-----------|
| | Limited | Road, Suriyawongse, Bangrak, Bangkok | | | | | |
| Associate company providing services under construction contracts | | | | | | | |
| 1 | Sanken - EMC Company Limited | 140/66 ITF Tower, Floor 28, Silom Road, Suriyawongse, Bangrak, Bangkok | 48% | 40,000,000 | 40,000,000 | 400,000 | 100 |
| Joint venture company doing real estate development business | | | | | | | |
| 1 | Company joint venture Chiang Mai Daily and EMC Co.,Ltd | 140/66 ITF Tower, Floor 28, Silom Road, Suriyawongse, Bangrak, Bangkok | 51% | 5,000,000 | 10,000,000 | 50,998 | 100 |

1.3.2 Persons who may have conflicts of interest hold shares in subsidiaries or associated company

The company does not have any person who may have conflict of interest in holding shares in the subsidiary. Or associated company

1.3.3 Relationship with the business group of major shareholders

The Company's core business operations do not have any relationship or involvement with other business operations of the major shareholders in any way.

1.3.4 Shareholder

As of December 31, 2021 (Referring to the closing information of the XO register book as of December 30, 2021)

Distribution of shareholding by number of shareholders by dividing the number of shares held by the number of shareholders as follows:

| range of shares held | As of December 30, 2021 | | |
|-----------------------|-------------------------|---------------------------|---------------|
| | number of shares | number of persons holding | % holders |
| 1 - 999,999 | 1,189,654,840 | 13,810 | 95.524 |
| 1,000,000 – 9,999,999 | 1,401,117,974 | 595 | 4.116 |
| 10,000,000 – ขึ้นไป | 5,842,981,949 | 52 | 0.360 |
| Total | 8,433,754,763 | 14,457 | 100.00 |

- (1) List of the first 10 shareholders of the Company as of December 30, 2021, which is the latest book closing, prepared by Thailand Securities Depository Co., Ltd.

| list of shareholders | number of shares | percentage |
|---|------------------|------------|
| 1. Mr.Chinchai Leenabunchong | 1,732,237,515 | 20.539 |
| 2. Capital Engineering Network Public Company Limited | 1,131,410,184 | 13.415 |
| 3. Rayong Wire Industry Public Company Limited | 976,475,700 | 11.578 |
| 4. Mr.Voravit Leenabunchong | 661,810,100 | 7.847 |
| 5. Mr.Chanachai Leenabunchong | 258,346,447 | 3.063 |
| 6. Ms. Namthip Chonsaipan | 108,000,000 | 1.281 |
| 7. Thai NVDR Company Limited | 100,086,170 | 1.187 |
| 8. BNP PARIBAS SINGAPORE BRANCH | 60,000,000 | 0.711 |
| 9. Mr. Nam Cholsaipan | 56,293,000 | 0.667 |
| 10 Mr. Surachai Srisantisuk | 44,195,000 | 0.524 |

- (2) List of shareholders of warrants to purchase ordinary shares of EMC Public Company Limited No. 6, the first 10 of the Company as of January 7, 2022, which is the latest book closing, prepared by Depository Company. Securities (Thailand) Co., Ltd.

| list of shareholders | number of shares | percentage |
|---|------------------|------------|
| 1. Thai NVDR Company Limited | 888,864,888 | 21.079 |
| 2. Capital Engineering Network Public Company Limited | 366,463,700 | 8.691 |
| 3. Mr.Voravit Leenabunchong | 331,405,050 | 7.859 |
| 4. Mr. Pawarit Taweerujana | 210,000,000 | 4.980 |
| 5. Rayong Wire Industry Public Company Limited น) | 172,399,950 | 4.088 |
| 6. . Mr.Chanachai Leenabunchong | 97,054,423 | 2.302 |
| 7. Mr. Weerawat Jangyu | 79,700,000 | 1.890 |
| 8. Mr. Suwit Wattanasansanee | 66,000,000 | 1.565 |
| 9. Ms. Namthip Chonsaipan | 60,000,000 | 1.423 |
| 10. Mr. Wangchai Lee Sanguankul | 60,000,000 | 1.423 |

1.4 Amount of registered capital and paid-up capital

As of December 30, 2021, the company has registered capital 12,650,632,144 baht divided into ordinary shares 8,433,754,763 shares with a par value of 1 baht per share, paid-up capital 8,433,754,763 baht.

1.5 issuance of other securities

1.5.1 convertible securities

The 2018 Annual General Meeting of Shareholders held on April 27, 2018 had the following resolutions:

The Company issuing and offering warrants to purchase ordinary shares of the Company No. 6 (EMC-W6) in the amount of 4,216,877,381 units to existing shareholders who subscribe and pay for shares at the rate of 2 existing shares per 1 warrant. In the event that there is a fraction, it must be discarded. The warrants are valid for 5 years and have no offering price. The exercise price is 0.15 baht per share, the exercise ratio is 1 unit of warrant. Can exercise the right to purchase 1 ordinary share (the exercise ratio and the exercise price may change in the event of an adjustment of rights)

Details of the warrants to purchase the Company's ordinary shares No. 6 (EMC-W6)

| | |
|-------------------------------|---|
| Warrant type | : Warrants specifying the holder's name and transferable. |
| Offered to | : Allocated to the existing shareholders of the Company who subscribe for the Company's newly issued shares whose names appear in the register book as of the date of determining the names of shareholders who have rights to subscribe for shares Company's ordinary on October 17, 2018 and collect the names of shareholders under Section 225 of the Securities and Exchange Act B.E. in the ratio of 2 new shares subscribed for newly issued shares per 1 unit of warrant In the case of fractional shares, they shall be discarded. |
| Offering price per unit | : 0 บาท (Zero Baht) |
| Number of warrants | : 4,216,877,381 Unit |
| Number of shares reserved for | |
| The exercise of rights | : 4,216,877,381 Unit |
| Date of issuance of warrants | : November 5, 2018 |
| Maturity date | : October 5, 2023 |
| Age | : 5 years from the date of issuance of the warrants |
| Exercise ratio | : 1 unit of warrant per 1 ordinary share |

Unless there is an adjustment of rights according to the conditions for adjustment of rights

| | |
|--------------------|---|
| Exercise price | : 0.15 baht, unless there is an adjustment of rights under the conditions of rights adjustment |
| Exercise period | : The first exercise date is April 15, 2019 and the warrant can be exercised on the 15 th day of April and October 15 th of each calendar year throughout the warrant period. In the event that the exercise date falls on the Company's holiday such exercise date shall be postponed to the last business day prior to each exercise date. Number of units that have |
| Not been exercised | : 4,216,877,381 unit |

1.6 Dividend Policy

The company has a policy to pay dividends of not less than 40 percent of net profit after income tax and other reserves. All types as required by law by considering from the separate financial statements if there is no other necessity to use such money and the dividend payment does not significantly affect the normal operations of the company.

2. Risk Management

The Company's Risk Management Committee sets the policy and risk management processes for the management to implement. The Management is responsible for defining and designing work systems including identifying risk factors which business planning or operation taking into account the risk factors as well. It allows management to design a system with control points to control risks to an acceptable level for the organization which details of the risk factors have already been identified.

Risk Management Committee has emphasized on debt collection and problematic projects which is important by having a meeting for debt collection management 1 day per week.

2.1 Policy and risk management plan

The company has a framework for determining the level of risk of the company it measured by the likelihood of occurrence and the severity of the impact. The Executive Committee and the working group is responsible for overseeing the risk management process which is reviewed and assessed the risks twice a year to ensure that the company has effective risk management and management. This includes determining, assessing, preventing, monitoring, monitoring, reducing risks and report to the Board of Directors immediately when the risk level is in a significant threshold.

2.2 Risk Factors for the Company's Business Operations

2.2.1 Risks to the Company's Business

Risk from project delays

Risk from project delays may be caused by many factors which affects the completion time of the project. This may be caused by the employer changing the objectives or details of the project. Hiring a contractor and financial errors used to support construction. In addition, the delay may be caused by a shortage of construction materials or a change in material types during construction. Including delays may be caused by inexperience of construction managers these delays may affect costs and construction period. However, the Company is aware of management risks and has established operational guidelines to prevent potential deficiencies. The company has a clear work plan and follow up the work to be in accordance with the plan regularly. In addition, if there is a problem of delay the company has communicated understand the cause of the problem with the project owner and propose solutions to problems for the construction to be in accordance with the schedule there is enough skilled personnel to be prepared. As well as efficient and modern materials, which the company is aware of the allocation of resources for maximum benefit is important.

Risks from construction material costs, labor costs, and oil price fluctuations

Accurate project cost estimates and control the actual cost incurred to be within the specified estimate it is an important factor in the management of construction contracts in each project to be profitable in the construction business and real estate project development. The main cost estimates are based on the cost of building materials. If the economy is volatile or a significant increase in the cost of construction materials will have a negative impact on the cost of construction projects including labor costs that change according to demand levels and supply according to various situations. Indirect risks arising from the volatility of oil prices affects the estimate control. However, the company is aware of such risks. The company has planned and managed to reduce risks from the cost of construction materials by procuring the main source of building materials with potential to support the large demand in many sources and increasing the bargaining power from the purchase of construction materials in large quantities per purchase. Which such operation In addition to reducing the risk of construction material costs it also prevents the shortage of construction materials indirectly and the increase in material prices is exaggerated. In addition, the Company has managed such risks by agreeing on the delivery price of construction materials in advance to prevent price volatility This allows the Company to control project costs throughout the project period. However, the Company has regularly reviewed construction plans in order for the construction to be completed within the specified period.

Financial liquidity risk from not receiving payment or receiving late payment

For construction business and real estate project development. The financial liquidity affects the construction of various projects to be completed on schedule which is an important factor because there must be sufficient working capital for use in the procurement of materials, equipment and wages. However, the company has tried to mitigate the risk by reviewing the financial status and the credibility of the project owner that the company will participate in the auction in detail, such as checking the financial status through the bank that the customer requests for a loan and taking into account other factors and environments. In addition, the Company has prepared a financial projection for each project and negotiated a concise, appropriate payment term before entering into the contract. This is to reduce the risk of financial liquidity from not receiving payment or receiving late payment.

Higher Competition Risk

In the increasingly competitive environment, the company has a policy to bid for work that the company has expertise in order to be able to control costs in order to maintain the level of gross profit at an appropriate rate and as a result, the company Increase the competitiveness of the auction in another way and the potential of the company that can provide a variety of construction services such as structural work, architecture work, electrical and sanitary engineering systems and the work of safety systems, etc. which has

been trusted by consulting engineering firms as well as project owners in continual bid submissions. However, the company has plans to reduce the risk from higher competition by focusing on developing and maintaining long-term relationships with customers in both the private and public sectors to increase the opportunity to provide service and maintain the customer base continuously.

Risk from shortage of qualified contractors and labor

The quality contractors are one of the key factors that result in project completion within the specified timeframe. If there is a shortage of quality contractors, costs will be affected and delivery time because qualified contractors will be able to plan, control, supervise and inspect work in accordance with the specified operational plans both the allocation of materials and equipment labor personnel as well as effective communication, as well as the risk of labor shortages affecting the delay in construction. Failed to deliver the work on time.

However, the Company is aware of such risk factors with a policy of selecting efficient contractors by considering the credibility and work experience. In addition, the company has project engineers to control and help solve immediate problems for contractors and the Company has a systematic and clear supervision of the contractor's work and arrange meetings with contractors regularly to ensure that each contractor will operate according to the established work plan efficiently under the same quality. In addition, the company has reduced the risk of labor shortage problems. There are plans to prepare some foreign workers to support. This is in accordance with the government's free trade policy. It also benefits indirectly from the cost reduction of labor costs as well.

Risks to the country's economy

The construction business it is a business that grows in the same direction as the country's economy. including various country development projects such as public utility projects residential building and office buildings, etc. The risk of construction business lies in the political and economic stability of the country which is a factor that affects the purchasing power and confidence of the company's target customers. However, the company is aware of the reduction of such risks by formulating company policies in accordance with the economic conditions in each period. Including the company will continue to find products that can meet the needs of the target customers as much as possible. This will result in the company generating sales. Stable and sustainable growth.

2.2.2 Securities holder investment risk

Risk from the Company's accumulated loss May not be able to pay dividends in the near future

In the accounting period ended December 31, 2021, the Company's financial statements showed a net loss of 123.25 million baht and a cumulative loss of 2,524.55 million baht. However, the Company has accumulated a large loss in the past 4 -5 years due to the rather high competition. Consequently, the company's net profit margin continued to decline. The company has accumulated loss of such amount. As a result, the company cannot pay dividends to shareholders according to the law and shareholders are at risk of not receiving dividends according to the specified dividend payment policy.

However, the company is in the process of adjusting its operational strategy. The company expects that such action will result in the overall performance of the company will return to a better direction.

2.2.3 Risks of potential new business operations (Emerging Risk)

The risk of the COVID-19 outbreak

In 2021 will be a challenging year for the company due to the impact of the COVID-19 pandemic. The company has become more careful in its management and business operations. In addition, the most efficient use of resources. This outbreak of COVID-19 has had a widespread impact and is expected to continue to affect in the near future. Therefore, the company has measures to strictly comply with the government's announcements. as well as having health and safety measures Screening and temperature measurement disinfectant spray Maintaining a distance at work Raising awareness of good hygiene practices and wearing a mask both employees and visitors through announcements or public relations signs.

3. Driving business for sustainability

3.1 Sustainability management policies and goals

The company is determined to be a good model of construction. by building credibility to Investors and stakeholders in business operations Add value and promote sustainable growth of the organization. including management according to good principles that are universal and beneficial to Thai society In order to achieve the goal and maintain excellence in morality, which is the fundamental value of leading organizations by laying down the following principles:

- Business Policy
- Rights of Shareholders and Equitable Treatment of Shareholders
- Policy on treating stakeholders
- internal control risk management and business ethics
- Prevention of conflicts of interest
- Disclosure and Transparency
- Structure and responsibilities of the Board of Directors

Policies and Practices on Society, Community and Environment

The company has a policy on the environment, health, sanitation and safety at work as follows:

1) All facilities The Company must comply with all laws, rules, regulations and requirements. in regards to safety health and environment

2) The company is aware of safety Health and Welfare in the work of all employees whether in the workplace or in the business of employees in other companies including others while they were at the company premises.

3) The management system is not only responsible for preventing accidents. work-related disease and protect the environment only but also the provision of resources and the necessary budget and enough to foster a safety culture Health and environmental health in the workplace by demonstrating clearly and vigorously and continuously implementing agreements.

4) Safety management system health and environment This is how the company agree to continually contribute to optimization and improvement of performance. Therefore, the company Committed to enforcing a security management system health, sanitation and environment in identifying, evaluating and controlling hazards and risks in terms of occupational safety and health and environmental pollution We will develop a security system. Health and environmental health surveillance, monitoring and reporting of results, actions and continual improvements

5) Consideration of various changes in the production process We will bring the security system Health, sanitation and the environment to be a part of the assessment of every change.

6) The company will be responsible to society. The company promises to take action to protect the environment. Use raw materials wisely and use energy efficiently and economically. to reduce emissions waste management and reuse the waste for new uses

7) Inspection of safety, health and hygiene systems and the environment will operate properly Always include identifying non-conformances. and try to find a way to improve and improve

8) The company will implement an operating system that is excellent in terms of security. Health, sanitation and environment are applied in the organization and all employees are involved in these activities through training, audit, consulting, advice and facilitating appropriate and adequate action.

9) All employees, contractors and sub-contractors are responsible for complying with the procedures. and various regulations as prescribed in the safety, health and environmental management system for routine operations with safety, health and environmental friendliness

3.3 Sustainability management in environmental dimensions

3.3.1 Environmental policies and practices

The Company pays attention to environmental problems and their impact on community always Therefore, we have joined the "Good Governance" project for the year 2021 with determination to implement environmental governance principles in the workplace in accordance with the established criteria and focus on environmental protection together with community and local society by compliance with environmental governance environmental action

The company has a clear environmental policy. and is considered a strict guideline by complying with various environmental laws and standards Organize internal systems to eliminate environmental problems systematically and efficiently Ready to improve and develop to be even better

The Chairman of the Executive Committee has taken into account the reduction of resource use. Reducing the use of paper for copying reduces the impact on the environment. All of which are good for the business in providing more efficient service. and also to reduce costs which will lead to higher profits and increased competitiveness

3.4 Sustainability management in social dimensions

3.4.1 Social policies and practices

treatment of employees

Details of "treatment of employees" appear in the heading. "Corporate Governance Policy"

human resource development policy

The company has supervised that wages are at a level that is appropriate for the Thai industry. restructuring And the organization of the organization is carried out responsibly. Under the framework of Thai law and complying with the law, the company has established a provident fund. to create security for employees

1. Respect the rights of employees according to human rights principles and comply with labor laws
2. Provide employment process and fair employment conditions including compensation and consideration of merits under a fair performance evaluation process.
3. The Company will regularly assess the implementation of the policies set forth above.
4. Provide welfare in various fields for employees as required by law, such as social security, etc., and other than those required by law such as health insurance and accident insurance, etc., including providing various types of subsidies to employees such as scholarships for children and funeral assistance, etc.
- 5 . Operate employees to work safely. and good workplace hygiene by providing measures to prevent accidents and enhancing employees' safety awareness including organizing training and encourage employees to have good hygiene and take care of the workplace to be hygienic Always be safe
6. Promote human resource development by providing training Seminars and training to develop knowledge competence and potential of personnel as well as instilling good attitude, morality, ethics and teamwork among personnel.

3.4.2 Social Performance

The Company has an ideology to conduct business with integrity. by adhering to social responsibility and all groups of stakeholders in accordance with good corporate governance and the Company's Code of Conduct as well as policies and practices towards various stakeholders of the Company to ensure that the

Company There is a policy of stipulating responsibility. Appropriate practice guidelines and requirements To prevent corruption in all business activities of the company and so that decisions and business operations that may be at risk of corruption are taken into account. and practice carefully The company has prepared "Anti-Corruption Guidelines" in writing To be a clear practice guideline in business operations and develop the organization towards a sustainable organization

- Activities to look after and build relationships with neighboring communities.

In addition to building good relationships with communities adjacent to the construction project The company focuses on building networks and building good relationships with government agencies. and organizations that are close to the area as well

4. Explanation and Analysis of Business Operation and Financial Status

Financial Highlights

1) Financial Statement

AUDITOR'S REPORT

2021

Opinion

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

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

2020

Opinion

I have audited the accompanying consolidated and separate financial statements of EMC Public Company Limited and its subsidiaries (the Group) and of EMC Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2020, and the related consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the EMC Public Company Limited and its subsidiaries and of EMC Public Company Limited as at December 31, 2020, and its consolidated and

separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

2019

Opinion

I have audited the accompanying consolidated and separate financial statements of EMC Public Company Limited and its subsidiaries (the Group) and of EMC Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the related consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the EMC Public Company Limited and its subsidiaries and of EMC Public Company Limited as at December 31, 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

2) Summary of financial statements

Consolidated/Separate Financial Statements
EMC Public Company Limited and it Subsidiaries
Statement of Financial Position
As of December 31, 2019-2021

| | Consolidated Financial Statements | | | | | |
|---|-----------------------------------|---------------|-----------------|---------------|-----------------|---------------|
| | 2021 | | 2020 | | 2019 | |
| | Million Baht | % | Million Baht | % | Million Baht | % |
| <u>Assets</u> | | | | | | |
| Current Assets | | | | | | |
| Cash and cash equivalents items | 18.31 | 0.69 | 34.57 | 1.19 | 62.87 | 2.02 |
| Trade and other current receivables | 37.50 | 1.42 | 116.28 | 4.02 | 62.81 | 2.02 |
| Current contract assets | 496.49 | 18.74 | 402.15 | 13.89 | 663.60 | 21.33 |
| Short-term loans and interest receivable | 3.34 | 0.13 | 3.07 | 0.11 | 2.47 | 0.08 |
| Inventories | 660.70 | 24.94 | 718.11 | 24.80 | 768.32 | 24.70 |
| Advance payments for materials and contractors | 12.24 | 0.46 | 19.18 | 0.66 | 12.62 | 0.41 |
| Other current financial assets | - | - | 0.35 | 0.01 | 1.82 | 0.06 |
| Other current assets | 6.91 | 0.26 | 9.31 | 0.32 | 18.00 | 0.58 |
| Total current assets | 1,235.49 | 46.64 | 1,303.02 | 44.99 | 1,592.51 | 51.20 |
| Non-current assets | | | | | | |
| Other non-current financial assets | 20.07 | 0.76 | 22.41 | 0.77 | 25.00 | 0.80 |
| Investments in associates and joint venture | - | - | - | - | 0.16 | 0.01 |
| Land held for development | 113.38 | 4.28 | 113.38 | 3.92 | 113.38 | 3.65 |
| Investment property | 971.75 | 36.69 | 1,014.06 | 35.02 | 1,031.66 | 33.17 |
| Property, plant and equipment | 139.57 | 5.27 | 163.91 | 5.66 | 170.54 | 5.48 |
| Right-of-use assets | 15.68 | 0.59 | 5.67 | 0.20 | - | - |
| Other intangible assets other than goodwill | 3.72 | 0.14 | 3.83 | 0.13 | 3.24 | 0.10 |
| Non-current non-cash financial assets pledged as collateral | 68.96 | 2.60 | 211.51 | 7.30 | 106.44 | 3.42 |
| Withholding tax deducted at sources | 78.67 | 2.97 | 56.68 | 1.96 | 64.80 | 2.08 |
| Other non-current assets | 1.49 | 0.06 | 1.56 | 0.05 | 2.82 | 0.09 |
| Total non-current assets | 1,413.29 | 53.36 | 1,593.01 | 55.01 | 1,518.04 | 48.80 |
| Total assets | 2,648.78 | 100.00 | 2,896.03 | 100.00 | 3,110.55 | 100.00 |

Consolidated/Separate Financial Statements
EMC Public Company Limited and its Subsidiaries
Statement of Financial Position
As of December 31, 2019-2021

| | Consolidated Financial Statements | | | | | |
|--|-----------------------------------|---------------|-----------------|---------------|-----------------|---------------|
| | 2021 | | 2020 | | 2019 | |
| | Million Baht | % | Million Baht | % | Million Baht | % |
| <u>Liabilities and shareholders' equity</u> | | | | | | |
| Current liabilities | | | | | | |
| Overdrafts and short-term borrowings from financial institutions | 16.81 | 0.63 | 19.56 | 0.68 | 484.20 | 15.57 |
| Trade and other current payables | 201.77 | 7.62 | 254.84 | 8.80 | 201.28 | 6.47 |
| Current contract liabilities | 68.22 | 2.58 | 70.21 | 2.42 | 154.07 | 4.95 |
| Current portion of: | | | | | | |
| Long-term borrowings | 204.26 | 7.71 | 135.05 | 4.66 | 1.29 | 0.04 |
| Lease liabilities | 3.52 | 0.13 | 3.95 | 0.14 | 2.56 | 0.08 |
| Short-term borrowings and accrued interest | 8.92 | 0.34 | 8.92 | 0.31 | 58.96 | 1.90 |
| Other current provisions | 38.49 | 1.45 | 48.15 | 1.66 | 90.41 | 2.91 |
| Other current liabilities | 10.37 | 0.39 | 11.31 | 0.39 | 9.04 | 0.29 |
| Total current liabilities | 552.36 | 20.85 | 551.99 | 19.06 | 1,001.81 | 32.21 |
| Non-current liabilities | | | | | | |
| Long-term borrowings | 19.08 | 0.72 | 169.64 | 5.86 | - | - |
| Lease liabilities | 44.84 | 1.69 | 47.84 | 1.65 | 48.57 | 1.56 |
| Non-current contract liabilities | 0.35 | 0.01 | 0.33 | 0.01 | 0.33 | 0.01 |
| Deferred income tax liability | 3.74 | 0.14 | 7.21 | 0.25 | 17.15 | 0.55 |
| Non-current provisions for employee benefit | 28.67 | 1.08 | 30.74 | 1.06 | 24.98 | 0.80 |
| Retention payable to contractors | 131.92 | 4.98 | 139.86 | 4.83 | 133.36 | 4.29 |
| Other non-current liabilities | 9.44 | 0.36 | 8.22 | 0.28 | 4.69 | 0.15 |
| Total non-current liabilities | 238.04 | 8.99 | 403.84 | 13.94 | 229.08 | 7.36 |
| Total liabilities | 790.40 | 29.84 | 955.83 | 33.00 | 1,230.89 | 39.57 |
| Shareholders' equity | | | | | | |
| Share capital | 12,650.63 | | 12,650.63 | | 12,650.63 | |
| Issued and paid-up share capital | | | | | | |
| 8,433,754,763 Ordinary shares @ Baht 1.00 each | 8,433.75 | 318.40 | 8,433.75 | 291.22 | 8,433.75 | 271.13 |
| Share premium on ordinary shares | 248.61 | 9.39 | 248.61 | 8.58 | 248.61 | 7.99 |
| Share discount on ordinary shares | (4,459.88) | (168.37) | (4,459.88) | (154.00) | (4,459.88) | (143.38) |
| Share premium on treasury stocks | 5.97 | 0.23 | 5.97 | 0.21 | 5.97 | 0.19 |
| Retained earnings (deficit) | | | | | | |
| Legal reserve | 16.48 | 0.62 | 16.48 | 0.57 | 16.48 | 0.53 |
| Deficit | (2,320.82) | (87.62) | (2,242.55) | (77.44) | (2,304.12) | (74.07) |
| Other component of equity | 63.30 | 2.39 | 65.95 | 2.28 | 68.59 | 2.21 |
| Total shareholders' equity of Parent Company | 1,987.41 | 75.03 | 2,068.33 | 71.42 | 2,009.40 | 64.60 |
| Non-controlling interests | (129.03) | (4.87) | (128.13) | (4.42) | (129.74) | (4.17) |
| Total shareholders' equity | 1,858.38 | 70.16 | 1,940.19 | 67.00 | 1,879.66 | 60.43 |
| Total liabilities and shareholders' equity | 2,648.78 | 100.00 | 2,896.03 | 100.00 | 3,110.55 | 100.00 |

EMC Public Company Limited and its Subsidiaries

Statement of comprehensive income

For The year ended December 31, 2019-2021

| | Consolidated Financial Statements | | | | | |
|---|-----------------------------------|-----------------|-------------------|----------------|-------------------|----------------|
| | 2021 | | 2020 | | 2019 | |
| | Million Baht | % | Million Baht | % | Million Baht | % |
| Revenues | | | | | | |
| Revenue from construction | 948.88 | 86.17 | 1,345.74 | 91.96 | 940.45 | 72.25 |
| Revenue from sales of real estate | 107.34 | 9.75 | 50.68 | 3.46 | 236.53 | 18.17 |
| Rental income and fee leasehold | 8.44 | 0.77 | 13.24 | 0.90 | 18.39 | 1.41 |
| Other income | | | | | | |
| Revenue from project consultant | 0.83 | 0.08 | 1.03 | 0.07 | 2.23 | 0.17 |
| Gain on disposal of investment property | 4.28 | 0.39 | 0.64 | 0.04 | 50.89 | 3.91 |
| Other income | 31.35 | 2.85 | 52.12 | 3.56 | 53.10 | 4.08 |
| Total revenues | 1,101.12 | 100.00 | 1,463.45 | 100.00 | 1,301.59 | 100.00 |
| Expenses | | | | | | |
| Costs of construction | (924.52) | (83.96) | (1,153.26) | (78.80) | (880.70) | (67.66) |
| Cost of sales of real estate | (83.88) | (7.62) | (39.44) | (2.70) | (157.23) | (12.08) |
| Cost of rental and leasehold fee | (39.71) | (3.61) | (42.77) | (2.92) | (43.71) | (3.36) |
| Distribution costs | (10.37) | (0.94) | (21.89) | (1.50) | (48.95) | (3.76) |
| Administrative expenses | (129.00) | (11.72) | (134.03) | (9.16) | (160.56) | (12.34) |
| Total expenses | (1,187.48) | (107.84) | (1,391.39) | (95.08) | (1,291.15) | (99.20) |
| Profit (loss) from operating activities | (86.36) | (7.84) | 72.06 | 4.92 | 10.44 | 0.80 |
| Finance income | 0.53 | 0.05 | 1.39 | 0.09 | 2.24 | 0.17 |
| Finance costs | (2.57) | (0.23) | (4.77) | (0.33) | (8.50) | (0.65) |
| Share of profit (loss) of joint ventures and associates accounted for using equity method | (1.51) | (0.14) | (1.44) | (0.10) | (2.55) | (0.20) |
| Profit (loss) before income tax expense | (89.91) | (8.17) | 67.24 | 4.59 | 1.63 | 0.13 |
| Tax income (expenses) | 3.30 | 0.30 | (6.70) | (0.46) | 0.66 | 0.05 |
| Profit (loss) for the year | (86.61) | (7.87) | 60.54 | 4.14 | 2.29 | 0.18 |

EMC Public Company Limited and it Subsidiaries

Statement of comprehensive income

For The year ended December 31, 2019-2021

| | Consolidate Financial Statements | | | | | |
|---|----------------------------------|---|--------------|---|--------------|---|
| | 2021 | | 2020 | | 2019 | |
| | Million Baht | % | Million Baht | % | Million Baht | % |
| Profit (loss) for the year | (86.61) | | 60.54 | | 2.29 | |
| Other comprehensive income | | | | | | |
| Components of other comprehensive income that will not be reclassified to profit or loss | | | | | | |
| Actuarial gains (loss) | 5.98 | | - | | 2.05 | |
| Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss | (1.20) | | - | | - | |
| Other comprehensive income for the year - net of tax | 4.78 | | - | | 2.05 | |
| Total comprehensive income (expense) for the year | (81.83) | | 60.54 | | 4.34 | |
| Profit (loss) attributable to : | | | | | | |
| Owners of the Company | (85.71) | | 58.93 | | 3.66 | |
| Non-controlling interests | (0.90) | | 1.61 | | (1.37) | |
| | (86.61) | | 60.54 | | 2.29 | |
| Total comprehensive income (expense) attributable to : | | | | | | |
| Owners of the Company | (80.93) | | 58.93 | | 5.71 | |
| Non-controlling interests | (0.90) | | 1.61 | | (1.37) | |
| | (81.83) | | 60.54 | | 4.34 | |

Earnings (loss) per share

| | | | |
|-----------------------------------|----------|--------|--------|
| Basic earnings (loss) per share | (0.0102) | 0.0070 | 0.0004 |
| Diluted earnings (loss) per share | (0.0100) | 0.0069 | 0.0004 |

EMC Public Company Limited and its Subsidiaries

Statement of Cash Flow

For the year ended December 31, 2019-2021

(Unit : Million Baht)

| | Consolidate Financial Statements | | |
|---|----------------------------------|---------|----------|
| | 2021 | 2020 | 2019 |
| Cash flows from operating activities | | | |
| Profit (loss) for the year | (86.61) | 60.54 | 2.29 |
| Adjustments to reconcile profit before tax income to cash received (paid) from operating activities | | | |
| Tax expenses | (3.30) | 6.70 | (0.66) |
| Expected credit loss incurred (reverse) | (3.71) | 32.34 | 2.51 |
| Loss from devaluation of inventories (Reversal) | (1.62) | 0.89 | (2.65) |
| Depreciation and amortization | 48.15 | 48.87 | 43.75 |
| Share of (Profit) loss from investment in associates and joint venture | 1.51 | 1.44 | - |
| Loss from impairment of investment in associates and joint venture | | - | 2.55 |
| Gain on disposal of investment property | (4.28) | (0.64) | (50.69) |
| Loss from devaluation of fair value | 2.34 | 2.59 | - |
| Loss from impairment of investment property | - | - | (3.60) |
| Gain on disposal of property, plants and equipment | (0.00) | (1.31) | (0.50) |
| Loss on write-off property, plants and equipment | - | - | 0.20 |
| Other current provisions (reverse) | (14.35) | (10.96) | 6.12 |
| Provisions for employee retirement benefit | 4.66 | 5.76 | 8.34 |
| Financial income | (0.54) | (1.40) | (2.23) |
| Financial cost - Costs of construction | 17.71 | 27.71 | 33.45 |
| Financial cost | 2.57 | 4.77 | - |
| Profit (loss) from operations before changes in operating assets and liabilities | (37.47) | 177.30 | 38.88 |
| Operating assets (increase) decrease | | | |
| Trade and other current receivable | 83.94 | (83.54) | 164.02 |
| Current contract assets | (96.12) | 261.45 | 4.23 |
| Inventories | 59.03 | 29.01 | 109.02 |
| Advance payments for materials and contractors | 6.95 | (9.24) | 39.90 |
| Deposit for Land | - | - | 1.00 |
| Other current assets | 2.40 | 8.70 | (10.94) |
| Other non-current assets | 0.07 | 1.26 | 9.41 |
| Operating liabilities increase (decrease) | | | |
| Trade and other current payables | (54.50) | 52.85 | (100.94) |
| Current contract liabilities | (1.98) | (83.86) | (13.84) |
| Other current provisions | 4.68 | (31.30) | (320.19) |
| Other current liabilities | (0.94) | 2.32 | (28.81) |
| Non-current contract liabilities | 0.02 | - | - |
| Retention payable to contractors | (7.94) | 6.50 | 21.22 |
| Non-other current liabilities | (0.29) | 2.08 | 0.72 |
| Cash from (used in) operation activities | (42.15) | 333.53 | (86.32) |
| Payment for employee retirement benefit | - | - | (4.14) |
| Income tax paid | (23.35) | (8.52) | (18.78) |
| Net cash provided by operation activities | (65.50) | 325.01 | (109.25) |

EMC Public Company Limited and its Subsidiaries

Statement of Cash Flow

For the year ended December 31,2019-2021

(Unit : Million Baht)

| | Consolidate Financial Statements | | |
|--|----------------------------------|----------|----------|
| | 2021 | 2020 | 2019 |
| Cash flows from investing activities | | | |
| Cash received from short-term loan | - | - | 5.81 |
| Cash paid for short-term loan | - | (0.30) | (4.10) |
| Cash received from current financial assets | 0.35 | 1.47 | 4.14 |
| Cash received from investment in associates and joint venture | - | 0.16 | - |
| Cash paid from investment in associates | - | - | (2.55) |
| Cash received from sales of property, plant and equipment | 15.27 | 7.05 | 98.30 |
| Cash paid for acquisition of investment property | - | - | (0.20) |
| Cash received from sales of property, plant and equipment | 0.04 | 1.31 | 0.56 |
| Cash received from sales of property, plant and equipment | (1.08) | (7.29) | (11.96) |
| Cash paid for acquisition of property, plant and equipment | (0.55) | (1.21) | (0.13) |
| Cash received from current non-cash financial assets pledged as collateral | 142.55 | - | 64.86 |
| Cash paid for current non-cash financial assets pledged as collateral | - | (105.07) | - |
| Cash received from interest income | 0.60 | 1.43 | 1.79 |
| Net cash provided by investing activities | 157.18 | (102.45) | 156.52 |
| Cash flows from financing activities | | | |
| Overdrafts and short-term borrowings from financial institutions | | | |
| (increase) decrease | (2.59) | (461.33) | 187.50 |
| Cash received from short-term borrowings | - | - | 8.50 |
| Cash paid for short-term borrowings | - | (50.00) | (83.50) |
| Cash received from long-term borrowings | 40.00 | 360.00 | - |
| Cash paid for long-term borrowings | (121.79) | (55.79) | (154.63) |
| Cash paid for Lease liabilities | (3.43) | (7.30) | (2.99) |
| Cash paid for interest expense | (20.13) | (36.44) | (39.39) |
| Net cash provided by financing activities | (107.94) | (250.86) | (84.51) |
| Net cash and cash equivalents, increase (decrease) | (16.26) | (28.30) | (37.24) |
| Cash and cash equivalents at the beginning of the period | 34.57 | 62.87 | 100.11 |
| Cash and cash equivalents at the end of the period | 18.31 | 34.57 | 62.87 |

EMC Public Company Limited

Financial Ratios

| | | 2564 | 2563 | 2562 |
|-----------------------------|--------|----------|--------|------------|
| Liquidity Ratios | | | | |
| Current Ratio | Times | 2.24 | 2.36 | 1.59 |
| Quick Ratio | Times | 1.04 | 1.06 | 0.82 |
| Account Receivable Turnover | Times | 2.16 | 2.80 | 1.83 |
| Average Collection Period | Day | 168.81 | 130.48 | 198.98 |
| Account Payable Turnover | Times | 4.59 | 5.42 | 4.29 |
| Average Payment Period | Day | 79.51 | 67.38 | 85.04 |
| Profitability Ratios | | | | |
| Gross Profit Margin | (%) | 1.55 | 12.36 | 9.51 |
| Operating Profit Margin | (%) | (7.84) | 4.92 | 0.80 |
| Net Profit Margin | (%) | (8.14) | 4.29 | 0.19 |
| Cash to Profitability | (%) | 75.85 | 451.02 | (1,046.44) |
| Return on Equity | (%) | (4.66) | 3.12 | 0.12 |
| Efficiency Ratios | | | | |
| Return on Assets | (%) | (3.27) | 2.09 | 0.07 |
| Return on Fixed Assets | (%) | (6.98) | 4.67 | 0.17 |
| Total Asset Turnover | Times | 0.42 | 0.51 | 0.42 |
| Leverage Ratios | | | | |
| Debt to Equity Ratio | Times | 0.49 | 0.49 | 0.65 |
| Dividend Payout | (%) | - | - | - |
| Market Value Ratios | | | | |
| Book Value Per Share | (Baht) | 0.22 | 0.23 | 0.22 |
| Earning Per Share | (Baht) | (0.0103) | 0.0072 | 0.0003 |
| Dividend Per Share | (Baht) | - | - | - |
| Dividend Yield | (%) | - | - | - |

3). Explanation and Analysis of Business Operation and Financial Status (MD&A)

Explanation and Analysis of Business Operation and Financial Status

Overview of business operation in the past

EMC Public Company Limited ("the company") and its subsidiaries are a group settled to operate the business relating to providing services according to long-term service contracts and construction contracts, including real estate development for sales, for short-term rental, and for long-term lease. The group of the company operates by the company and subsidiaries as follows:

| Company Name | Type of Business | Paid-up Capital | Shareholding Percentage |
|--------------------------------------|---|-----------------|-------------------------|
| EMC Public Company Limited | Services under long term service contract construction and real estate development contracts | 8,433,754,763 | - |
| <u>Subsidiaries</u> | | | |
| Imperial Land Co., Ltd. | Property Development | 110,000,000 | 100 |
| Siam Bangkok Development Co., Ltd. | Property Development | 20,000,000 | 100 |
| Richman Property Co., Ltd. | Property Development | 5,000,000 | 100 |
| North Property Co., Ltd. | Property Development | 4,000,000 | 100 |
| Sajja Bangsaen Condominium Co., Ltd. | Property Development | 4,000,000 | 100 |
| BR Construction Co., Ltd. | Currently ceasing business | 60,000,000 | 51 |
| <u>Associates</u> | | | |
| Sanken-EMC Co., Ltd. | Construction Services | 40,000,000 | 48 |

In 2020, the company has operated two construction contracts from four employers: 1) a government agency as The Taksin Hospital. The work value is about 1,950 million Baht. 2) a university as The Building Thammasat secondary school 3. The work value is about 327 million Baht. 3) a private company as the new construction project for Café Amazon Business Factories. The work value is about 1,058 million Baht. 4) a

university as The Building Chulalongkorn University Demonstration secondary school. The work value is about 448 million Baht.

In addition, the company has real estate projects under development such as 1) URBITIA THONG LO, located at Soi Sukhumvit 36, to develop as a residential condominium project for sales with 8-storey building of 130 units, the project value approximately 930 million Baht, expected to be completed around Q2 2018, 2) Sea Side, located at Wornapha Beach, Bangseang, to develop as a residential condominium project for sales with two 6-storey building of 200 units, the project value approximately 550.85 million Baht, the project on the process of owner transferring, 3) Land Mark Mahachai, located at Mahachai, Samutsakorn, to develop as a commercial building leasehold and community mall, the project value approximately 1,200 million Baht.

Moreover, the company has been monitoring the progress of the court consideration of the claim to Siam Grand Property Company Limited. On September 16, 2015, the company was filed a civil court by Siam Grand Property Company Limited ("Plaintiffs") and one of former shareholders of Siam Bangkok Development Company Limited ("Co-Plaintiffs") according to the Black Case No. P2206/2558 claimed the company to;

1. Progress report of the lawsuit of advance payment to purchase the American Town Project, Siam Tara Mantra Project, and Eastern Venice Project to Siam Grand Property Co., Ltd.

Referring to the Company paid to purchase land and buildings of the American Town Project, Siam Tara Mantra Project, and Eastern Venice Project from Siam Grand Property Co., Ltd. The company recorded those as "Advance payments for purchases of real estate projects under development" totaling Baht 466.34 million. And on September 16, 2015, the Company was sued by Siam Grand Property Co., Ltd.(Plaintiff) and the Siam Grand Property Co., Ltd 's existing shareholders (Co-Plaintiff) suing the Civil Court according to the black case number P2206/2558.

On October 3, 2017, the date of the first plaintiff's hearing, the plaintiff told the court that on September 27, 2017, the plaintiff was called by a creditor to the Central Bankruptcy Court, on October 30, 2018, the Central Bankruptcy Court dismissed the petition for business rehabilitation of the debtor (plaintiff). The plaintiff requested to withdraw the litigation for filing litigation again but the Court did not permit. Later, when the attention of the plaintiff and defendant's taking an evidence, there is a person (interpleader) who claim to be the buyer of land in the plaintiff's project filed the interpleading that such disputed land should be transferred to him. The Primary Court of First Instance submitted the interpleading for the trail to the Appeal Court, but the Appeal Court upheld the Primary Court judge. The Court makes appointment for investigate evidence of plaintiff, co-plaintiff and defendant witness on June 23, 2021 and evidence of defendant on June

25, 2021. Subsequently, a new wave of coronavirus disease 2019 epidemic occurred, the court therefore postponed the hearing appointment. At this time, there has been no new appointment and the court is in the process of coordinating the date of the witness testimony of the plaintiff, the co-plaintiff and the defendant and all parties.

Although the plaintiff was ordered by the Central Bankruptcy Court not to allow business rehabilitation. But all the events and situations mentioned above Shows that the company has a high risk of not receiving debt payments from debtors. And the management cannot predict when the debt can be tracked back. Including part of the property in the case has been transferred to a third party The aforementioned factors have a negative effect on considering the ability to repay the debt that the company claims from the plaintiff is very much. Therefore, the Company's management considers recorded those as the allowance for expected credit loss in-curred for "Advance payments for purchases of real estate projects under development" in full amount.

2. Report of received the payment from sell investment amount 590 million.

held on April 4, 2019 by offering shares and transferring the right to claim the " SeaSide by North Beach Resort" project and the "Palmio" project as well as entire building and land of three subsidiaries (Richman Property Company Limited, North Property Company Limited and Sajja Bangsaen Condominium Company Limited) in the price of Baht 590 million that the buyer agreed to make payment as follows:

- 1) The 1st instalment amount of Baht 15 million at the agreement date.
- 2) The 2nd instalment amount of Baht 15 million is paid on April 17, 2019.
- 3) The 3rd instalment amount of Baht 118 million will be paid on June 20, 2019.
- 4) The remaining amount of Baht 442 million will be paid every the 5th of each month not less than Baht 36.84 million, commenced on July 5, 2019 onwards, and The Company will transfer the share capital existed in those three subsidiaries to the re-buyer when the payment is completed.

The Company will transfer the share capital existed in those three subsidiaries to the re-buyer when the payment is completed.

In 2019, the Company already received 2 installment payment amount of Baht 30 million.

In 2020, re-purchaser entity additionally paid by 2 postdated cheques amount of Baht 310 million but the postdated cheques could not be drawn. The Company, therefore, confiscated such deposit and recognized as other incomes in statements of comprehensive income. Under to buy and to sell of such ordinary share is in accordance with judgement by consent red case no.P957/2019 dated on April 5, 2019 by making compromise agreement) The Company also has used the right for judgement execution and the

Court issue writ of execution dated on May 12, 2020 to the re-buyer. This is in the execution process to confiscate assets of some of re-purchasers in order to selling by auction for making payment for damage.

3. Progress report on deposit refund, proceed to get the ownership transfer, and restore the receivables.

3.1 Accounts receivable of Siam Grand Property Co., Ltd. amounting to Baht 16.81 million.

As at March 31, 2017, the Company had outstanding receivables of Baht 16.81 million for the sale of the projects of Siam Grand Property Co., Ltd. The Company recorded total outstanding balance of Baht 14.40 million for indemnity claims for damages in the Black Case No. 2206/2558, which are under consideration by the Court of First Instance. The additional receivable Baht 2.41 million is not in the case to which the company is going to claim later after the main case on article 1 finished. The Company has set aside allowance for expected credit loss in-curred amounting to Baht 16.81 million in the financial statements since 2016. The current progress is as per the above article 1.

3.2 Progress of the repayment of Trade Receivable, Retention, and Suspension Project Receivable Comparison data for allowance compared to the value set for all projects.

Progress of lawsuit: L Nine Development Company Limited (the defendant) is the owner of Blue Rock Hua Hin, a condominium project located in Hua Hin, Prachuapkerekhun Province. The defendant is the owner of the contract to architectural and MEP construction totaled Baht 436.50 million. On August 23, 2016 the Company has filed the lawsuit according to the Black Case No. P1523/2559, to claim the defendant breached of the contract amount of Baht 24.62 million, including the defendant failed to pay the final installment construction on December 25, 2015 of Baht 4.39 million with a fine of Baht 0.44 million and retention refund of Baht 19.10 million with interest of Baht 0.69 million totaling Baht 24.62 million.

The Court of Appeal issued a judgment to L Nine Development Co., Ltd. (defendant) to pay the company (plaintiff) total amount of Baht 23,491,575.40 with interest of 7.50% per annum. The case is under trial.

In 2020, the Group's total operating revenues were Baht 1,463.63 million, an increase of Baht 161.87 million or 12.43% from that of the same period of last year. This is the revenue from the two main lines of construction; general building construction and M&E systems construction. In addition, there are revenues from real estate development, project advisory fee, rental revenue and leasehold service and interest income.

REVENUES FROM THE OPERATION

In 2021, the total revenue of the Company and subsidiaries is Baht 1,101.12 million, a decrease of Baht 362.33 million or 24.76 percent comparing to that of 2020 which the total revenue was Baht 1,463.45 million due to the decrease in revenue from construction services.

CONSTRUCTION AND SALE REAL ESTATE AND COST OF RENTAL AND LEASEHOLD FEE

In 2021, the Company and subsidiaries have cost of construction sale of real estate and rental and leasehold fee amounting to Baht 1,048.10 million or 95.19 percent of the revenues, with the decrease of Baht 187.37 million or 15.17 percent comparing to that of 2020, which cost of construction sale of real estate and rental and leasehold fee were Baht 1,081.66 million.

DISTRIBUTION COSTS AND ADMINISTRATION EXPENSES

The distribution costs and administration expenses in 2021 are equivalent to Baht 139.37 million or 12.66 percent of the total revenue, with a decrease of Baht 16.55 million or 10.61 percent due to the decrease in distribution costs of Baht 11.52 million and administration expenses a decrease of Baht 5.03 million.

FINANCIAL COSTS

The financial costs in 2021 are Baht 2.57 million, with a decrease of Baht 2.20 million or 46.13 percent comparing to that of 2020 due to the Company has repayments short-term loan from financial institutions.

NET PROFITS

In 2021, the Company and subsidiaries have recorded a net loss of Baht 86.61 million representing a net loss margin of 7.87 percent of the total revenue, with the decrease of Baht 147.14 million whole number

Financial Status

Assets

Total assets of the Group by the end of 2021 were Baht 2,648.78 million, a decrease of Baht 247.26 million or 8.54% from that of the previous year mainly due to the decrease of Non-current non-cash financial assets pledged as collateral Baht 142.56 million. And decrease of Trade and other current receivables Baht 78.78 million. And decrease of Inventories Baht 57.40 million.

Cash and Cash Equivalent and Short-Term Investment

In 2021, the group had cash and cash equivalents of Baht 18.31 million a decrease of Baht 16.27 million from that of the previous year mainly due to the decrease cash flow from Operating activities and financing activities while an increase form Cash flows from investing activities.

Account Receivables

As at 31 December 2021, the group had net trade receivables of Baht 27.37 million, a decrease of Baht 71.03 million comparing to that of the previous as the debtor aging table below:

| Description | Consolidated Financial Statement (Million Baht) | |
|--|---|---------------|
| | 2021 | 2020 |
| Trade receivables of other parties: | | |
| - undue | 22.40 | 98.12 |
| - overdue | | |
| Up to 3 months | 4.97 | 0.15 |
| From 3 months to 6 months | - | 0.14 |
| From 6 months to 12 months | 0.02 | 2.17 |
| More than 12 months | <u>9.03</u> | <u>8.72</u> |
| Total | 36.42 | 107.30 |
| <u>Less</u> allowance for expected credit loss in-curred | <u>(9.05)</u> | <u>(8.90)</u> |
| Total trade receivables of other parties | 27.37 | 98.40 |

By the end of 2021, the group had an allowance for credit loss in-curred totaling Baht 9.05 million, an increase of Baht 0.15 from that of the previous year. The Group has closely monitored customers with overdue debts. In addition, to reduce the risk of collecting from customers, the group has a policy to consider the customer's ability to pay for contracts thoroughly before the consideration to undertake the construction services of each client.

Current contract assets (Unbilled Account Receivables and Retention Receivables from Customers)

The unbilled account receivables of the group as at the end of 2021 was Baht 477.01 million, an increase of Baht 107.22 million or 28.99% from that of the previous year mainly from ongoing projects. The unpaid projects pending for more than 12 months has been set aside allowance for expected credit loss incurred total amount of Baht 7.51 million.

The retention receivables of the group at the end of 2020 were Baht 19.49 million, a decrease of Baht 12.87 million or 39.77% from that of the previous year. The allowance for expected credit loss incurred doubtful retention receivable was Baht 22.11 million. The increase from retention receivables of iFactory in the Forest Project Baht 24.74 million while the decrease from The Taksin Hospital Medical Office Project Baht 11.86 million.

Inventories

The group's construction materials at the end of 2021 was Baht 14.75 million, an increase of Baht 8.56 million or 138.49% caused by fluctuating prices of construction materials The company therefore has an order to hoard some. There are also furniture and electrical appliances under installation and deliver the work to customers.

The group's real estate development cost at the end of 2021 was Baht 645.96 million, a decrease of Baht 65.96 million or 9.27% from that of the previous year. The main reason is the sale of residential condominium projects.

Lands, Buildings and Equipment

The group of company has land property, plant and equipment as of December 31, 2021 totaling Baht 139.57 million, a decrease of Baht 24.34 million or 14.85% from that of the previous year. The increase was mainly furniture, machine tools, and vehicles. While the decrease was mainly accumulated depreciation.

Liabilities (Debts)

The total liabilities of the group as at 2021 amounted 790.40 million Baht which were decreased 165.43 million or 17.31% Baht compared to that of last year the decrease was mainly from because the Company has repayments long-term borrowing was Baht 81.35 million and decrease from Trade and Other Current Payable Baht 53.08 million. Currently, the company has the ability to repay debt and to comply with

the terms of the loan. It also has the ability to provide the additional source of fund from other sources to expand the business further.

Trade and Other Current Payable

As at 31 December 2021, the outstanding balances of trade accounts payable and other accounts payable were Baht 201.77 million, a decrease of Baht 53.07 million or 20.83% from that of the previous year due to the increase of the trade account payable and accrued expense payable.

Short-term borrowings and accrued interest.

As at 31 December 2021 there were outstanding balances of Short-term borrowings and accrued interest receivable from related parties of Baht 8.92 million which has the same amount as the previous year.

Long-term borrowings.

As at 31 December 2021, the outstanding balance of long-term borrowings was Baht 223.34 million, a decrease of Baht 81.35 million or 26.70% Divided into long-term borrowings due within one year was Baht 204.26 million and long-term borrowings due over one year was Baht 19.08 million Caused by a long-term loan from a financial institution for two construction projects.

Shareholders' Equity

As of December 31, 2021, the Company's paid-up capital was Baht 8,433.75 million Meanwhile the group's operating results for the year 2021 were loss of Baht 85.71 million (for Parent company), the accrued deficit retain earning of Baht 2,320.82 million and an increase in shareholders' equity of the parent company to Baht 1,987.41 million or book value was Baht 0.22 per share.

Cash Flow and Liquidity

In 2021, the Group had a cash flow from operating activities before the change in operating assets and liabilities was Baht 37.46 million and cash paid from current contract assets was Baht 96.12.million resulted in a net cash flow used in operating activities of Baht 65.50 million, and used cash from financing activities Baht 107.94 million, while There were cash received from in investing activities Baht 157.18 million, resulting in net cash and cash equivalent decrease of Baht 16.27 million, and cash and the ending balance of cash equivalents Baht 18.31 million.

The Group has a policy to provide additional sources of funds to maintain liquidity in the organization and to provide opportunities for expansion. The company generates cash flow not only from its working capital from the operation but also from financial institutions and fund raising through the stock exchange as well.

Sources of Capital

| Source of Capital | Consolidated Financial Statement | | | | | |
|--|----------------------------------|--------|----------|--------|----------|--------|
| | 2021 | | 2020 | | 2019 | |
| | million | % | million | % | Million | % |
| Current Liabilities | 552.36 | 20.85 | 551.99 | 19.06 | 1,001.81 | 32.21 |
| Non-Current Liabilities | 238.04 | 8.99 | 403.84 | 13.94 | 229.08 | 7.36 |
| Total Liabilities | 790.40 | 29.84 | 955.83 | 33.00 | 1,230.89 | 39.57 |
| Shareholders' Equity | 1,858.38 | 70.16 | 1,940.20 | 67.00 | 1,879.66 | 60.43 |
| Total Liabilities and Shareholders' Equity | 2,648.78 | 100.00 | 2,896.03 | 100.00 | 3,111.55 | 100.00 |

From the table above, for the year 2021, the group's capital base was 66.85% from the shareholders' equity and 70.16% from the total liabilities accounting for 29.84% of current liabilities. The group's business operations require a lot of capital to buy construction equipment, payroll and construction labor costs, and sub-contractor expenses. Most of the funds are in the form of credits received from trade accounts payable, money received in advance from customers, unbilled construction costs, and short-term loans from financial institutions. For the year 2021, the group has debt to total asset ratio of 0.30 times and debt to equity ratio of 0.43 times, implying that the utilization of debt financing is suitable. Therefore, the group has the better opportunity to apply for a loan from a financial institution to expand its business in the future.

Commitments and contingent liabilities

1) As at December 31, 2021, the company and its subsidiaries had commitments under purchase orders of construction materials and subcontractors services totalling Baht 134.19 million.

2) Commitments under operating leases

The group has cash payable in future under various long-term operating lease contracts to rent office space and facilities, office equipment and vehicles and land for construction employee. The minimum amount to incur income in future for each interval would be as follows :-

| (Unit : Thousand Baht) | | |
|--|--------------|--------------|
| <u>Consolidated financial statements</u> | | |
| <u>As at December 31,</u> | | |
| | <u>2021</u> | <u>2020</u> |
| Not later than 1 year | 5,443 | 7,032 |
| Later than 1 year and not later than 5 years | 304 | 1,484 |
| Total | <u>5,747</u> | <u>8,516</u> |

Letter of Guarantee

As at December 31, 2021, the group's outstanding letters of guarantee issued by financial institutions on behalf of the group in respect as required in the normal course of business was Baht 492.74 million. The letters of guarantee are guaranteed by mortgage of land and buildings real estate development costs , deposits with financial institutions of the company ,deposits of existing shareholders of a subsidiary , and joint by a director including the right to receive payment for work with the bank as collateral.

Factors and Main Influences which probably effect business operation or financial status in the future

Factors affecting the business operation or financial status in the future of the group of companies are fluctuation of price of construction equipment and materials, shortage of construction labor, economic situation, government policies and so on.

Prices of construction materials have a direct impact on the group's construction costs. Especially, steel, concrete, and wires are the main materials used in the construction. However, the company closely monitors the price of construction materials for the purpose of efficient procurement planning in order to control costs to meet the goals set for each project.

The labor shortage affects to the construction of the group of companies in the past, which is the cause of construction delay problems and cannot deliver on time as scheduled. However, the group is aware of this risk and be prepared to supply foreign workers to replace. That will make the lower labor cost and it can help alleviate the labor shortage affect to the operations of the company.

Economic and the policy of the government can be considered as another factor that affects the operation of the group of companies. If the economic condition of the country has improved, investment has expanded in both the public and private sectors then, it will contribute the work increasing of the group of companies. However, the liberalization of trade in ASEAN group (AEC), and Eastern Economy Corridor (EEC) that the government supports is likely to be advantage of the company toward internal trading expansion such as automotive, tourism and so on and it's likely to cause the expansion of ASEAN to Thailand. Meanwhile, it is the opportunity to expanding for investment or contractor in ASEAN or more. However, the Company expects to receive the task of building up from government support this free trade. In addition, demand for housing of people who want to invest in Thailand will be another customer group of real estate development business of the companies.

In term of political, any political change will lead to uncertainties of large investments plans in the infrastructure of the country including of the investment plans of the private sector, and will affect the construction sector and the real estate development business of the company as well. However, the group of companies has adjusted the strategy by increasing the proportion of the private sector job which is low risk and construction period is not too long and also with a good margin by not focus on the project quantity. That is the cause of operations result of the group of companies will not much affect with these risk factors. Future plans for the company, remains focused on constructions which provide the good profit such as a plant construction and the low rise buildings by concerning about business potential and finance of the employer.

5. General information and other important information

5.1 General information

| | |
|-----------------------------|--|
| Company name | : EMC Public Company Limited |
| Initials | : EMC |
| Head office location | : 140/66-67 ITF Tower, 28th-30th Floor, Silom Road, Suriyawong, Bangrak, Bangkok 10500 |
| Nature of business | : The main business is to provide services under long-term service contracts. Construction and real estate development contracts |
| Company registration number | : 0107538000321 |
| Telephone | : 02-615-6100 |
| Fax | : 02-615-6128-30 |
| Website | : www.emc.co.th |
| registered capital | : 12,650,632,144 Baht |
| paid-up capital | : 8,433,754,763 Baht |
| face value | : 1 baht per share |
| accounting period | : January – 31 December |

Securities registrar

Thailand Securities Depository Company Limited

No. 62 The Stock Exchange of Thailand Building Ratchadaphisek Road, Khlong Toei Subdistrict, Khlong Toei District, Bangkok 10110 Telephone 02-229-2800 Fax 02-654-5427 Call Center 02-229-2888 Website :

www.tsd.co.th

Company Auditor

| | |
|---------------------------------|------|
| 1. Mrs. Suwimol Chrityakierne | 2982 |
| 2. Ms. Somchintana Phonhirunrat | 5599 |
| 3. Mr. Jumpadprai Rattanakorn | 7645 |
| 4. Mr. Napruk Phitsanuwong | 7764 |
| 5. Ms. Supaporn Mangchit | 8125 |
| 6. Mr. Wiroj Sajjathanukul | 5128 |

D I A International Audit Company Limited

316/32 Soi Sukhumvit 22, Sukhumvit Road, Khlong Toei Subdistrict, Khlong Toei District, Bangkok 10110

Telephone 02-259-5300

Fax 02-260-1553

www.diaaudit.com

Legal Advisor

Demonstration Business Law Office Co., Ltd.

59 Soi Rattathibet 28 Intersection 2, Bang Kraso Subdistrict, Mueang District, Nonthaburi, Nonthaburi 11000

Asia Atherny Law Office Company Limited

339/1 The Spirit Condo Building, Srinakarin Road, Nong Bon Subdistrict, Prawet District, Bangkok 10250

Telephone 089-026-5484

Phalangnit Attorney's Office

440 Rattathibet Road, Bang Kraso Subdistrict, Mueang Nonthaburi District Nonthaburi Province 11000

Telephone 090-961-9107

law office Preecha and her lawyer friend

44/109 Moo 8 Soi Ramintra 63/1 Ramintra Road, Tharang Subdistrict, Bang Khen District, Bangkok 10230

Telephone 02-945-9482-5 Fax 02-946-5191

R&K Legal Consultant

69 Soi Phasi 2, Ekkamai Road, Watthana, Bangkok 10110 Telephone 092-832-0199

Siam and Detective Law Office

119/99 Bangrak Phatthana Subdistrict Bang Bua Thong District Nonthaburi Province 11110 Telephone 089-788-0351 Fax 02-834-2669

5.2 Other important information

- Non –

5.3 legal dispute

5.3.1 The Company was sued from the seller (Plaintiff) on September 16, 2015. The Company was sued by Siam Grand Property Company Limited ("Plaintiff") and the existing shareholders of Siam Bangkok Development Company Limited. Lopment Co., Ltd. (Joint Plaintiff) filed a lawsuit in the Civil Court under the Black Case No. Por.2206/2015 for the Company to 1) Deliver the original documents of the mortgage contract, the mortgagee dated August 13, 2014. Documents consenting to redeem the mortgage from a local bank The original title deed located at Ban Bueng District. Chonburi Province, a total of 20 plots with documents, the plaintiff's power of attorney to transfer the land 2) Payment of 500,000 baht to the plaintiff with interest at the rate of 7.5% per annum of the said principal from the date of filing onwards until the said amount is fully paid. และ 3) Continue to pay damages on a monthly basis of 1.3 million baht from the date of filing onwards until the company can return the said title deed to the plaintiff. Subsequently, Subsequently, on October 26, 2015, the Company submitted an appeal to the court and countered the case with the Civil Court in accordance with the

forementioned lawsuit in order to (1) allow the plaintiff and the plaintiff to jointly transfer the ownership of the land title deed under the purchase and sale agreement of the Siam Tara Mantra Project (65 plots) Venice East Project (6 plots) and American Town Project (151 plots) (2) If the plaintiff or the joint plaintiff is unable to complete the transfer of the land ownership to the company under (1), the plaintiff and the plaintiff jointly repay the money already paid by the company in the amount of 521.62 million baht to the company together with interest at the percentage rate. and (3) the plaintiff and the plaintiff shall jointly pay damages amounting to 751.36 million baht to the Company, together with interest at the rate of 7.5% per annum of the principal amount of 743 million baht from the date of the counterclaim until the plaintiff and co-plaintiff have paid to Company completed. Result The end of these matters is currently unknown. The Company recorded the payment for the purchase of the said project and additional construction costs in the said project totaling Baht 466.34 million as part of the "Advance payments for purchases of real estate projects for development" in the consolidated and separate statements of financial position as at December 31, 2021

Subsequently, on October 26, 2015, the Company submitted a complaint to the court and filed a counterclaim to the Civil Court for the purpose of

- a) Let the plaintiff and the plaintiff jointly transfer the ownership of the land title deeds according to the purchase and sale agreement of the assets of the Siam Tara Mantra Project (65 plots), the Venice East Project (6 plots) and the American Town Project (151 plots).
- b) If the plaintiff or joint plaintiff is unable to complete the transfer of land ownership to the company under a) to the plaintiff and joint plaintiff Repay the money already paid by the Company in the amount of 521.62 million baht to the Company with interest at the rate of 7.5% per annum of the principal amount of 515.81 million baht from the date of the counterclaim until the plaintiff and co-plaintiffs have completed the payment to the Company.
- c) Let the plaintiff and the plaintiff jointly pay damages in the amount of 751.36 million baht to the Company together with interest at the rate of 7.5% per annum of the principal amount of 743 million baht from the date of the counterclaim until the plaintiff and co-plaintiff have paid to the Company. Finish

Subsequently, on October 3, 2017, which was the date of the first hearing of the plaintiff's witnesses. The plaintiff made a statement to the court that on 27 September 2017, the plaintiff was filed by a creditor with the Central Bankruptcy Court. Subsequently, on October 30, 2018, the Central Bankruptcy Court There was a judgment dismissing the request for rehabilitation of the debtor (the plaintiff). The plaintiff requested to withdraw the lawsuit to sue again. but the court did not allow Later, when the plaintiff and defendant's witness examination is due, there is a person (the petitioner) who claims to be the purchaser of land in the plaintiff's project. Submit a request for the transfer of the disputed land to them. The Court of First Instance submitted the petition to the Court of Appeal for consideration. But the Court of Appeal upheld the judgment of the Court of First Instance. The Court of First Instance has scheduled an appointment to take the plaintiff's witness, the

co-plaintiff and the defendant's witness on June 23, 2021 and to take the witness. Defendant, on June 25, 2021, after a new wave of coronavirus disease 2019 epidemic occurred, the court postponed the hearing appointment. At this time, there is no new appointment and the court is in the process of coordinating the date of taking the witness testimony of the plaintiff, the co-plaintiff and the defendant with all parties. Although the plaintiff was ordered by the Central Bankruptcy Court not to allow business rehabilitation. But all the events and situations mentioned above Shows that the company has a high risk of not receiving debt payments from debtors. and managementIt cannot be predicted when debts can be tracked back. Including part of the property in the case has been transferred to a third party The aforementioned factors have a negative effect on considering the ability to repay debt at the company. Claims from the plaintiff very much. Therefore, the Company's management considers the allowance for expected credit losses in the account. "Advance payments for purchases of real estate projects for development" in both the consolidated and the separate financial statements

5.3.2 On November 6, 2018, the Company filed a lawsuit against the construction contractor (Mikon Engineering Public Company Limited) in the Landmark Mahachai Project as a defendant to the Civil Court. on the charge or on the basis of an offense breach of construction contract claim damages litigation capital 140,684,258.45 baht. Subsequently, the defendant filed a counterclaim as the requested capital. 55,245,223.66 baht, the court has a judgment The plaintiff made payment to the defendant in the amount of 1,053,458.28 baht with interest 7.5 per year from the date of counterclaim until payment is complete and to return the work guarantee to the defendant As for the fees and attorney's fees, both parties will be folded. Subsequently, the Court of Appeal resolved Let the defendant pay damages in the amount of 2,000,000 baht, plus an interest of 7.5% per annum from the date of filing the lawsuit (filing on November 6, 2018) until April 10, 2022 and a rate of 5 percent per year from April 11, 2022 onwards until payment is completed to the plaintiff and the plaintiff to pay the amount 10,531,038.90 baht, plus an interest of 7.5% per annum of the principal from the date of counterclaim (September 4, 2019) onwards until payment is completed to the plaintiff. Currently in the process of requesting a petition to the Supreme Court.

5.3.3 On April 9, 2020, the seller of the real estate project (Mr. Anuwit Tantisewekul) filed a lawsuit against the Company as the 1st defendant, Siam Bangkok Development Co., Ltd. 2, and 4 other directors in the case. civil Charges or bases of offense, breach of contract, tort, claim for damages to the Southern Bangkok Civil Court Claimed funds 225,000,000.00 baht of the Siam Aiyara project. The court scheduled two appointments, setting guidelines on August 10, 2020. Later, when the date of the appointment since some defendants have not yet received a warrant, the court has postponed the appointment to point two places. The guidelines are set to 25 November 2020. The court set the date for the witness examination of the plaintiff's witness on 27 and 29 July 2021 and the appointment for the defendant's witness examination on 29 - 30 July 2021. Subsequently, the

court officials have notified the adjournment of this trial. Due to the epidemic situation of the Coronavirus Disease 2019 (COVID-19), a new wave has escalated in severity accordingly. And it is not certain when the situation will end. by the court to cancel the appointment for the plaintiff's witness examination, the appointment for the joint plaintiff's witness examination and appointments to examine the defendant's witnesses between 27 and 29 - 30 July 2021, all without a new appointment at this time and is still in the middle of the court coordinating the date for the hearing of the plaintiff's witness, the co-plaintiff and the defendant and all parties.

5.3.4 On April 21, 2020, the Company sends a letter to Moonshot Venture Capital Company Limited in order to void the contract or the subscription agreement for such shares from the outset. Because the company has not complied with the agreement to invest the money in new innovations. to receive an IRR return of 25% per annum of the investment and have the opportunity to receive dividendsthroughout the holding period In addition, the said company called for the company to pay more shares. In the amount of 50 million baht, without allocating new shares to other investors, showing no intention to invest the company's money in various businesses on May 29, 2020, the company therefore sued the company. and one of the Company's directors (Mr. Tawan Bunyawat) said to the Civil Court Charged with jointly defrauding a contract or an agreement to reserve shares for capital increase by displaying a message Which is false or conceals the truth. Capital 27,656,250.00 baht. The court considered and dismissed the case. and the Company appealed the judgment of the Court of First Instance to the Appeal Court. which is currently in the process of considering by the Court of Appeal

5.4 secondary market

- Non –

5.5 Financial institutions that are in constant contact (in case of issuing debt securities)

- Non -

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

The Board of Directors realizes the importance of corporate governance and good corporate governance. The principles and practices that are consistent with the good corporate governance system have been applied. Used to manage the duties and responsibilities assigned. For the best interests of the company and shareholders as a whole by defining the following policies:

1. The Board of Directors will manage the Company's operations with due care. and be careful within the framework of legal and business ethical requirements. Responsible for performing duties with adequate competence and efficiency. to create the maximum benefit to the shareholders and to prevent conflicts of interest problems

2 ..The Board of Directors operates with transparency. able to verify and disclose sufficient information To create confidence among shareholders, investors and all related parties equally.

3. The Board of Directors has supervised the treatment of shareholders. equal stakeholders and fair to all parties To comply with the provisions of the law and in accordance with the rules and regulations of the Office of the Securities and Exchange Commission. Stock Exchange of Thailand and other relevant laws

4 . The Board of Directors has established a specific working group. which consists of the Audit Committee, the Nomination and Remuneration Committee Risk Management Committee and various sub-committees which have been assigned duties The responsibilities of every committee are clearly defined.

5. Board of Directors There are regular meetings on a regular basis. The meetings and agendas are clearly set in advance.

6 . The management team has a meeting to monitor and supervise the detailed implementation of every project. regularly every week and special meetings may be held as needed. The meeting and agenda are clearly set in advance.

7. The Board of Directors realizes the importance of the internal control system. Both financial control, operation and corporate governance. The Board of Directors has arranged an internal audit unit to be a separate part of the company and reports directly to the Audit Committee.

In this regard, the Board of Directors realizes the importance of participating in the development of corporate governance in accordance with the Good Corporate Governance Principles of 2017 (CG Code), which has 8 principles of practice as follows:

Principle 1: Recognize the roles and responsibilities of the Board of Directors as corporate leaders who create sustainable values for the business.

(Establish Clear Leadership Role and Responsibilities of Board)

Principle 2 Determine the objectives and main goals of the business for sustainability.

(Define Objectives that Promote Sustainable Value Creation)

Principle 3: Strengthen effective committees

(Strengthen Board Effectiveness)

Principle 4: Recruiting and developing high-level executives and personnel management

(Ensure Effective CEO and People Management)

Principle 5: Promote Innovation and Responsible Business Operations

(Nurture innovation and Responsibility Business)

Principle 6: Ensure that there is a risk management system. and appropriate internal controls

(Strengthen Effective Risk Management and Internal Control)

Principle 7 Maintain Financial Trust and disclosure

(Ensure Disclosure and Financial Integrity)

Principle 8: Encourage participation and communication with shareholders

(Ensure Engagement and Communication with Shareholders)

board

Company management structure It consists of 5 committees, namely the Board of Directors. Audit Committee Nomination and Remuneration Committee Risk Oversight Committee and the Executive Committee The details are as follows.

(a) Board of Directors

As of December 31, 2021, the Board of Directors consists of 10 members, consisting of:

| Number | Name | BOD | AC | NRC |
|--------|-------------------------------|-----|----|-----|
| 1 | Mr.Chanachai Leenabanchong | ✓ | | |
| 2 | Mr.Ratchai Pichayapoom | ✓ | | |
| 3 | Mr.Voravit Leenabanchong | ✓ | | |
| 4 | Mr.Pinit Kantikul | ✓ | | |
| 5 | Mr.Vachara Pakdeemonthon | ✓ | | |
| 6 | Mr.Matee Ittirivichai | ✓ | | ✓ |
| 7 | Miss Peramat Huntra | ✓ | ✓ | ✓ |
| 8 | Dr. Yaowarin Srichainan | ✓ | ✓ | ✓ |
| 9 | Miss Taweesri Vigayathipat | ✓ | ✓ | ✓ |
| 10 | Mr. Panathee Sriwongthai | ✓ | ✓ | |

Term of office and retirement of the Board of Directors

Directors have a term of office as stipulated in the Company's Articles of Association, holding office for a term of 3 years and upon the expiration of the term. Directors who vacate office by rotation may be re-elected to hold a new position. At every annual general meeting of shareholders, one-third of the directors of the Company shall retire from office at that time.

Directors cannot be divided exactly into three parts. shall be issued by the number closest to one-third of the directors who must retire from office in the first and second years after the registration of the company shall be drawn by lot; pound The longest term is the one who retires. In addition to vacating office according to the aforementioned term company director may retire when

(1) die

(2) resignation

(3) lacking qualifications or having prohibited characteristics under Section 68 of the Public Limited Companies Act B.E. 2535;

(4) issuance by the shareholders' meeting under Clause (18)

(5) the court has issued an order

In the event that the position of the Company's director is vacant due to other reasons In addition to the retirement by rotation, the Board of Directors appoint a person who has qualifications and does not have any prohibited characteristics by law to be a replacement director at the next board of directors' meeting,

unless the remaining term of that director is less than 2 months. The director's position is only valid for the remaining term of the replacing director.

Scope, powers, duties and responsibilities of the Board of Directors

1. Must perform duties in accordance with the law, objectives and the Company's Articles of Association, as well as the resolutions of the shareholders' meeting with honesty and be careful taking into account the benefits of all stakeholders

2. Determine business policies, Annual plans and budgets of the company. Supervise and supervise the administration and management of the management team in accordance with the established policies with efficiency, to add maximum value to the company and its shareholders

3. Supervise the company to comply with the announcements, requirements and related practices of the Stock Exchange of Thailand, Securities and Exchange Commission and any action required by law

4. Consider approving and/or giving approval on connected transactions. Buying or selling important assets. Investing in new business or investing in other companies that must comply with the regulations of the Stock Exchange of Thailand or laws related to the company's business

except in the following matters. The Board of Directors must obtain approval from the shareholders' meeting before proceeding, such as matters required by law to be approved by the shareholders' meeting, such as capital increase, capital reduction, issuance of debentures. Selling or transferring all or part of the Company's business to another person or the purchase or acceptance of transfer of another company's business to the company, amendment of the memorandum of association or regulations, etc.

5. Consider and approve the financial statements in each quarter, and the annual financial statements that have been reviewed and audited by the auditor and has been approved by the Audit Committee. Before disclosing information to the Stock Exchange of Thailand and guests

6. Consider the management structure. Appoint the Executive Committee, Chief Executive Officer, Managing Director and other committees as appropriate

7. Continuously monitor operating results in accordance with plans and budgets.

8. Directors must not engage in business of the same nature and in competition with the business of the company, or becoming a partner in an ordinary partnership or being a partner with unlimited liability in a limited partnership or being a director of a private company or other companies that operate businesses of the same nature. And it is a competition with the company's business whether it is for one's own benefit or for the benefit of others, unless notified to the shareholders' meeting prior to the resolution of appointment.

9. Directors must notify the company without delay. If there is a stake, whether directly or indirectly, in a contract entered into by the company or holding more or less shares or other securities in the company or its affiliates

10. The Board of Directors may delegate powers to one director, or several people or any other person to perform any act on behalf of the Board of Directors, under the control of the Board of Directors or

may authorize such person to have the power as the Board of Directors deems appropriate and within a period of time as the Board of Directors deems appropriate. The Board of Directors may cancel, revoke, change or amend the person authorized or empowered when it deems appropriate.

In this regard, the Board of Directors may delegate powers and duties to the Executive Committee to perform various tasks, with details of delegation of powers according to scope. Powers and duties of the Executive Committee which the delegation of power must not be of any nature It is the delegation of powers that make the Executive Committee able to consider and approve the items that the Executive Committee or a person who may have a conflict of interest or has any other conflict of interest with the Company or its subsidiaries Except for the approval of transactions that are in accordance with the policies and rules that the Board of Directors have considered and approved.

In 2021, the Board of Directors held a total of 6 meetings.

board meeting

The company has set the meeting date and time in advance throughout the year. which will set the main agenda and follow-up agenda Regular performance In addition, the meeting invitation letter with meeting agenda and meeting documents is delivered 7 days in advance of the meeting date. so that the committee has enough time to study the information before attending the meeting. There may be additional meetings to consider important events as necessary and urgent. The secretary of the Board of Directors is responsible for confirming the schedule for each meeting. or make a new appointment in case of postponement or call an urgent meeting and prepare documents for the meeting to send to the directors Each meeting takes approximately 2 hours and all directors are free to express their opinions. and suggest guidelines The secretary of the Board of Directors Responsible for taking notes and preparing minutes of meetings to be completed within 14 days. Submitting meeting minutes certified by the Board of Directors. as well as keep and maintain the minutes of the meeting and documents supporting the meeting of directors

(b) Audit Committee

It consists of 4 members of the Audit Committee, all of whom have knowledge and understanding. and have experience working in accounting or acceptable financial Ms. Pramarat Hantra is the chairman of the audit committee who has sufficient knowledge and experience to review the reliability of the financial statements. It is responsible for reviewing operations to ensure compliance with policies and regulations, as well as laws and regulations. and regulatory requirements Promote the development of financial and accounting reporting systems to meet international standards. including reviewing the internal control system internal audit system and a concise, appropriate and efficient risk management system. The Audit Committee performs duties and expresses opinions independently as of December 31, 2021.

The Audit Committee consists of 4 members, consisting of:

1. Ms. Pramat Hantra Chairman of the Audit Committee and Independent Director
2. Dr. Yaowarin Srichainan Audit Committee and Independent Director

3. Ms. Taweessri vikyathipat Audit Committee and Independent Director
 4. Mr. Pannathee Sriwongthai Audit Committee and Independent Director
 with Mr. Thitipakorn Prasert Wachirakul Acting as the secretary of the Audit Committee
 Scope, powers, duties and responsibilities of the Audit Committee

1. Consider disclosing connected transactions and may have conflicts of interest to ensure that the Company has complied with the rules and the regulations of the Stock Exchange of Thailand strictly and such transactions are reasonable and for the best benefit of the Company

2. Consider the quarterly financial statements and the annual financial statements that have been reviewed and audited by the auditors together with the auditors and the management before disclosing information to the Stock Exchange of Thailand and guests Reviewing the financial statements to verify the accuracy and completeness of the financial information. Trusted and transparent in accordance with accounting standards including relevant laws and regulations

3. Review the company's internal control system. and internal audit system and consider the independence of the internal audit unit as well as to approve the consideration of appointment, transfer Terminate the head of the internal audit unit or any other unit responsible for the internal audit. including reviewing the Company's risk management system.

4. Review the internal audit reports related to the Company's operations. according to the specified plan for various departments There is a better internal control system. This will result in efficient and effective work.

5. Review the Company's compliance with the Securities and Exchange Act. stock exchange requirements and laws related to the company

6. Consider the selection, nomination, nomination, compensation and evaluating the performance of the Company's auditors including attending the meeting with the auditor without the management attending the meeting at least once a year

7. Prepare the Corporate Governance Report of the Audit Committee which will be disclosed in the Company's annual report. The said report must be signed by the Chairman of the Audit Committee. and must contain at least the information specified by the SET as follows:

- An opinion on the accuracy, completeness, and reliability of the Company's financial reports.
- Opinions about the adequacy of the company's internal control system
- Comments on compliance with securities and stock exchange laws stock exchange requirements or laws related to the company's business
- Opinion on the suitability of the auditor
- Comments on transactions that may have conflicts of interest
- Number of Audit Committee Meetings and the attendance of each audit committee

- Comments or overall remarks that the Audit Committee received from the performance of duties in accordance with the Charter

- Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors

8. Perform any other acts as assigned by the Board of Directors with the approval of the Audit Committee.

Duties and responsibilities of the Audit Committee

1. Review to ensure that the company has accurate and sufficient financial reporting. by reviewing the company's important accounting policies including disclosing information in accordance with financial reporting standards

2. Review the Company's internal control system, risk management and an internal audit system that is appropriate and effective.

3. Review the Company's Anti-Corruption Policy Compliance

4. Consider the independence of the internal audit unit. as well as to approve the assessment, appointment, transfer and dismissal of the head of the internal audit unit. or any other agency responsible for internal audits as well as to ensure that the person holding the position of Head of Internal Audit Have a degree, experience Developing adequate training for the performance of duties

5. Consider and approve the internal audit unit's charter.

6. Consider and approve the audit plan. and monitor the implementation of the internal audit unit's plans

7. Review to ensure that the company complies with the law on securities and exchange. Regulations of the Stock Exchange of Thailand and laws related to the company's business

8. Consider, select, propose, appoint and terminate employment of independent persons. to act as the Company's auditor and propose such person's remuneration to obtain approval from the shareholders' meeting, including

Attend meetings with auditors without the management attending the meeting at least once a year

9. Consider connected transactions or transactions that may have conflicts of interest to comply with the laws and regulations of the Stock Exchange of Thailand and the announcement of the Capital Market Supervisory Board This is to ensure that the said transaction is reasonable. and in the best interests of the company

10. Prepare a report of the Audit Committee which will be disclosed in the Company's annual report. The said report must be signed by the Chairman of the Audit Committee. and must contain at least the following information:

(a) an opinion on the correctness, completeness, and credibility of the Company's financial reports;

(b) an opinion on the sufficiency of the internal control system Risk and Corruption Management of the Company

(c) opinions on compliance with the law on securities and exchange Regulations of the Stock Exchange of Thailand or laws related to the company's business

(d) an opinion on the suitability of the auditor and the head of the internal audit unit

(e) Opinions on transactions that may have conflicts of interest

(f) Number of Audit Committee Meetings and the attendance of each audit committee

(g) opinions or overall observations obtained by the Audit Committee in the performance of its duties in accordance with the charter;

(h) Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors

11. In performing the duties of the Audit Committee If found or suspected that there is an item or the following actions which may have a significant impact on the financial position and performance of the company, the Audit Committee shall report to the Board of Directors. to make improvements within the time the Audit Committee deems appropriate.

(a) Items that cause conflicts of interest

(b) Corruption or something is wrong or there is a major defect in the internal control system

(c) violation of the law on securities and exchange Regulations of the Stock Exchange of Thailand or laws related to the company's business If the Board of Directors or executive Failure to make corrections within the specified time, any member of the Audit Committee may report such transactions or actions to the Office of the Securities and Exchange Commission. or the Stock Exchange of Thailand

12. Support and follow up to ensure that the company has an efficient risk management system.

13. Take care of the company There are channels for receiving clues and complaints. about items in the financial statements that are inappropriate corruption or other issues with a preventive process and confidentiality of whistleblowers as well as having an independent investigation process. and have appropriate follow-up actions

14. Ensuring that the company has a management system with good corporate governance principles.

15. Review, improve and amend the Audit Committee Charter annually. and presented to the Board of Directors for approval.

16. Provide a self-assessment at least once a year.

17. Perform any other tasks as assigned by the Board of Directors. With the approval of the Audit Committee by virtue of the Company's Articles of Association and the law

(c) Risk Management Committee

As of December 31, 2021 Risk Management Committee It consists of the following directors:

1. Mr. Voravit Leenabanjong
2. Ms. Pinit Kantikul
3. Mr. Rattachai Phichayapoom
4. Mr. Watchara Phakdeemonthon
5. Mr. Kornkrit Prakongwittaya
6. Ms. Wanida Puangboonmak
7. Mr. Uthai Klangphimai
8. Mr. Prakob Bamrungrak

Secretary of the Risk Committee : Acting Lt.Mathee Itthiriwichai

Scope, powers, duties and responsibilities of the Risk Management Committee

1. Determine management guidelines and framework for risk management
2. Assess various risks arising from both internal and external factors.
3. Recommend preventive measures and ways to reduce the risk level to an acceptable level.
4. Follow up, evaluate and improve the action plan. To continuously reduce risks and suitable for business conditions
5. Review the adequacy of the policy and risk management system. This includes the effectiveness of the system and the implementation of the established policies.

In 2021, the Risk Management Committee has a meeting with the management and has established a working guideline. However, the company has a working group on debt collection and problematic projects. This is considered an important risk management. Meetings are held regularly 1 day a week.

(d) Nomination and Remuneration Committee

Components of the Nomination and Remuneration Committee

with the company realizing good management and in order to operate in accordance with the policies, strategies and in accordance with the objectives set by the Company, including to drive the Company for sustainable growth and stable business expansion. as well as to support the changing conditions that will occur both internally and externally which may affect the company's business Board of Directors Therefore, it is appropriate to establish the Nomination and Remuneration Committee. As of December 31, 2021, the Nomination and Remuneration Committee consists of 4 members, consisting of:

- | | |
|----------------------------------|--|
| 1. Ms. Taweesri Vikyathipat | Chairman of the Nomination and Remuneration Committee |
| 2. Ms. Pramat Hantra | Member of the Nomination and Remuneration Committee |
| 3. Dr. Yaowarin Srichainan | Member of the Nomination and Remuneration Committee |
| 4. Acting Lt Metee Itthiriwichai | Member of the Nomination and Remuneration Committee |
| Acting LT.Matee Itthiriwichai | acts as the secretary of the Nomination and Remuneration |

Committee.

Scope, powers, duties and responsibilities of the Nomination and Remuneration Committee

1. Consider the nomination, evaluation, and selection of qualified persons to serve as the Company's directors.

2. Considering the person who will take the position as a director as proposed by the shareholders of the Company

3. Consider proposing a person to be a director of the Company for the Board of Directors to consider and propose for approval to appoint to the shareholders' meeting or for the Board of Directors to consider and approve the appointment of the Company's director to replace the vacant position.

4. Review the qualifications of independent directors and propose any changes to the Board of Directors

5. Consider and review the company's payroll system structure. as well as propose guidelines and methods Remuneration to the Board of Directors and various committees Appointed by the Board of Directors

6. Propose the policy for considering the compensation to the management. in accordance with the Company's performance and the performance of the management.

7. Consider the salary increase budget. change in wages and compensation Annual cash prizes for executive officers before proposing to the Board of Directors

Duties and Responsibilities, Nomination, Remuneration

1. Consider the selection and selection of qualified persons to be appointed as the Company's directors.

2. Check the history and information of the selected person taking into account knowledge experience ability Expertise from a wide range of professions have the right qualifications in accordance with the Company's Articles of Association and related laws

3. Make comments or suggestions. for consideration

4. Nominate the selected person to the Board of Directors for consideration.

5. Update and amend the Nomination and Remuneration Committee Charter and presented to the Board of Directors for approval.

6. Any other operations As assigned by the Board of Directors

7. Evaluate the performance of the Board of Directors each year,

8. Consider the limitation of remuneration for the Company's directors. By considering the company's operating results, the amount of compensation approved by the shareholders' meeting and the amount of remuneration paid in the past year to propose to the Board of Directors for consideration and presented to the shareholders' meeting for approval.

9. Consider the allocation of remuneration to the Company's directors. by considering the performance Authority and amount of responsibility within the amount approved by the shareholders and presented to the Board of Directors for approval.

10. Consider the allocation of remuneration to various sub-committees. (who does not hold a position as a director) based on performance, authority and amount of responsibility and presented to the Board of Directors for approval.

11. Update and amend the Nomination and Remuneration Committee Charter and presented to the Board of Directors for approval.

12. Any other operations As assigned by the Board of Directors

(e) Executive Committee

Composition of Executive Directors

As of December 31, 2021 Executive Committee It consists of the following directors:

1. Mr. Chanachai Leenabanchong Chairman of the Executive Committee
2. Mr. Voravit Leenabanchong Executive Director
3. Mr. Pinit Kantikul Executive Director
4. Mr. Rattachai Pichayapoom Executive Director
5. Mr. Vachara Phakdeemonthon Executive Director
6. Mrs. Anchalee Leenabanchong Executive Director

Secretary of the Executive Board: Acting Lt.Mathee Itthiriwichai

Scope, powers, duties and responsibilities of the Executive Committee

1. Operate and manage the Company's business in accordance with the objectives, regulations, policies, rules, regulations, orders and resolutions of the Board of Directors' meeting and/or the resolutions of the Company's shareholders' meeting.

2. Consider setting policies, directions and strategies, business plans and annual budgets of the company. human resource management investment in information technology, work expansion, public relations and to control and supervise the operation of the appointed working group to achieve the target to be presented to the Board of Directors' meeting for approval.

3. Consider the allocation of the annual budget as proposed by the management. before presenting it to the Board of Directors for consideration and approval. This includes considering and approving changes and additions to the annual budget during the absence of the Board of Directors' meeting, but must be within

the scope of the authority approved by the Board of Directors. and to present to the Board of Directors to be informed in the next meeting

4. Consider and approve and/or approve investment-related transactions financial management general administration procurement and procurement and any other transactions related to the Company's business within the scope of authority approved by the Board of Directors

5. Consider and approve important investment expenditures that have been set in the annual budget as assigned by the Board of Directors. or as the Board of Directors has previously approved in principle

6. Provide advice on business expansion and joint venture with other persons under the authority approved by the Board of Directors and presented to the Board of Directors. For approval / for acknowledgment in the next meeting

7. Be a management advisory team in matters of financial policy, marketing, personnel management and other operational aspects

8. Consider the profit and loss of the company. Proposal of interim dividends or annual dividends to propose to the Board of Directors for approval

9. The Executive Committee may delegate powers to one or more directors or any other person. one operation under the control of the Executive Committee or may delegate powers to such persons having powers as the Executive Committee deems appropriate and within the period the Executive Committee deems appropriate The Executive Committee may cancel, revoke, change or amend the authorized person. or delegating such powers as he or she deems appropriate

The powers of the Executive Committee and/or sub-authorization Must not approve connected transactions or any items that may have conflicts of interest or any item that the Executive Committee or a person who may have a conflict with the Executive Committee has an interest or any other benefits that conflict with the Company or a subsidiary according to the regulations of the Stock Exchange of Thailand and/or announcements of the Securities and Exchange Commission The approval of such transactions must be proposed to the Board of Directors' meeting and/or the shareholders' meeting. to consider and approve such transactions as required by the Company's Articles of Association or relevant laws

Compliance with good corporate governance principles

Board of Directors The Company's governance policy has been reviewed and updated to be appropriate. and in accordance with the guidelines of the government agencies that have the power to supervise listed companies In addition to the principles of good corporate governance for listed companies in 2017 with the goal of moving towards international corporate governance standards. and for the company to grow strongly sustainable in the long term For compliance with the corporate governance principles of the Company in 2020 can be summarized as follows:

1. Rights of Shareholders

1.1. The Board of Directors recognizes and respects the ownership rights of shareholders. no action which is a violation or deprivation of the rights of shareholders by taking care of the interests of shareholders fairly as well as supporting and encouraging all groups of shareholders, whether they are domestic or foreign shareholders. both being a major shareholder minority shareholders or institutional shareholders have exercised their rights, both the fundamental rights of shareholders, the right to adequately and timely access to information and the right to attend the shareholders' meeting to determine the direction of operations and make decisions that have a significant impact on the Company

1.2 The company sends the meeting invitation letter along with the meeting information according to the various agendas. Each agenda contains the opinions of the Board of Directors and the minutes of the meeting are accurate and complete. notify shareholders in advance 7 days or 14 days prior to the meeting (as the case may be) so that shareholders have time to study the said information in detail. In addition, information was disclosed on the Company's Web Site. In addition, a proxy was sent along with the meeting invitation so that shareholders wishing to appoint a proxy to attend the meeting on their behalf. as well as nominate independent directors as an alternative to the proxy. It contains information about independent directors who are proxies, such as names, biographies, addresses, shareholding information. and the number of meeting times specified to make a decision

1.3 The Company arranges a shareholders' meeting on a convenient and appropriate date, time and place. steps are set Legitimate shareholder meeting since the meeting Notification of the meeting agenda Document delivery Procedures for conducting a meeting

1.4 Communication between the shareholders of the Company The Company has no policy to block communication between shareholders. Shareholders can communicate and access information freely between each other. The shareholders can copy the list of shareholders of the company at the Department of Business Development. Ministry of Commerce

1 . 5 The Board of Directors gives shareholders the right to approve the remuneration of the Company's directors annually.

1.6 The Board of Directors promotes the use of technology in the shareholders' meetings. to achieve accuracy and speed There is a resolution for each agenda. Give shareholders the right to elect individual directors of the company. and using ballots

- Right to receive information Shareholders have equal rights to receive information. The Company disseminates information in both Thai and English via the channels of the Stock Exchange of Thailand. and through the website www.emc.com for shareholders There are more channels to receive company news and information.

- Right to attend the shareholders' meeting The Company arranges an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year, where the date, time, place and

method are not a hindrance in the matter. Attendance of the shareholders' meeting In order for shareholders to participate in monitoring the Company's performance in 2021, the Company held the 2021 Annual General Meeting of Shareholders on April 29, 2021 as an E-AGM meeting.

before the date of the shareholders' meeting

- The Company has notified the resolution of the Board of Directors No. 2 dated March 12, 2021, which scheduled the 2021 Annual General Meeting of Shareholders to be held on April 29, 2021 with the meeting agenda in both Thai and English. through the information dissemination system of the Stock Exchange of Thailand

- The company provides information on the date, time, location and agenda of the meeting. in the notice of the meeting with facts and reasons, including opinions of the Board of Directors in every agenda. The company has published the notice of the meeting together with the meeting documents From April 1, 2021 through the company's website in both Thai and English.

- The Company has sent a notice calling for the meeting. with meeting documents such as the annual report Proxy Form B. Profiles of persons nominated to be elected as directors of the Company Audit Committee Information that the company nominated as a proxy Map of the meeting venue document description and evidence that shareholders must present at the meeting Articles of Association relating to the shareholders' meeting and the procedure for attending the meeting by giving to the company Thailand Securities Depository Co., Ltd., which is the Company's share registrar, delivers to shareholders 7 days in advance of the meeting date, including 3 consecutive days of newspaper advertisements and 3 days prior to the meeting date.

In addition, shareholders can download the proxy form. that has been prepared and complied with the announcement of the Ministry of Commerce From the company's website www.emc.com, there are 3 types to choose from: Type A, Form B and Form C.

- In case of foreign shareholders, the Company has sent a notice of meeting invitation together with meeting documents. which is translated into English to encourage all types of shareholders, including institutional investors, to attend the meeting

shareholder meeting date

- The Board of Directors attaches great importance to the shareholders' meeting. This is considered a duty to attend the meeting, except when sick or on important missions. In the 2021 Annual General Meeting of Shareholders held on April 29, 2021, there were 7 directors attending the meeting, representing 77.77%, which was an online meeting. duty as a witness in counting the votes attended the meeting shareholders too so that shareholders can ask questions on related matters List of Board of Directors and executives attending the shareholders' meeting See the minutes of the Annual General Meeting of Shareholders.

- The Company has used technology in the shareholders' meeting. To ensure accuracy, speed and convenience for shareholders to exercise their rights to attend the shareholders' meeting and voted fully, and the date, time and venue of the meeting was not an obstacle to attending the meeting.

- Meeting registration can be registered at least 2 hours in advance of the meeting and still granting the right to shareholders to attend the meeting. After the meeting has started have the right to vote on an agenda that has not yet been considered and shall be counted as a quorum from the agenda that exercises the right to vote onwards

- The Company has provided sufficient personnel and technology to register for meeting attendance and vote counting for each agenda item by using a barcode system for convenience, speed and transparency.

- In the case of shareholders unable to attend the meeting in person able to appoint any person or any member of the Audit Committee who is an independent director of the Company attending the meeting instead to be a representative to protect their rights

- The Company treats all shareholders equally. before starting the meeting The company secretary informed the number/proportion of shareholders attending the meeting. including explaining the voting method and vote counting method of the shareholders who must vote on each agenda according to the law and the Company's Articles of Association. The determination of voting rights at the meeting shall be in accordance with the number of shares held by the shareholders. where one share is entitled to one vote and no shares have special privileges to limit the rights of other shareholders Organizing a shareholders' meeting for shareholders to exercise their rights as shareholders know the operating results Give the shareholders the right to approve the annual remuneration of the Company's directors. and electing individual directors including considering and voting on various matters as required by law and the Company's Articles of Association

In the event that any shareholder enters after the meeting has begun, the Company still grants the right to vote. Votes in the remaining agenda that have not been considered and voted on counted as a quorum

At the meeting, the Chairman of the Board of Directors acts as the chairman of the meeting to conduct the meeting according to the order of the meeting agenda. No agenda was added or important information changed without prior notice to shareholders. Adequate time is allocated for presenting various issues in each agenda, giving shareholders an opportunity to ask questions and express their opinions fully in each agenda. If shareholders ask questions or express additional opinions, the Board of Directors will clearly answer the questions to the point. There is a summary of the voting results from the vote counting.

In each agenda with a barcode system and an auditor to witness the vote counting

The important agenda for the shareholders' meeting are:

1. Election of Company Directors : Directors who have been nominated Æ have been screened by the Board of Directors. and if being an independent director Must have qualifications as specified by the company and according to the announcement of the Capital Market Supervisory Board. The notice of the meeting contains preliminary information of the persons proposed to be elected by specifying their names, educational backgrounds, holding positions in other businesses clearly If it is a company that operates the same business and competes with the company's business and types of directors proposed In the case of nominating the former director to be re-appointed Contains information on attendance of the previous year's meetings and the number of terms/years that have held the position of the Company's director. And in the election of directors, the Company gives the opportunity for shareholders to exercise their right to elect directors individually.

2 . Directors' Remuneration : The Board of Directors grants shareholders the right to approve the directors' remuneration annually. There is a set of criteria for the remuneration of directors in each committee. and propose the amount of remuneration for the directors to be approved by the shareholders' meeting annually which has been considered by the Nomination and Remuneration Committee which is considered from the operating results, performance, and the amount of remuneration approved by the shareholders' meeting Amount of compensation paid in the past year including the authority and responsibility with a summary of the approved amount actual amount paid and form of payment including summarizing the amount paid to the Board of Directors. Audit Committee Nomination and Remuneration Committee and the Risk and Anti-Corruption Management Committee individually in the annual registration statement (Form 56-1) and in the annual report (Form 56-2).

3. Appointment of auditor and determination of audit fee amount : The Company has provided auditor information as follows: auditor name Auditor's Office independence Number of years serving the company The audit fees were compared between the current year and the previous year. and other service fees that are received from the auditing firm that the auditor is affiliated with The appointment of auditors and determination of the amount of audit fees has been reviewed by the Audit Committee for approval by the shareholders' meeting.

After the shareholders' meeting

- Upon completion of the shareholders' meeting, the Company disclosed to the public the resolutions of the shareholders' meeting along with the voting results of each agenda. through the website of the Stock Exchange of Thailand www.set.or.th and published via the company website www.emc.com on the business day following the date of the shareholders' meeting.

- Prepare the minutes of the Annual General Meeting of Shareholders in detail, clear, complete and truthful. The names of the directors who attended the meeting were recorded. and auditor and representatives from the audit firm attending the meeting Important clarifications Questions and answers or comments In summary, the details of each agenda are based on the facts of the meeting. The voting results in each

agenda were summarized as agree, disagree and abstain. The minutes of the meeting were reviewed by the Legal Department. and Chairman of the Board before signing as the chairman of the meeting and sent to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. and submit it to the Department of Business Development, Ministry of Commerce within the time specified by the law.

- Provide a video recording of the Annual General Meeting of Shareholders throughout the meeting period.

2. Equitable treatment of shareholders

The company has a policy to support all shareholders, both major shareholder minority shareholders institutional shareholders including foreign shareholders receive equal and fair rights and treatment This is one of the company's corporate governance policies. The principles used by the Company to treat shareholders equally are detailed on the website www.emc.co.th under the heading "Investor Relations".

2.1 The Board of Directors treats all shareholders fairly and equitably. Shares of the same type have equal voting rights. equal to one share per vote

2.2 The Board of Directors encourages shareholders who are unable to attend the meeting in person. able to appoint others to attend the meeting and vote on their behalf by using a proxy form in which shareholders can determine the direction of voting and nominate at least 1 independent director as an alternative for the proxy of shareholders.

2.3 The Board of Directors encourages all shareholders to exercise their rights as shareholders. by sending the invitation letter for the shareholders' meeting and supporting documents for consideration in advance by providing an English version for foreign shareholders

2.4 The Board of Directors has established a policy to prevent the use of inside information and has measures to prevent the use of inside information for unlawful benefits for oneself and others. The Company's directors, executives and employees who are in the department are prohibited from receiving inside information. Trading in the Company's securities during 1 month prior to the disclosure of the financial statements to the public

2.5. The right to attend the shareholders' meeting, express opinions, give suggestions and jointly consider making decisions on important changes such as amendments to the Memorandum of Association and the Company's Articles of Association Appointment of Company Directors Appointment of auditors, etc.

2.6 The chairman of the meeting explained to the shareholders the rules and voting procedures. and giving shareholders an opportunity to make inquiries on various questions During the meeting and the directors/executives have properly and adequately clarified the matter, including exchanging opinions

However, the Company has not yet given the opportunity for minority shareholders to propose additional meeting agendas. for the shareholders' meeting to consider before the date of the annual shareholders' meeting and does not specify a method for the minority shareholders to nominate the company

directors who represent the shareholders. which is not in accordance with the principles set by the Stock Exchange of Thailand by the Company will consider having such action later

3. Taking into account the role of stakeholders

The Company has taken care of and considered the importance of stakeholders and the Company has exchanged information. and listen to the advice of all groups of stakeholders both internally and externally as follows:

3.1 Employees

The company has provided a system for paying compensation according to the performance of each individual. in addition to the normal salary with clear and fair measures which contributes to the integration of the competence of employees at different levels leading to the success of the company as a whole

In addition, the company has also provided various welfares. to employees such as accident insurance, welfare, medical treatment provident fund Including the importance of safety, occupational health and working environment, which the company has set up a unit to take care of especially announced as a policy and strictly implement Personnel recruitment professional safety officer supervisor level and management level, which has been appointed as the Safety and Occupational Health Committee for every project, which the committee Directly responsible for driving policy centrally to achieve goals track performance and report to the Department of Welfare and protect workers every quarter This includes training project staff and workers to be aware of safety. Analysis and assessment of hazardous work points to avoid accidents. Inspection of equipment and tools before putting it into practice

The company has given importance to human resources. by encouraging continuous development of personnel at all levels, such as sending personnel at all levels Attend training/seminars in various related courses and can be used to develop work practices in the future, organizing training for labor skill development continually with the Department of Skill Development, etc. And the company has realized the importance of health and wellness of employees. Therefore, employees are required to receive an annual health check-up every year, once a year.

3.2 Shareholders

The company has managed every project with full efficiency. to make every project profitable and use that profit to be allocated as dividends to shareholders

The Company performs its duties with responsibility, caution, honesty and integrity in order to continuously and sustainably generate good returns for shareholders. without violating the relevant laws, rules and regulations with honesty and transparency, protecting the interests and taking care of the Company's assets As a wise man should maintain his own assets, regularly report on the correct and complete operating results. Eliminate conflicts of interest prudently with rationality. and disclose information in its entirety as well as to strive to develop the Company's business to prosper and have stability and can generate appropriate returns to shareholders and treat all shareholders equally

3.3 Customers

The company has managed various projects with quality and efficiency focusing on time management and the budget is important. have also communicated with customers The procedures and indicators are clearly defined. to continually improve the system and quality

3.4 Partners and creditors

The company has made an agreement or contract. to indicate the conditions completely before the actual operation and the company has complied with that agreement or contract strictly

3.5 Competitors

The Company has conducted trade competitions honestly and transparently. by taking advantage of the management system and effective management Bidding on various projects

3.6 Employees

The company regards employees as valuable resources and is the key to the organization's success. The Company has treated its employees in accordance with the principles of good corporate governance. with respect for human dignity human rights ethics and giving employees opportunities to show their potential To advance and create stability in the company's career therefore aims to promote training and knowledge development competence of employees thoroughly including allowing employees to participate in setting the direction of the company's operations and development Remuneration with fairness appropriate to knowledge, ability, responsibility and the performance of each employee as well as taking care of the working environment taking into account the safety of life, health and property of employees In addition, the company organized new welfare for employees. to promote quality of life and well-being such as providing a fund provident fund retirement pension for employees Annual health check, etc.

3.7 Social and Environment

The company has a clear environmental policy. and is considered a strict guideline by complying with various environmental laws and standards Organize internal systems to eliminate environmental problems systematically and efficiently Ready to improve and develop to be even better

The Chairman of the Executive Committee has taken into account the reduction of resource use. Reducing the use of paper for copying reduces the impact on the environment. All of which are good for the business in providing more efficient service. and also to reduce costs which will lead to higher profits and increased competitiveness

3.8 Anti-corruption

The Company has an ideology to conduct business with integrity. by adhering to social responsibility and all groups of stakeholders in accordance with good corporate governance and the Company's Code of Conduct as well as policies and practices towards various stakeholders of the Company to ensure that the Company There is a policy of stipulating responsibility. Guidelines and Proper Action Requirements To prevent corruption in all business activities of the company and so that decisions and business operations

that may be at risk of corruption are taken into account. and practice carefully The company has prepared "Anti-Corruption Guidelines" in writing To be a clear practice guideline in business operations and develop the organization towards a sustainable organization

The Company has established an anti-corruption policy. to confirm the intention to conduct business in accordance with anti-corruption laws Do not accept any form of corruption, both directly and indirectly. either as a recipient or a giver and clearly formulate compliance with the Anti-Corruption Policy to ensure compliance with the policy Compliance with this Anti-Corruption Policy is regularly reviewed. which the Company's directors, executives and all employees It is responsible for complying with the general anti-corruption policy.

In 2021, the Company has not received any complaints or whistleblowing. about corruption and operations that are inconsistent with applicable laws or requirements as well as any violations of the Code of Business Conduct

3.9 Non-Violation of Human Rights

The Company supports and respects the human rights of all stakeholders. by not doing any acts that cause human rights violations Do not discriminate between gender, age, race or religion and provide employees with opportunities to gain knowledge through training. and receive equal and fair welfare

3.10 Non-infringement of Intellectual Property or Copyright

The Company complies with intellectual property laws. without infringement of intellectual property or copyright whether in terms of design using computer programs and other related matters Any software that will be used within the company must be licensed and licensed properly, including not allowing employees to install pirated software system

3.11 Workplace Safety and Hygiene In 2021, the Company has no statistics on workplace accidents.

3.12 Contact channels for stakeholders to report clues or complaints about wrongdoing and suggestions, all groups of stakeholders can use a mechanism to contact acknowledgment Company news including whistleblowing or complaints of wrongdoing and suggestions through various channels as follows:

➤ Send an e-mail or contact the Compliance Department.

Email : - matee@emc.co.th

Phone : 0 2615 6181

In 2021, the Company does not have any disputes in relation to stakeholders.

4. Disclosure and Transparency

4.1 The Board of Directors is responsible for the Company's financial statements. and financial information appearing in the annual report Such financial statements have been prepared in accordance with generally accepted accounting standards in Thailand. and use discretion Carefully and the best estimates are prepared. including adequate disclosure of information in the accompanying notes. Financial statements to create confidence of stakeholders in the Company's financial statements. In the past, the Board of Directors

has appointed an audit committee which consists of Qualified independent directors meet the requirements of the Stock Exchange of Thailand. to be responsible for reviewing financial reports and internal control systems of the Company to ensure that the financial position income and expenses and the cash flow is real and reasonable. Review the compliance with the regulations of the Stock Exchange of Thailand. Obligations with third parties and applicable laws by providing accounting records that are accurate and complete enough to maintain assets as well as to prevent fraud and abnormal operations by meeting with the Accounting Department The opinions of the Audit Committee appear in the Audit Committee's report. and displayed in the annual report.

4.2 The Board of Directors attaches great importance to the disclosure of complete information. truthful, reliable, consistent, transparent and timely, both financial and non-financial information that affects the decision-making process of the Shareholders, as well as investors and related parties are equally aware of the importance of the Board of Directors. and adhere to all the time. Annual registration statement annual report for shareholders Investors and related parties have been informed Through various information dissemination media of the Stock Exchange of Thailand and the Company's Web Site in the past year, the company has never been hit by the SEC. or the Stock Exchange of Thailand Operate due to non-compliance with disclosure of information

4.3 The Company's auditors by the Audit Committee have considered the qualifications of the auditors by taking into account their independence, suitability. performing duties responsibly Including no relationship or interest or transactions that may cause conflicts of interest with the company, management, major shareholders or those related to such persons and is an auditor approved by the Office of the Securities and Exchange Commission. In addition, the Audit Committee also determines the amount of audit fees each year to be appropriate for the scope of the audit. The Audit Committee will present the qualified auditor together with the amount of audit fee to the Board of Directors for consideration before proposing to the shareholders' meeting. to consider appointing Auditor and determine the audit fee in the annual general meeting of shareholders.

5. Responsibilities of the Board of Directors

The Company realizes the importance of the roles and duties of the Board of Directors towards the Company and its shareholders. The Board of Directors consists of knowledgeable persons. Ability to have skills and work experience from a variety of fields This makes the performance of duties as a director efficiently. The Board of Directors must have leadership, vision, knowledge, ability and experience in various fields. be honest and having independence in making decisions for the best interests of the Company and its shareholders as a whole. The Board of Directors has participated in determining the vision, goals, policies, operational directions, strategies, business plans and annual budgets of the Company. as well as supervise the management to comply with the work plan and budget. The Company's operations are monitored regularly, taking into account the principles of law, regulations and resolutions of the shareholders' meeting

with honesty, ethics, and supervising the management of the parties. The management is in accordance with the goals and the guidelines that bring the greatest benefit to the shareholders and for the sustainable growth of the organization

Director's tenure

company director having a term of office according to the Company's Articles of Association and after the end of the term, may be re-elected to hold another position. The age of the company's directors is not set. The number of companies in which each director holds the position and the number of consecutive terms they can hold office for the longest time. because the company There is a belief that the business competence and expertise of each director does not depend on the age of the director, or the number of companies in which each director holds office

Number of companies in which directors hold offices

The Company has disclosed the names of the Company's directors, history, experience, shareholding and information on holding positions of each director in other companies in Attachment 1 of Form 56-1 and in the annual report. At present, the Company does not have any directors who hold the position of director of more than 5 listed companies, all directors devote their time to performing their duties for the company fully by attending meetings regularly and always doing benefits to the company

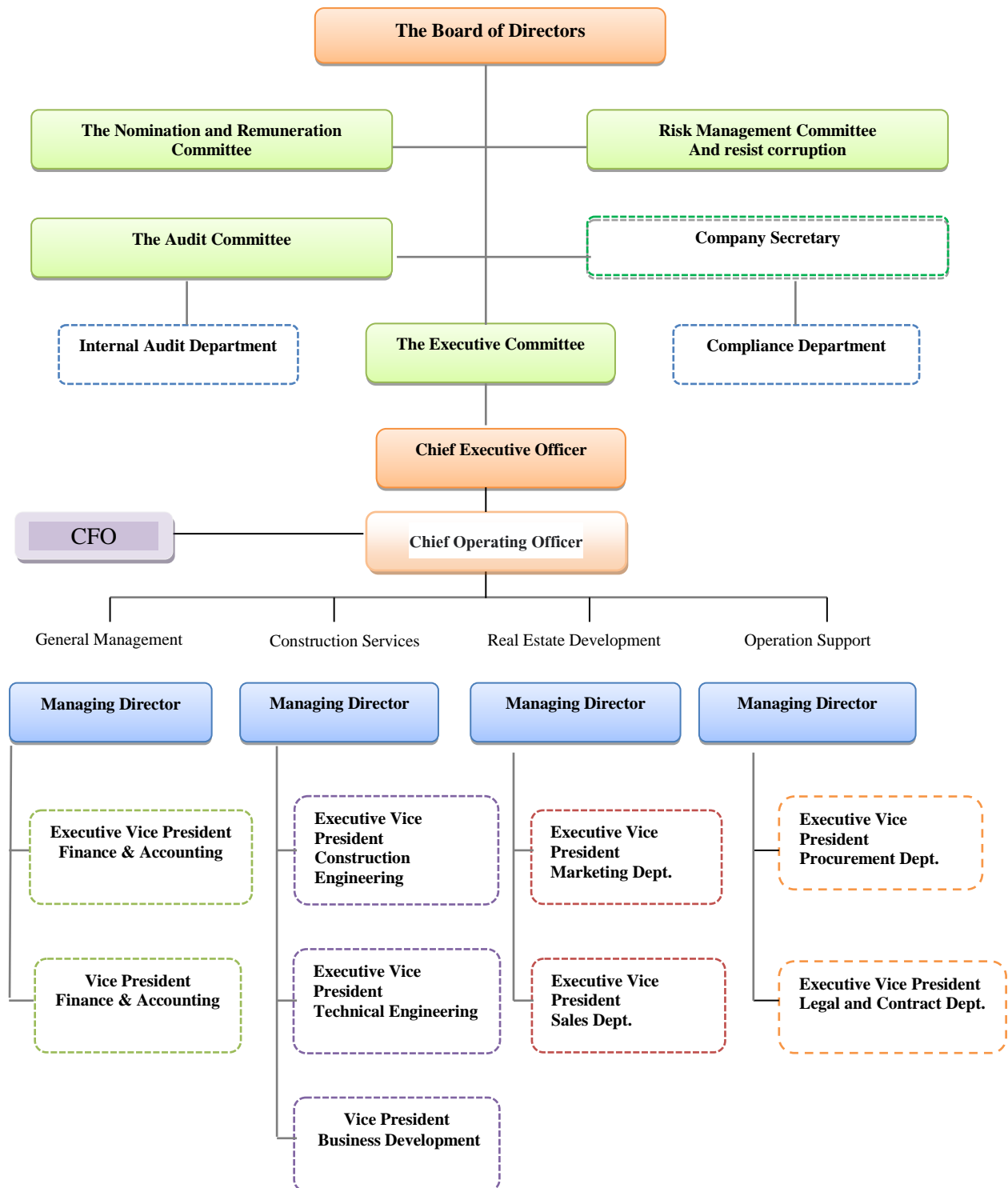
Board meeting

Board of Directors The importance of attending the meeting and taking it as a duty to acknowledge and jointly decide on the Company's operations. Meetings are scheduled in advance throughout the year, which is held every month. The company secretary will send an invitation letter to the meeting, together with the meeting agenda. Minutes of the previous meeting and supporting documents for the meeting to the Board of Directors for acknowledgment. For consideration at least 5 business days in advance, the Board of Directors can propose additional matters in the meeting agenda, and can discuss and express opinions openly. The company secretary will prepare the minutes of the meeting and keep the minutes certified by the Board of Directors ready for the Board of Directors and related parties for review in consideration of various matters. Chairman of the Board The chairman of the meeting allowed directors and executives to express their opinions freely at the end of the meeting. The company secretary is responsible for preparing the minutes of the meeting, and send it to the Chairman of the Board of Directors for consideration and signature to certify the correctness by proposing to the meeting for approval on the first agenda of the next meeting. The directors are able to express opinions, request to amend and add the minutes of the meeting to be as accurate as possible. approved by the meeting will be stored systematically at the company office and stored in electronic form with attachments for various meeting agendas, for ease of reference searching

7. Management Structure

7.1 Management Structure

Organization Chart of EMC Plc. As at December 31, 21



7.2 Information on the Board of Directors

Board of Directors

Board of Directors Be a qualified person who has full qualifications under Section 68 of the Public Company Limited Act B.E. 2535 and the relevant notifications of the Capital Market Supervisory Board. which consists of people with knowledge and abilities and has the important role in formulating company policies.

7.2.1 Composition of the Board of Directors

1. The Board of Directors has arranged for the number of directors appropriate to the size of the company's business. It consists of not less than 5 directors and not less than half of the total number of directors who must reside in the Kingdom and at least one director must have experience in accounting and finance.
2. The Board of Directors consists of independent directors at least one third of the total number of directors and at least 3 members.
3. The Board of Directors consists of non-executive directors to perform duties and to counterbalance between non-executive directors and those who participate in the management. And of this number, at least one third of the total number of directors must be independent directors.

The structure of the Board of Directors consists of the Board of Directors. and 4 sub-committees, namely the Audit Committee Nomination and Remuneration Committee Risk Management and Anti-Corruption Committee and the Executive Committee The powers and duties of the various committees and the Managing Director are set, in writing.

7.2.2 Board of Directors

As of December 31, 2021, the Board of Directors consists of 10 members, consisting of:

| No. | Name | BOD | AC | NRC |
|-----|------------------------------------|-----|----|-----|
| 1 | Mr. Chanachai Leenabanchong | ✓ | | |
| 2 | Mr. Ratchai Pichayapoom | ✓ | | |
| 3 | Mr. Voravit Leenabanchong | ✓ | | |
| 4 | Mr. Pinit Kantikul | ✓ | | |
| 5 | Mr. Vachara Pakdeemonthon | ✓ | | |
| 6 | Acting Sub. Lt. Matee Ittirivichai | ✓ | | ✓ |
| 7 | Miss Praomart Hantra | ✓ | ✓ | ✓ |
| 8 | Dr. Yaowarin Srichainan | ✓ | ✓ | ✓ |
| 9 | Miss Thaweesri Wikayathipat | ✓ | ✓ | ✓ |
| 10 | Mr. Pannatee Sriwongthai | ✓ | ✓ | |

- Non-executive director 1 person
- Independent Directors 4 persons
- Executive Directors 5 persons

Remark : BOD means Board of Directors

AC means Audit Committee

NRC means Nomination and Remuneration Committee.

Authorized director to bind the company

Name and number of directors authorized to sign on behalf of the company

“Mr. Chanachai Leenabanchong or Mr. Voravit Leenabanchong or Acting Sub. Lt. Matee Ittirivichai signed with Mr. Pinit Kantikul or Mr. Ratchai Pichayapoom or Mr. Vachara Pakdeemonthon together being two persons and affixing the company seal.”

Must perform duties in accordance with the law, Objectives of the Articles of Association of the Company as well as the resolutions of the shareholders' meeting except for matters requiring approval from the shareholders' meeting before proceeding, such as matters required by law to be approved by the shareholders' meeting. Connected transaction and buying or selling important assets according to the rules of the Stock Exchange of Thailand or as specified by other government agencies, etc.

7.2.3 Scope, authorities, duties and responsibilities of the Board of Directors

1. Must perform duties in accordance with the law, objectives, and the Company's Articles of Association. as well as the resolutions of the shareholders' meeting with honesty and be careful considering the benefits of all stakeholders

2. Determine business policies Annual plans and budgets of the company Supervise and supervise the administration and management of the management team in accordance with the established policies effectively. to add maximum value to the company and its shareholders

3. Supervise the company to comply with the announcements, requirements, and related practices of the Stock Exchange of Thailand. Securities and Exchange Commission and any action required by law

4. Consider approving and/or giving approval on connected transactions Buying or selling important assets Investing in new businesses or investing in other companies that must comply with the regulations of the Stock Exchange of Thailand or laws related to the company's business

except in the following, The Board of Directors must obtain approval from the shareholders' meeting before proceeding, such as matters required by law to be approved by the shareholders' meeting, such as capital increase, capital reduction, issuance of debentures. Selling or transferring all or part of the Company's

business to another person or the purchase or acceptance of transfer of another company's business to the company amendment of the memorandum of association or regulations, etc.

5. Consider and approve the financial statements in each quarter. and the annual financial statements that have been reviewed and audited by the auditor and has been approved by the Audit Committee Before disclosing information to the Stock Exchange of Thailand and guests

6. Consider the management structure Appoint the Executive Committee Chief Executive Officer Managing Director and other committees as appropriate.

7. Continuously monitor operating results in accordance with plans and budgets.

8. Directors must not engage in business of the same nature and in competition with the business of the company. or becoming a partner in an ordinary partnership or being a partner with unlimited liability in a limited partnership or being a director of a private company or other companies that operate businesses of the same nature, and it is a competition with the company's business whether it is for one's own benefit or for the benefit of others. unless notified to the shareholders' meeting prior to the resolution of appointment.

9. Directors must notify the company without delay. If there is a stake, whether directly or indirectly, in a contract entered by the company or holding shares even increase or decrease or other securities in the company or its affiliates

10. The Board of Directors may delegate powers to one director. or several people or any other person to perform any act on behalf of the Board of Directors. under the control of the Board of Directors or may authorize such person to have the power as the Board of Directors deems appropriate and within a period as the Board of Directors deems appropriate. The Board of Directors may cancel, revoke, change or amend the person authorized or empowered when it deems appropriate.

In this regard, the Board of Directors may delegate powers and duties to the Executive Committee to perform various tasks, with details of delegation of powers according to scope. Powers and duties of the Executive Committee which the delegation of power must not be of any nature It is the delegation of powers that make the Executive Committee able to consider and approve the items that the Executive Committee or a person who may have a conflict of interest or has any other conflict of interest with the Company or its subsidiaries Except for the approval of transactions that are in accordance with the policies and rules that the Board of Directors have considered and approved.

In 2021, the Board of Directors held a total of 6 meetings.

Board Meeting

The company has set the date and time of the meeting in advance throughout the year. which will set the main agenda and follow-up agenda Regular performance In addition, the meeting invitation letter with meeting agenda and meeting documents is delivered 7 days in advance of the meeting date. so that the committee has enough time to study the information before attending the meeting. There may be additional

meetings to consider important events as necessary and urgent. The secretary of the Board of Directors is responsible for confirming the schedule for each meeting. or make a new appointment in case of postponement or call an urgent meeting and prepare documents for the meeting to send to the directors. Each meeting takes approximately 2 hours, and all directors are free to express their opinions. and suggest guidelines The secretary of the Board of Directors Responsible for taking notes and preparing minutes of meetings to be completed within 14 days. Submitting meeting minutes certified by the Board of Directors. as well as keep and maintain the minutes of the meeting and documents supporting the meeting of directors

| Name | Last Name | Ordinary Shareholder Year 2021 | Board of Directors (6 times) | Board Inspection (12 times) | Board Nomination and Remuneration (1 time) |
|-----------------------|---------------|--------------------------------|------------------------------|-----------------------------|--|
| Mr. Chanachai | Leenabanchong | Not Attend | 6 | - | - |
| Mr. Voravit | Leenabanchong | Attend | 6 | - | - |
| Mr. Ratchai | Pichayapoom | Attend | 6 | - | - |
| Mr. Vachara | Pakdeemonthon | Not Attend | 6 | - | - |
| Mr. Pinit | Kantiku* | Attend | 5 | - | - |
| Acting Sub. Lt. Matee | Ittirivichai | Attend | 6 | - | 1 |
| Miss Praomart | Hantra | Attend | 6 | 12 | 1 |
| Miss Thaweesri | Wikayathipat | Attend | 6 | 12 | 1 |
| Dr. Yaowarin | Srichainan | Attend | 6 | 12 | 1 |
| Mr. Pannatee | Sriwongthai | Attend | 6 | 12 | - |

***Remark :** Mr. Pinit Kantikul appointed as a director on February 24, 2021

7.3 Information about subcommittees

(a) Audit Committee

It consists of 4 members of the Audit Committee, all of whom have knowledge and understanding. and have experience working in accounting or acceptable financial Ms. Praomart Hantra is the chairman of the audit committee who has sufficient knowledge and experience to review the reliability of the financial statements. It is responsible for reviewing operations to ensure compliance with policies and regulations, as well as laws and regulations. and regulatory requirements Promote the development of financial and accounting reporting systems to meet international standards. including reviewing the internal control system internal audit system and a concise, appropriate, and efficient risk management system. The Audit Committee performs duties and expresses opinions independently as of December 31, 2021. The Audit Committee consists of 4 members, consisting of:

| | |
|---|--|
| 1. Miss Praomart Hantra | Chairman of the Audit Committee and Independent Director |
| 2. Dr. Yaowarin Srichainan | Audit Committee and Independent Director |
| 3. Miss Thaweesri Wikayathipat | Audit Committee and Independent Director |
| 4. Mr. Pannatee Sriwongthai | Audit Committee and Independent Director |
| By Mr. Thitipakorn Prasertwachirakul Acting as the secretary of the Audit Committee | |

Scope, authorities, duties, and responsibilities of the Audit Committee

1. Consider disclosing connected transactions and may have conflicts of interest to ensure that the Company has complied with the rules and the regulations of the Stock Exchange of Thailand strictly and the said transaction is reasonable and for the best benefit of the Company.

2. Consider the quarterly financial statements and the annual financial statements that have been reviewed and audited by the auditors together with the auditors and the management before disclosing information to the Stock Exchange of Thailand and guests Reviewing the financial statements to verify the accuracy and completeness of the financial information. Trusted and transparent in accordance with accounting standards including relevant laws and regulations.

3. Review the company's internal control system. and internal audit system and consider the independence of the internal audit unit as well as to approve the consideration of appointment, transfer Terminate the head of the internal audit unit or any other unit responsible for the internal audit. including reviewing the Company's risk management system.

4. Review the internal audit report related to the Company's operations. according to the specified plan for various departments There is a better internal control system. This will result in working efficiency and effectiveness.

5. Review the Company's compliance with the Securities and Exchange Act. stock exchange requirements and laws related to the company.

6. Consider the selection, nomination, nomination, compensation and evaluating the performance of the Company's auditors including attending the meeting with the auditor without the management attending the meeting at least once a year.

7. Prepare the Corporate Governance Report of the Audit Committee which is disclosed in the Company's annual report. The said report must be signed by the Chairman of the Audit Committee. and must contain at least the information specified by the SET as follows:

- An opinion on the accuracy, completeness, and reliability of the Company's financial reports.
- Opinions about the adequacy of the company's internal control system

- Comments on compliance with securities and stock exchange laws stock exchange requirements or laws related to the company's business.

- Opinion on the suitability of the auditor.
- Comments on transactions that may have conflicts of interest
- Number of Audit Committee Meetings and the attendance of each audit committee.
- General opinion or observation that the Audit Committee received from the performance of duties in accordance with the Charter.

- Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors

8. Perform any other acts as assigned by the Board of Directors with the approval of the Audit Committee.

Duties and responsibilities of the Audit Committee

1. Review to ensure that the company has accurate and sufficient financial reporting. by reviewing the company's important accounting policies including disclosing information in accordance with financial reporting standards.

2. Review the Company's internal control system, risk management and an internal audit system that is appropriate and effective.

3. Review the Company's Anti-Corruption Policy Compliance.

4. Consider the independence of the internal audit unit. as well as to approve the assessment, appointment, transfer, and dismissal of the head of the internal audit unit. or any other agency responsible for internal audits as well as to ensure that the person holding the position of Head of Internal Audit Have a degree, experience Developing adequate training for the performance of duties.

5. Consider and approve the internal audit unit's charter.

6. Consider and approve the audit plan. and monitor the implementation of the internal audit unit's plans.

7. Review to ensure that the company complies with the law on securities and exchange. Regulations of the Stock Exchange of Thailand and laws related to the company's business.

8. Consider, select, propose, appoint, and terminate employment of independent persons. to act as the Company's auditor and propose such person's remuneration to obtain approval from the shareholders' meeting, including Attend meetings with auditors without the management attending the meeting at least once a year.

9. Consider connected transactions or transactions that may have conflicts of interest to be in accordance with the laws and regulations of the Stock Exchange of Thailand and the announcement of the

Capital Market Supervisory Board This is to ensure that the said transaction is reasonable. and in the best interests of the company.

10. Prepare a report of the Audit Committee which will be disclosed in the Company's annual report. The said report must be signed by the Chairman of the Audit Committee. and must contain at least the following information:

- (a) Opinions on the correctness, completeness, and reliability of the Company's financial reports.
- (b) an opinion on the sufficiency of the internal control system Risk and Corruption Management of the Company.
- (c) opinions on compliance with the law on securities and exchange Regulations of the Stock Exchange of Thailand or laws related to the company's business.
- (d) an opinion on the suitability of the auditor and the head of the internal audit unit.
- (e) Opinions on transactions that may have conflicts of interest.
- (f) Number of Audit Committee Meetings and the attendance of each audit committee.
- (g) opinions or overall observations obtained by the Audit Committee in the performance of its duties in accordance with the charter.
- (h) Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors.

11. In performing the duties of the Audit Committee If found or suspected that the following transactions or actions may have a material impact on the Company's financial position and results of operations:

Have the Audit Committee report to the Board of Directors to improvements within the time the Audit Committee deems appropriate.

- (a) Conflict of Interest Transactions.
- (b) Corruption or something is wrong or there is a major defect in the internal control system.
- (c) violation of the law on securities and exchange Requirements of the Stock Exchange of Thailand or any laws related to the Company's business If the Board of Directors or executive Failure to make corrections within the specified time, any member of the Audit Committee may report such transactions or actions to the Office of the Securities and Exchange Commission. or the Stock Exchange of Thailand.

12. Support and follow up to ensure that the company has an efficient risk management system.

13. Take care of the company There are channels for receiving clues and complaints. about items in the financial statements that are inappropriate corruption or other issues with a preventive process and confidentiality of whistleblowers as well as having an independent investigation process. and have appropriate follow-up actions.

14. Ensuring that the company has a management system with good corporate governance principles.

15. Review, improve and amend the Audit Committee Charter annually. and presented to the Board of Directors for approval.

16. Provide a self-assessment at least once a year.

17. Perform any other tasks as assigned by the Board of Directors. With the approval of the Audit Committee by virtue of the Company's Articles of Association and the law

(b) Risk Management Committee

As of December 31, 2021 Risk Management Committee It consists of the following directors:

1. Mr. Voravit Leenabanchong
2. Mr. Pinit Kantiku
3. Mr. Ratchai Pichayapoom
4. Mr. Vachara Pakdeemonthon
5. Mr. Kornkrit Prakongwittaya
6. Ms. Wanida Phuangboonmak
7. Mr. Uthai Klangphimai
8. Mr. Prakob Bamrungrak

Secretary of the Risk Committee: Acting Sub. Lt. Matee Ittirivichai

Scope, authorities, duties, and responsibilities of the Risk Management Committee

1. Determine management guidelines and framework for risk management
2. Assessing various risks arising from both internal and external factors
3. Recommend preventive measures and ways to reduce the risk level to an acceptable level.
4. Follow up, evaluate, and improve the action plan. To continuously reduce risks and suitable for business conditions.

5. Review the adequacy of the policy and risk management system. This includes the effectiveness of the system and the implementation of the established policies.

In 2021, the Risk Management Committee meets with the management and determines the working guidelines. However, the company has a working group on debt collection and problematic projects. This is considered an important risk management. Meetings are held regularly 1 day a week.

(c) Nomination and Remuneration Committee

Components of the Nomination and Remuneration Committee

The company realizing good management and to operate in accordance with the policies, strategies and in accordance with the objectives set by the Company, including to drive the Company for sustainable growth and stable business expansion. as well as to support the changing conditions that will occur both internally and externally which may affect the company's business Board of Directors Therefore, it is

appropriate to establish the Nomination and Remuneration Committee. As of December 31, 2021, the Nomination and Remuneration Committee consists of 4 members, consisting of:

1. Miss. Thaweesri Wikayathipat Chairman of the Nomination and Remuneration Committee

2. Miss Praomart Hantra Nomination and Remuneration Committee

3. Dr. Yaowarin Srichainan Nomination and Remuneration Committee

4. Acting Sub. Lt. Matee Ittirivichai Nomination and Remuneration Committee

Acting Sub. Lt. Matee Ittirivichai acts as the secretary of the Nomination and Remuneration Committee.

Scope, authorities, duties and responsibilities of the Nomination and Remuneration Committee

1. Consider the nomination, evaluation, and selection of qualified persons to serve as the Company's directors.

2. Considering the person who will take the position as a director as proposed by the shareholders of the Company.

3. Consider proposing a person to be a director of the Company for the Board of Directors to consider and propose for approval.

4. Review the qualifications of independent directors and propose any changes to the Board of Directors.

5. Consider and review the company's payroll system structure. as well as propose guidelines and methods Remuneration to the Board of Directors and various committees Appointed by the Board of Directors

6. Propose the compensation policy to the management. in accordance with the Company's performance and the performance of the management.

7. Consider the salary increase budget. change in wages and compensation Annual cash prizes for executive officers before proposing to the Board of Directors.

Duties and Responsibilities, Nomination, Remuneration

1. Consider the selection and selection of qualified persons to be appointed as the Company's directors.

2. Check the history and information of the selected person considering knowledge experience ability Expertise from a wide range of professions have the right qualifications in accordance with the Company's Articles of Association and related laws.

3. Prepare opinions or suggestions for consideration

4. Nominate the selected person to the Board of Directors for consideration.

5. Revise and amend the Nomination and Remuneration Committee Charter. and presented to the Board of Directors for approval.

-
6. Other operations as assigned by the Board of Directors
 7. Evaluate the performance of the Board of Directors each year.
 8. Consider the limitation of remuneration for the Company's directors. By considering the company's operating results, the amount of compensation approved by the shareholders' meeting and the amount of remuneration paid in the past year to propose to the Board of Directors for consideration and presented to the shareholders' meeting for approval.
 9. Consider the allocation of remuneration to the Company's directors. by considering the performance Authority and amount of responsibility within the amount approved by the shareholders and presented to the Board of Directors for approval.
 10. Consider the allocation of remuneration to various sub-committees. (who does not hold a position as a director) based on performance, authority and amount of responsibility and presented to the Board of Directors for approval.
 11. Revise and amend the Nomination and Remuneration Committee Charter. and presented to the Board of Directors for approval.
 12. Other operations as assigned by the Board of Directors

(d) Company Secretary

The Board of Directors has recruited and appointed a new company secretary to replace the vacant position. Currently, Acting Sub. Lt. Matee Ittirivichai has been assigned to act as the company secretary by reporting directly to the Board of Directors.

Duties and responsibilities on behalf of the company or board

1. Prepare and maintain a register of directors.
 2. Prepare and maintain notice of the Board of Directors' meeting and annual report.
 3. Prepare and keep the notice of the shareholders' meeting and the minutes of the shareholders' meeting.
 4. Follow up on the implementation of the resolutions of the Board of Directors' meeting. Resolution of the shareholders' meeting.
 5. Storage and send copies of reports on interests of directors and executives or related persons. which has interests related to the management of the company to the chairman of the board and the chairman of the audit committee.
 6. To perform other actions in accordance with the Securities and Exchange Act (No. 4) B.E. 2551 (2008), other laws and regulations. related including announcements and requirements of the Capital Market Supervisory Board.
-

7.4 Executive Information

7.4.1 Composition of Executive Directors

As of December 31, 2021 Executive Committee It consists of the following directors:

| | |
|--------------------------------|--------------------|
| 1. Mr. Chanachai Leenabanchong | Executive Chairman |
| 2. Mr. Voravit Leenabanchong | Executive Director |
| 3. Mr. Pinit Kantikul | Executive Director |
| 4. Mr. Ratchai Pichayapoom | Executive Director |
| 5. Mr. Vachara Pakdeemonthon | Executive Director |
| 6. Mrs. Anchalee Leenabanchong | Executive Director |

Secretary of the Executive Board: Acting Sub. Lt. Matee Ittirivichai

Scope, authorities, duties, and responsibilities of the Executive Committee

1. Operate and manage the Company's business in accordance with the objectives, regulations, policies, rules, regulations, orders, and resolutions of the Board of Directors' meeting and/or the resolutions of the Company's shareholders' meeting.

2. Consider setting policies, directions and strategies, business plans and annual budgets of the company. human resource management investment in information technology, work expansion, public relations and to control and supervise the operation of the appointed working group to achieve the target to be presented to the Board of Directors' meeting for approval.

3. Consider the allocation of the annual budget as proposed by the management. before presenting it to the Board of Directors for consideration and approval. This includes considering and approving changes and additions to the annual budget during the absence of the Board of Directors' meeting but must be under scope of the authority approved by the Board of Directors. and to present to the Board of Directors to be informed in the next meeting

4. Consider and approve and/or approve investment-related transactions financial management general administration procurement and procurement and any other transactions related to the Company's business within the scope of authority approved by the Board of Directors.

5. Consider and approve important investment expenditures that have been set in the annual budget as assigned by the Board of Directors. or as the Board of Directors has previously approved in principle.

6. Provide advice on business expansion and joint venture with other persons under the authority approved by the Board of Directors and presented to the Board of Directors. For approval / for acknowledgment in the next meeting.

7. Be a management advisory team in matters of financial policy, marketing, personnel management and other operational aspects.

8. Consider the profit and loss of the company. Proposal of interim dividends or annual dividends to propose to the Board of Directors for approval.

9. The Executive Committee may delegate powers to one or more directors or any other person. one operation under the control of the Executive Committee or may delegate powers to such persons having powers as the Executive Committee deems appropriate and within the period the Executive Committee deems appropriate The Executive Committee may cancel, revoke, change or amend the authorized person. or delegating such powers as he or she deems appropriate.

The authorities of the Executive Committee and/or sub-authorization Must not approve connected transactions or any items that may have conflicts of interest or any item that the Executive Committee or a person who may have a conflict with the Executive Committee has an interest or any other benefits that conflict with the Company or a subsidiary according to the regulations of the Stock Exchange of Thailand and/or announcements of the Securities and Exchange Commission The approval of such transactions must be proposed to the Board of Directors' meeting and/or the shareholders' meeting. to consider and approve such transactions as required by the Company's Articles of Association or relevant laws.

In 2021, the Executive Committee held a total of 17 meetings.

Executive Committee

As of December 31, 2021, the management team consists of senior management as follows:

- | | |
|--------------------------------|--|
| 1. Mr. Chanachai Leenabanchong | Chairman of the Board |
| 2. Mr. Voravit Leenabanchong | Chief Executive Officer |
| 3. Mr. Pinit Kantikul | Chief Operating Officer |
| 4. Mr. Ratchai Pichayapoom | Chief Financial Officer |
| 5. Mrs. Anchalee Leenabanchong | Managing Director, Administrative Division |
| 6. Mr. Vachara Pakdeemonthon | Managing Director Engineering |
| 7. Ms. Wanida Phuangboonmak | Vice Managing Director |
| 8. Mr. Krit Prakongwittaya | Vice Managing Director |

The Board of Directors has assigned the Executive Board to have duties and responsibilities in performing various tasks. with details of the delegation of powers according to the scope of duties and the responsibilities of the Executive Committee The authorization of such powers must not be in the form of a power of attorney. or delegate powers that make the Executive Committee or the person authorized by the Executive Board can approve the items that he or she may have a conflict of interest with. have a stake or having a conflict of interest with the company (According to the notification of the SEC Office) except for the approval of transactions that are in accordance with the policies, guidelines or criteria approved by the Board of Directors.

Determining the authority to approve the credit limit

The Board of Directors has set the authority to approve the credit line for spending for normal business transactions of the Company and for financial transactions such as borrowing money. or requesting any credit from financial institutions including as a guarantor the details are as follows.

| | Approval Limit | |
|--------------------|--|---------------------------|
| | Investment Transaction | Financial Transactions |
| Managing Director | - | not over 100 million baht |
| Board of Directors | 5% total assets not over 50 million baht | not over 500 million baht |
| Board of Directors | 50 million baht onward | unlimit |

7.4.2 Remuneration for directors and executives

At the 2021 Annual General Meeting of Shareholders held on 29 April 2021, the shareholders approved the determination of directors' remuneration for the year 2019 within the amount of 4,000,000 baht, details as follows:

Meeting Allowance

- Chairman of the Board of Directors, Chairman of the Nomination and Remuneration Committee, Chairman of the Audit Committee will receive meeting allowance of 30,000 baht per meeting attendance.

- Director of the Company, Member of the Nomination and Remuneration Committee, Member of the Audit Committee will receive a meeting allowance of 20,000 baht per meeting attendance.

Other remuneration of the Board of Directors

- Not more than 1% of net profit.

- For directors whose term is less than a year to be paid according to the length of office in that year.

The company paid directors' meeting allowances in the year 2021 totaling 2.32 million baht, an increase of 0.23 million baht when compared to the year 2020 at 2.09 million baht or 8.81%, with details of individual payments as follows:

Total meeting allowance

| Name - Surname | | Position | Meeting allowance (Baht) Year 2021 |
|-------------------------|---------------|--|---------------------------------------|
| Mr. Chanachai | Leenabanchong | Chairman of the Board of Directors, Chairman of Executive Committee | 180,000 |
| Mr. Ratchai | Pichayapoom | Vice Chairman of the Board of Directors, Executive Director | 120,000 |
| Mr. Voravit | Leenabanchong | Vice Chairman, Executive Director | 120,000 |
| Mr. Pinit | Kantikul | Director | 100,000 |
| Mr. Vachara | Pakdeemonthon | Director | 120,000 |
| Acting Sub. Lt. Matee | Ittirivichai | Director | 120,000 |
| Mr. Pannatee | Sriwongthai | Audit Committee and Independent Director | 360,000 |
| Miss Praomart | Hantra | Chairman of the Audit Committee and Independent Director, Director of the Company, Member of the Nomination and Remuneration Committee | 480,000 |
| Miss Thaweesri | Wikayathipat | Chairman of the Nomination and Remuneration Committee, Director, Audit Committee and Independent Director | 360,000 |
| Dr. Yaowarin | Srichainan | Director of the Company, Member of the Nomination and Remuneration Committee, Audit Committee and Independent Director | 360,000 |
| Total Meeting Allowance | | | 2,320,000 |

7.4.3 Other compensation

- None-

Total compensation of executives in year 2021

- Total remuneration in form of salary 19,199,600 baht, provident fund 433,608 baht, social security fee 35,700 baht, meeting allowance 2,320,000 baht, employee benefits 1,306,348 baht, total 29,295,256 baht, consisting of 7 senior executives.

7.5 Personnel

The Company's personnel as of December 31, 2021 total 270 persons.

| | Amount |
|--|--------|
| Executives and executive support staff | 9 |
| Construction Engineering | 91 |
| Systems Engineering | 48 |

| | |
|--|------------|
| Accounting and Finance + Management | 82 |
| Budget Control and Purchasing Division | 35 |
| Real Estate Division | 5 |
| Total | 270 |

As of December 31, 2021, the total return of the Company's personnel totaled 158.94 million baht (the said remuneration consists of salary, bonus, and contributions to the provident fund. and other benefits) excluding the total remuneration of the management

Auditor's Remuneration

| Year | Auditor name | Auditor permission number | Company |
|------|---------------------------|------------------------------|---|
| 2019 | Mrs. Suwimol Krittayakiat | 2982 | D I A International Audit Company Limited |
| 2020 | Mrs. Suwimol Krittayakiat | 2982 | D I A International Audit Company Limited |
| 2021 | Mrs. Suwimol Krittayakiat | 2982 | D I A International Audit Company Limited |

Summary of the auditor's audit report for the past year

Year 2019, the auditor expressed an unqualified opinion on the consolidated financial statements of the Company. Subsidiaries and Joint Ventures and the Company's separate financial statements.

Year 2020 The auditor expressed an unqualified opinion on the consolidated financial statements of the Company. Subsidiaries and Joint Ventures and the Company's separate financial statements.

Year 2021, the auditor expressed an unqualified opinion on the consolidated financial statements of the Company. Subsidiaries and Joint Ventures and the Company's separate financial statements.

Audit Fee

EMC Group pays audit fee for the year 2021 in the amount of 4.795 million baht.

Other service fees (Non-Audit Fee) (if any)

- None -

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 directors

Definition of Independent Director of the Company

1) Holding shares not more than 1% of the total number of shares with voting rights of the Company, parent company, subsidiary company, associated company or juristic person who may have conflicts of interest. This shall include the shareholding of related persons of independent directors.

2) Not being or used to be a director who participates in management, employee, employee, advisor who receives a regular salary, or person with power of control of the company, parent company, subsidiary company, associated company, subsidiary of the same level. or a juristic person who may have a conflict unless the aforementioned relationship has been terminated for not less than two years. before being appointed

3) Not a person who has a blood relationship or by legal registration in the form of parents, spouses, siblings and children, including the spouses of the children of the executives major shareholder controller or the person who will

was proposed to be an executive or the person having the power to control the company or its subsidiary

4) Do not have or have had a business relationship such as a normal business transaction for the business of renting or leasing real estate Items about assets or services or giving or receiving financial assistance. including other similar circumstance with the company, parent company, subsidiary, associated company or juristic person that may have conflicts of interest in a manner that may impede the exercise of one's independent judgment. including never being a major shareholder, a director who is not a director Independent or executive of a person who has a business relationship with the Company, parent company, subsidiary company, associated company or juristic person who may have conflicts of interest. unless having been discharged from the aforementioned nature for not less than 2 years before being appointed

5) Not being or having been an auditor of the company, parent company, subsidiary company, associated company or juristic person who may have conflicts of interest and is not a major shareholder Directors who are not independent directors, executives or managing partner of the audit firm in which there is an auditor of the Company, parent company, subsidiary, associated company or juristic person who may have conflicts of interest. unless having been discharged from the aforementioned nature for not less than 2 years before being appointed

6) Not or have been a professional service provider of any kind, including legal or financial advisory services. who receive service fees in excess of 2 million baht per year from the parent company, subsidiary company, associated company or juristic person who may have conflicts In the event that the professional service provider is a juristic person including being a major shareholder Directors who are not independent

directors, executives or managing partners of that professional service provider. unless having been discharged from the aforementioned nature for not less than 2 years before being appointed

7) Not being a director who has been appointed to represent the directors of the company major shareholder or shareholders who are related to the Company's major shareholders

8) Not being a director who has been assigned by the Board of Directors to make decisions on business operations of the parent company, subsidiary company, associated company, subsidiary of the same level. or juristic persons that may have conflicts

9) In the event that an independent director holds a position as an independent director in the parent company, subsidiary and subsidiary of the same level The company must disclose information about holding such position. and the total remuneration received by that independent director in the annual report / annual registration statement (Form 56-1 One report).

10) There are no other characteristics that prevent independent opinions. about the Company's operations.

(1) Nomination of Independent Directors and Audit Committee Members

The Nomination and Remuneration Committee is responsible for selecting persons who are fully qualified and independent as prescribed by the Board of Directors and in accordance with the criteria of the Capital Market Supervisory Board as follows:

1. Holding shares not more than 1% of the total number of shares with voting rights of the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the company, including the shareholding of related persons of that independent director.

2. Not being or used to be a director who participates in management, employee, employee, consultant who receives a regular salary or controlling person of the Company, parent company, subsidiary company, associated company, subsidiary of the same level major shareholder or of the company's controlling person unless the aforementioned characteristics have been terminated for not less than 2 years prior to the date of appointment as an independent director. or an advisor of a government agency which is a major shareholder or the person who has the authority to control the company

3. Not a person who has a blood relationship or by legal registration in the form of father, mother, spouse, siblings and children, including the spouses of the children of the executives, major shareholders controller or a person who will be nominated as an executive or controlling person of the company or a subsidiary

4. Not having or having had a business relationship with a value of 3% of the Company's net tangible assets or 20 million baht or more. whichever is lower than the company, parent company, subsidiary company, associated company, major shareholder or the person who has the authority to control the company in a manner that may impede the exercise of one's independent judgment, including not being or

having been a significant shareholder or a controlling person of a person having a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or the person who has the authority to control the company unless the foregoing relationship has been terminated for not less than 2 years prior to the date of being appointed as an independent director (business relationship Refers to a normal trade transaction for the purpose of doing business. Renting or renting out real estate Items about assets or services or giving or receiving financial assistance. by accepting or lending, guaranteeing, and placing assets as collateral for liabilities including other similar behaviors As a result, the company or the contracting party has debt obligations. However, the calculation of such indebtedness shall be in accordance with the method of calculating the value of connected transactions under the Notification of the Capital Market Supervisory Board Re: Rules for Connected Transactions).

5. Not or used to be an auditor of the company, parent company, subsidiary company, associated company, major shareholder or the person who has the authority to control the company and is not a significant shareholder controller or a partner of the audit firm which has auditors of the company, parent company, subsidiary company, associated company, major shareholder or the person having the authority to control the company is affiliated with unless the foregoing relationship has been terminated for not less than 2 years prior to the date of being appointed as an independent director

6. Not being or having been a professional service provider of any kind This includes serving as a legal or financial advisor. which receives service fees of more than 2 million baht per year from the company, parent company, subsidiary company, associated company, major shareholder or the person who has the authority to control the company and is not a significant shareholder controller or a partner of that professional service provider unless the foregoing relationship has been terminated for not less than 2 years prior to the date of being appointed as an independent director

7. Not being a director appointed to represent the Company's directors. major shareholder or shareholders who are related to major shareholders.

8. Not operating a business with the same nature and a significant competition with the company's business. or a subsidiary or not being a significant partner in the partnership or being a director who takes part in the management, an employee, an employee, a consultant who receives a regular salary or holding more than 1% of the total number of shares with voting rights of other companies which operates businesses with the same nature and is a significant competition with the business of the Company or its subsidiaries

9. Does not have any other characteristics that prevent the inability to express independent opinions on the Company's operations.

After being appointed as an independent director with the qualifications 1 to 9, the independent director may be assigned by the Board of Directors. to decide on the operation of the company, parent company, subsidiary company, associated company, same-level subsidiary Major shareholder or controlling person of the company with a decision in the form of a collective decision

(2) Nomination and appointment of directors and top executives

Process for considering nomination of directors

The Nomination and Remuneration Committee is responsible for recruiting qualified persons. have qualifications and experience as the company wants have sufficient time to perform duties for the Company and propose for approval to the Board of Directors/shareholders' meeting in accordance with the following rules and procedures:

1. A shareholder has votes equal to the number of shares he holds.
2. Each shareholder will use all the votes he has in accordance with 1. may elect one person or more persons to be directors. but cannot divide the votes to any person to any extent.
3. Persons receiving the highest number of votes in descending order shall be elected as directors equal to the number of directors to have or to be elected at that time. In the case where the persons elected in descending order have equal votes, which exceeds the number of directors to have or to be elected at that time The chairman of the meeting shall be the arbiter.
4. At every annual general meeting of shareholders One third of the number of directors at that time shall retire from office. If the number of directors cannot be divided exactly into three parts It shall be issued by the number closest to one-third. Directors who vacate office may be re-elected to take up the position. Directors who must retire from office in the first or second year after the registration of that company For the next year, the committee who has been in office for the longest time shall retire.
5. The shareholders' meeting may pass a resolution to remove any director from office prior to the expiration of his/her term. with a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and have shares that can be counted together Not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote

Board of Directors Self-Assessment

Self-Assessment of the Board of Directors The Company has set an annual self-assessment of the Board of Directors' performance. This is the opinion of each director on the overall performance of the Board of Directors. To be used as a framework to improve the performance of the Board of Directors in 2021, the overall assessment results are in the criterion of "good" with an average score of 81.35%.

8.1.2 Participation and remuneration of individual committees

Meeting attendance of the Board of Directors Audit Committee Nomination and Consideration Committee Remuneration of the Corporate Governance Committee Risk Oversight Committee and the shareholders' meeting in 2021 of each director can be summarized as follows:

| Name | Surname | AGM 2021 | Bod | AC | NDR |
|---------------|----------------|--------------|-----|----|-----|
| | | | 6 | 12 | 1 |
| Mr.Chanachai | Leenabanchong | Don't get in | 6 | - | - |
| Mr.Ratchai | Pichayapoom | Get in | 6 | - | - |
| Mr.Voravit | Leenabanchong | Get in | 6 | - | - |
| Mr.Vachara | Pakdeemonthorn | Don't get in | 6 | - | - |
| Mr.Pinit | Kantikul * | Get in | 5 | - | - |
| Mr.Matee | Ittirivichai | Get in | 6 | - | 1 |
| Miss Peramat | Huntra | Get in | 6 | 12 | 1 |
| Miss Taweesri | Vigayathipat | Get in | 6 | 12 | 1 |
| Dr. Yaowarin | Srichainan | Get in | 6 | 12 | 1 |
| Mr. Panathee | Sriwongthai | Get in | 6 | 12 | - |

Director's Remuneration

At the 2021 Annual General Meeting of Shareholders held on 29 April 2021, the shareholders approved the determination of directors' remuneration for the year 2021 within the amount of 4,000,000 baht, details as follows:

meeting allowance

- Chairman of the Board of Directors, Chairman of the Nomination and Remuneration Committee, Chairman of the Audit Committee will receive meeting allowance of 30,000 baht per meeting attendance.
- Director of the Company, Member of the Nomination and Remuneration Committee, Member of the Audit Committee will receive a meeting allowance of 20,000 baht per meeting attendance

Other remuneration of the Board of Directors

- Not more than 1% of net profit
- For directors whose term is less than a year to be paid according to the length of office in that year

The company paid directors' meeting allowances in the year 2021 totaling 2.32 million baht, an increase of 0.23 million baht when compared to the year 2020 at 2.09 million baht or 11%, with details of individual payments as follows:

Total meeting fee

| Name - Surname | | Position | Meeting Allowance (Baht) Year 2021 |
|--------------------|---------------|--|---------------------------------------|
| Mr.Chanachai | Leenabnachong | Chairman of the Board of Directors, Chairman of the Executive Committee | 180,000 |
| Mr.Ratchai | Pichayapoom | Vice Chairman of the Board of Directors, Executive Committee | 120,000 |
| Mr.Worawit | Leenabanchong | Vice Chairman of the Board of Directors, Executive Committee | 120,000 |
| Mr.Pinit | Kantikul | Director, Executive Committee | 100,000 |
| Mr.Vachara | Pakdeemonthon | Director, Executive Committee | 120,000 |
| Mr.Matee | Ittiriwichai | Director | 120,000 |
| Ms. Peramat | Huntra | Chairman of the Audit Committee and Independent Director, Director of the Board, Member of the Nomination and Remuneration Committee | 480,000 |
| Ms. Taweesri | Vigayathipat | Chairman of the Nomination and Remuneration Committee, Director, Audit Committee and Independent Director | 360,000 |
| Dr. Yaowarin | Srichainan | Director of the Board, Member of the Nomination and Remuneration Committee Audit Committee and Independent Director | 360,000 |
| Mr. Panthee | Sriwongthai | Director of the Board, Member of the Nomination and Remuneration Committee Audit Committee and Independent Director | 360,000 |
| Total meeting fees | | | 2,320,000 |

8.1.3 Governance of the Company and Associated Companies

Administration

- Consider sending qualified persons to represent the company to become a director and/or executives in subsidiaries and associated companies at least in proportion to the shareholding to perform supervisory duties and control of business operations

- Report the submission of such representatives with their qualifications to the Board of Directors for acknowledgment.

- Supervise the company to act in accordance with the approval authority and operations. including disclosure of information and any action that complies with the rules on securities and exchange and regulations, notifications, orders or regulations of the Stock Exchange of Thailand including compliance with the disclosure requirements of connected transactions and/or the acquisition or disposal of assets

- Summary report of the operating results of subsidiaries and associated companies to the Board of Directors every quarter and in the case of significant matters of such companies such as capital increase/capital reduction dissolution to present the matter to the Board of Directors. to approve any action.

In this regard, in doing the above The Company realizes the importance of good corporate governance principles which are The main factor in enhancing the organization to have an efficient system and adhere to conduct business in accordance with good corporate governance Create a mechanism to control the company's operations to be transparent. be fair and create confidence for stakeholders all parties.

8.1.4 Monitoring to ensure compliance with corporate governance policies and guidelines

The Board of Directors realizes the importance of corporate governance and good corporate governance. The principles and practices that are consistent with the good corporate governance system have been applied. Used to manage the duties and responsibilities assigned. For the best interests of the company and shareholders as a whole by defining the following policies:

1. The Board of Directors will manage the Company's operations with due care. and be careful within the framework of legal and business ethical requirements. Responsible for performing duties with adequate competence and efficiency. to create the maximum benefit to the shareholders and to prevent conflicts of interest problems

2. The Board of Directors operates with transparency. able to verify and disclose sufficient information To create confidence among shareholders, investors and all related parties equally.

3. The Board of Directors has supervised the treatment of shareholders. equal stakeholders and fair to all parties To comply with the provisions of the law and in accordance with the rules and regulations of the Office of the Securities and Exchange Commission. Stock Exchange of Thailand and other relevant laws

4. The Board of Directors has established a specific working group. which consists of the Audit Committee, the Nomination and Remuneration Committee Risk Management Committee and various sub-committees which have been assigned duties The responsibilities of every committee are clearly defined.

5. Board of Directors There are regular meetings on a regular basis. The meetings and agendas are clearly set in advance.

6. The management team has a meeting to monitor and supervise the detailed implementation of every project. regularly every week and special meetings may be held as needed. The meeting and agenda are clearly set in advance.

7. The Board of Directors realizes the importance of the internal control system. Both financial control, operation and corporate governance. The Board of Directors has arranged an internal audit unit to be a separate part of the company and reports directly to the Audit Committee.

(a) Prevention of conflicts of interest

The Company has set a policy not to allow directors, executives and employees of the Company to Take the opportunity of being a director Being executives and employees seeking personal benefits and has been approved by the Board of Approval in principle relating to trade agreements with general trading conditions. in transactions between companies or a subsidiary with executive directors or related persons In the event that it is a connected transaction under the announcement of the Stock Exchange of Thailand Must follow the rules and strictly disclose information on connected transactions. The Company has imposed a prohibition against the use of opportunities or information from being directors, executives or employees for personal gain. or do business that competes with the company or related businesses, including not to use inside information for their own benefit in trading the company's shares or providing information to other people

(b) Using Inside Information for Exploitation

The Company realizes the importance of supervising the use of inside information in accordance with the principles of good corporate governance. by adhering to the principles of good governance Integrity in business operations And in order for the shareholders of the company to receive equal news, the company has set a policy. to disclose information financial report and operation

(c) Anti-Corruption

The Company has an ideology to conduct business with integrity. by adhering to social responsibility and all groups of stakeholders in accordance with good corporate governance and the Company's Code of Conduct as well as policies and practices towards various stakeholders of the Company to ensure that the Company There is a policy of stipulating responsibility. Appropriate practice guidelines and requirements To prevent corruption in all business activities of the company and so that decisions and business operations that may be at risk of corruption are taken into account. and practice carefully The company has prepared "Anti-Corruption Guidelines" in writing To be a clear practice guideline in business operations and develop the organization towards a sustainable organization

The Company has established an anti-corruption policy. to confirm the intention to conduct business in accordance with anti-corruption laws Do not accept any form of corruption, both directly and indirectly. either as a recipient or a giver and clearly formulate compliance with the Anti-Corruption Policy to ensure compliance with the policy Compliance with this Anti-Corruption Policy is regularly reviewed. which the Company's directors, executives and all employees It is responsible for complying with the general anti-corruption policy.

8.2 Report on the performance of the Audit Committee in the past year

8.2.1 Number of meetings and attendance of the Audit Committee members

| Audit Committee | Number of times attended |
|------------------------------|--------------------------|
| 1. Miss Peramat Huntra | 12/12 |
| 2.. Dr. Yaowarin Srichainan | 12/12 |
| 3. MissTaweesri Vigayathipat | 12/12 |
| 4. Mr. Panthee Sriwongthai | 12/12 |

8.2.2 Performance of the Audit Committee

All audit committees are experts in many fields, including legal, accounting, finance, etc. Independent in performing duties within the scope assigned by the Board of Directors in the review of financial statements. Consider the selection and determination of the auditor's remuneration, offer opinions and recommendations on the internal control system, consider transactions that may have conflicts of interest. Compliance with the requirements of regulatory authorities including strengthening the principles of good corporate governance

1 . Review and audit of the Company's financial statements Financial reporting is accurate and adequate.

The Audit Committee reviewed the Company's quarterly and annual financial statements for 2021 in terms of accuracy and adequate disclosure of information. by attending a meeting with the Company's auditor From the review, nothing was found.cause to believe Such financial reports are materially inaccurate in accordance with generally accepted accounting principles.The Audit Committee together with independent directors had a meeting with the auditor without the management by asking questions and listening to clarifications. as well as giving opinions and suggestions on various issues related to the Company's financial reports to ensure that The Company's financial reports have been prepared accurately, completely, as they should in essence and are reliable in accordance with generally accepted accounting standards. including adequate disclosure of financial statements Before presenting to the Board of Directors for consideration and approval to disclose to the Stock Exchange of Thailand and the Securities and Exchange Commission

2. Supervision of operations in accordance with the regulations of the relevant supervisory agencies. Audit Committee has considered the rules, regulations, rules and laws related to business operations of the company (regulations), including changes in that regulation and has regularly reviewed the Company's operations to ensure compliance with the said regulations. and that the Company has complied with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, such as making transactions with related companies with transparency.Fairly at a price that can be compared (Arm's Length Basis) according to the criteria set by the Board of Directors. and strictly comply with the laws related to the Company's business.

3. Review of the internal control system

Audit Committee Consider and approve the Internal Audit Department's annual audit plan and the Internal Audit Department's reports. including giving suggestions to the management to consider revising the operation To ensure that the Company has an internal control system that is appropriate, sufficient and effective in the business.

4 . Consideration of the appointment of the Company's Certified Public Accountant For the annual financial statements 2021 Considered, selected and proposed to appoint an independent person to act as the Company's auditor. which has been proposed to the Board of Directors Appoint an auditor from D I A International Company Limited to be the Company's auditor for the round Accounting period ends on December 31, 2021 by appointment

| | | |
|--------------------------------|-----------------------------|-----------------|
| 1. Mrs. Suwimol Krittayaiaen | Certified Public Accountant | No. 2982 and/or |
| 2. Ms. Somjintana Polhirunrat, | Certified Public Accountant | No. 5599 and/or |
| 3. Mr. Jumpod Prairattanakorn | Certified Public Accountant | No. 7645 and/or |
| 4. Mr. Nophruek Phitsanu Wong | Certified Public Accountant | No. 7764 and/or |
| 5. Ms. Supaporn Mungjit | Certified Public Accountant | No. 8125 and/or |
| 6. Mr. Wirote Satjathumukul | Certified Public Accountant | No. 5128 |

Any one of the auditors has the power to audit and express an opinion on the Company's financial statements. In the event that the aforementioned certified auditor is unable to perform the duties, the Office shall procure another certified auditor instead.

For the determination of the audit for the year 2021, it is proposed to limit the total amount of not more than 4,795,000 baht, divided into the company of 2,640,000 baht and the subsidiary in the amount of 2,155,000 baht.

5. Audit Committee Self-Assessment

Provide a self-assessment for the entire Audit Committee. The overall assessment result was at an excellent level, indicating that the Audit Committee had fully performed its duties as assigned by the Board of Directors. and perform duties in accordance with the best practices in performing duties as assigned The Audit Committee is of the opinion that Financial reports audited by a certified public accountant have functioned appropriately in accordance with the requirements. There is adequate disclosure of information and in accordance with generally accepted accounting standards. There was no reason to believe that the financial statements were materially inaccurate. and has complied with the Securities and Exchange Act and other laws related to the Company's business sufficiently for the internal control system to operate properly. in line with the business environment under the promotion of good corporate governance

8.2.3 Performance of other sub-committees

8.2.3.1 Report on the performance of the Nomination and Remuneration Committee for the past year

(a) the number of meetings and attendance of the Nomination and Remuneration Committee

| Nomination and Remuneration Committee | Number of times attended |
|---------------------------------------|--------------------------|
| 1. MissTaweesri Vigayathipat | 1/1 |
| 2. Miss Peramat Huntra | 1/1 |
| 3. Dr. Yaowarin Srichainan | 1/1 |
| 4. Sub.It Matee Ittirivichai | 1/1 |

In this regard, in the year 2021, the Nomination and Remuneration Committee held a meeting in total 1 time to consider the agenda for nominating new company directors to replace those who have retired by rotation, and appointing company directors back to office and considering the remuneration of permanent directors. Year 2022 and present to the Board of Directors for proposing to the Annual General Meeting the next shareholder.

9. Internal Control and Related Transactions

9.1 Internal Control

Summary of opinions of the Board of Directors and the Audit Committee on the internal control system

Opinion of the Board of Directors

Board of Directors which is responsible for the internal control system of the business. The internal control system contributes to the efficient operation. In accordance with various regulations as well as to strengthen the risk management under the company's business environment The Board of Directors has authorized the Audit Committee by defining the charter of the Audit. Supervise the internal control system of the business and regularly report the results to the Board of Directors. The company has prepared a written manual on credit limit and approval authority in order to define the scope of responsibility decision making and various orders according to the position level. In this regard, the Company has a policy to review the said manual every year for appropriateness with future business conditions.

9.1.1 In the Audit Committee Meeting No. 12 / 2121 dated December 15, 2021 There are independent directors and audit committee meeting together has given importance to the internal control system. There is a management system and continuous follow-up to prevent and reduce the risks that may occur and there is an audit committee to review the internal control system in parallel. The Internal Audit Department reports the results to the Audit Committee. Responsible for reviewing the operating system in various departments of the Company according to the annual audit plan approved by the Audit Committee which has the following objectives:

1. For the reliability and accuracy of the information.
2. For compliance with policies, plans, operational processes and regulations.
3. For asset security.
4. For economical and efficient operation
5. To achieve the objectives of the organization and the goals of the operation or project.

There are 5 components of internal control structure in accordance with the standards. (Committee of Sponsoring Organization of The Tread way Commission : COSO) The results of the internal control assessment can be summarized as follows:

Organization Control and Environment

- Have a policy Clear business goals and supervision to meet the goals set.
- There are scorecards for employee performance guidelines. Prepare a quality manual which is a policy document from management to operational level.

- There is an ISO 9001: 2008 system and an internal audit as a tool and a mechanism to support the management to control the operations with efficiency and effectiveness. It is beneficial to management decision making and continuous efficiency.

- The company regularly reviews performance goals. Reasonably analyze employee incentives by taking into account the interests of shareholders as important and can generate maximum profits for the company.

- The Company has regulations prohibiting the management and employees from acting in a manner that may cause conflicts written benefits to the business, including company penalties.

- The company is in the process of establishing a more detailed ethical code for its employees as a guideline for the future The company also adheres to the integrity of its partners. Provide care and support to work on time payment do not take advantage of partners.

1. Risk Management

The company has assessed the risks arising from internal and external. This may have a significant impact on the company's business operations by bringing various problems to consider and analyze the incident to establish corrective and preventive measures to increase reasonable assurance that damage or failure will not occur or if it happens, it must be at an acceptable level and notify the employees and relevant departments responsible for monitoring the incident in order to comply with the specified risk management measures.

2. Control Activities

The company defines policies, plans and procedures for operating. To achieve the organization's objectives must be met and strictly followed by management and employees at all levels and clearly define the scope of authority and approval authority at each line level In addition, measures have been set for monitoring the Company's operations in accordance with the Securities and Exchange Act. Regulations of the Stock Exchange of Thailand Announcement of the Capital Market Supervisory Board.

3. Information and Communication

The company attaches importance to the information that is accurate enough and timely it can be used to make decisions and promote the effectiveness of the internal control system. Has scheduled a meeting of the Executive Committee every month to follow up on the management of the management team. The management team has a meeting on a weekly basis. The information will be presented for the management to consider in all aspects both administrative information Technical information, financial, accounting, legal, etc.

4. Monitoring

The company has set business goals. There is a performance monitoring committee. Regularly review and compare the management's performance to meet the set goals. The Company has provided an

audit of compliance with the internal control system by allowing the internal auditors to be responsible which is free to inquire to report the results to the Board of Directors or the Audit Committee by setting a policy for the management to report to the Board of Directors immediately In the event of an incident or suspected fraud breaking the law and/or any unusual actions that may affect the Company's reputation and financial position.

Head of Internal Audit and Head of Corporate Governance

Internal audit is an important part of the internal control system. The Audit Committee has appointed Mr.Thitipakorn Presertvachirakul Assistant Manager of Internal Audit Department with qualifications according to the historical data in attachment 3 .Mr.Thitipakorn Prasertvachirakul has provided an internal audit policy according to the standards of the Association of Internal Auditors. (The Institute of Internal Auditors) to provide confidence in adding value and improving the organization's operating processes to be more efficient and effective and report full results as well as strictly complying with the rules and regulations related to the company's business

According to the Charter of the Audit Committee Audit Committee has the power to approve the appointment Removal and transfer of internal audit department manager which has considered the qualifications of the internal audit department manager and is of the opinion that it is appropriate to perform such duties efficiently and effectively.

9.2 Connected Transactions

Connected Transactions between the company the company and persons who may have conflicts of interest

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transaction Value | | |
|----------------------------------|--------------|---------------------------------|--|-------------------|-------------------|-------------------|
| | | | | As of Dec 31,2021 | As of Dec 31,2020 | As of Dec 31,2019 |
| 1. BR Construction Co., Ltd. | Subsidiaries | 1. Account Receivable* | Accounts receivable occurred from the outstanding construction services at the end of the accounting period. | 139,119 | 139,119 | 139,119 |
| | | 2. Other Receivable* | The transaction occurred from the construction advance payment and charged on the actual price. | 4,600 | 4,600 | 4,600 |
| | | 3. Current Contract Assets* | Unbilled income occurred from the construction project. | 308 | 308 | 308 |
| | | 4. Short term Loan* | The transaction occurred from loan of subsidiaries operation. | 95,707 | 95,707 | 94,707 |
| | | 5. Accrued Interest Receivable* | The company charges interest on short-term loans at the rate 6.50-7.50% per year. | 25,427 | 23,108 | 20,502 |
| | | 6. Other Current Liabilities | Suspense output tax occurred from Accounts receivable. | 9,101 | 9,101 | 9,101 |
| | | 7. Finance Income* | The company charges interest on short-term loans at the rate 6.50-7.50% per year. | 2,318 | 2,656 | 2,482 |

(Unit : Thousand Baht)

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transaction Value | | |
|----------------------------------|--------------|------------------------------------|---|-------------------|-------------------|-------------------|
| | | | | As of Dec 31,2021 | As of Dec 31,2020 | As of Dec 31,2019 |
| 2. Rich Man Property Co., Ltd. | Subsidiaries | 1. Advance Payment* | The transaction occurred from expenses paid on behalf of subsidiaries. | 1,041 | 1,041 | - |
| | | 2. Accrued Income* | The transaction occurred commission for Sale of condominium projects for a subsidiaries by reasonable and fair pricing and no difference with customers | 12 | 12 | 12 |
| | | 3. Other Receivable* | The transaction occurred from the construction advance payment and charged on the actual price. | 11,139 | 11,139 | 8,314 |
| | | 4. Short term Loan** | The transaction occurred from loan of subsidiaries operation. | 468,146 | 465,046 | 466,846 |
| | | 5. Accrued Interest Receivable | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 171,729 | 145,998 | 89,748 |
| | | 6. Income from project consultant. | The transaction occurred from the project consultant service by reasonable and fair pricing and no difference with customers. | - | 1,186 | 3,558 |
| | | 7. Finance Income* | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 25,731 | 56,250 | 9,097 |

(Unit : Thousand Baht)

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transaction Value | | |
|--|--------------|----------------------------------|---|-------------------|-------------------|-------------------|
| | | | | As of Dec 31,2021 | As of Dec 31,2020 | As of Dec 31,2019 |
| 3. North Property Company Limited | Subsidiaries | 1. Advance Payment* | The transaction occurred from expenses paid on behalf of subsidiaries | - | - | 15 |
| | | 2. Other Receivable** | The transaction occurred from the other service which provided to subsidiaries. | 810 | 810 | 639 |
| | | 3. Short term Loan | The transaction occurred from loan of subsidiaries operation. | 51,604 | 51,104 | 51,104 |
| | | 4. Accrued Interest Receivable** | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 22,948 | 20,115 | 13,951 |
| | | 5. Finance Income* | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 2,833 | 6,164 | 998 |
| 4. Sajja Bangsaen Condominium Co.,Ltd. | Subsidiaries | 1. Other Receivable* | The transaction occurred from the other service which provided to subsidiaries. | 1,227 | 1,227 | 1,049 |
| | | 2. Short term Loan** | The transaction occurred from loan of subsidiaries operation. | 48,214 | 47,914 | 47,614 |
| | | 3. Accrued Interest Receivable** | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 20,509 | 17,863 | 12,119 |
| | | 4. Finance Income* | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 2,646 | 5,747 | 929 |

(Unit : Thousand Baht)

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transaction Value | | |
|---|--------------|------------------------------------|---|-------------------|-------------------|-------------------|
| | | | | As of Dec 31,2021 | As of Dec 31,2020 | As of Dec 31,2019 |
| 5. Siam Bangkok Development Co.,Ltd. | Subsidiaries | 1.Accrued Income* | The transaction occurred commission for Sale of condominium projects for a subsidiaries by reasonable and fair pricing and no difference with customers | 1,144 | 984 | 1,304 |
| | | 2. Other Receivable | The transaction occurred from the other service which provided to subsidiaries. | - | 1,102 | 1,381 |
| | | 3. Short term Loan | The transaction occurred from loan of subsidiaries operation. | - | 24,500 | 18,500 |
| | | 4. Accrued Interest Receivable | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | - | 2,785 | 2,002 |
| | | 5. Short-term borrowings | The transaction occurred on borrowing money for Company project expenditures. | 14,500 | - | - |
| | | 6. Accrued interest | The company charges interest on short-term loans at the rate 5.50% per year. | 129 | - | - |
| | | 7. Income from project consultant. | The transaction occurred from the project consultant service by reasonable and fair pricing and no difference with customers. | 1,200 | 3,180 | 5,160 |
| | | 8.Other Income | The transaction occurred commission for Sale of condominium projects and Wages for working on a project for a subsidiaries by reasonable and fair pricing and no difference with customers. | 150 | 721 | 724 |
| | | 9. Finance Income | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 754 | 1,183 | 1,846 |

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transaction Value | | |
|----------------------------------|--------------|------------------------------------|---|-------------------|-------------------|------------------|
| | | | | As of Dec31,2021 | As of Dec 31,2020 | As of Dec31,2019 |
| 6. Imperial Land Co., Ltd. | Subsidiaries | 1.Accrued Income* | The transaction occurred from revenue from project consultant. | 623 | 594 | 19 |
| | | 2. Other Receivable* | The transaction occurred from the other service which provided to subsidiaries. | 19,387 | 18,103 | 15,748 |
| | | 3. Short term Loan** | The transaction occurred from loan of subsidiaries operation. | 219,000 | 219,000 | 218,000 |
| | | 4. Accrued Interest Receivable** | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 66,683 | 54,638 | 40,456 |
| | | 5. Other Current Liabilities | Suspense output tax occurred from Accounts receivable. | 433 | 347 | - |
| | | 6. Income from project consultant. | The transaction occurred from the project consultantat service by reasonable and fair pricing and no difference with customers. | 1,200 | 1,923 | 5,540 |
| | | 7.Other Income | The transaction occurred Wages for working on a project for a subsidiaries by reasonable and fair pricing and no difference with customers. | 26 | 575 | 4 |
| | | 8. Finance Income | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 12,045 | 14,182 | 15,431 |

(Unit : thousand Baht)

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transactio Value | | |
|-------------------------------------|--------------------|--------------------------------|--|----------------------|----------------------|----------------------|
| | | | | As of Dec 31,2021 | As of Dec 31,2020 | As of Dec 31,2019 |
| 7.Sanken-EMC Co.,Ltd. | Associated Company | 1. Short term Loan | The transaction occurred from loan of subsidiaries operation. | 4,900 | 4,900 | 4,600 |
| | | 2. Accrued Interest Receivable | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 938 | 669 | 366 |
| | | 3.Retention Payable | The transcation occurred from the materials construction purchasing and services and deducted retention. | 10,128 | 10,128 | 10,128 |
| | | 4. Finance Income | The company charges interest on short-term loans at the rate 5.50-7.50% per year. | 269 | 303 | 271 |
| | | 5. chartered wages | The transcation occurred from the material cost by reasonable and fair pricing and no difference with customers. | - | - | 97,290 |

(Unit : Thousand Baht)

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transaction Value | | |
|---|----------------------------------|------------------------------------|---|-------------------|-------------------|-------------------|
| | | | | As of Dec 31,2021 | As of Dec 31,2020 | As of Dec 31,2019 |
| 8.Chiangmai Daily Company Limited – EMC Public Company Limited Joint Venture | Joint Arrangement. | 1. Other Receivable | The transaction occurred from the outstanding services at the end of the accounting period. | 4,202 | 3,902 | 2,438 |
| | | 2. Income from project consultant. | The transaction occurred from the project consultant service by reasonable and fair pricing and no difference with customers. | - | 1,025 | 2,230 |
| | | 3. Finance Income | The company charges interest on short-term loans at the rate 7.50% per year. | - | - | 76 |
| 9. Sky Tower Public Company Limited. | Related party as co-shareholder. | 1. Other Receivable | The transaction occurred from the outstanding services at the end of the accounting period. | 61 | 61 | 61 |
| | | 2. Other Current Assets | Suspense input tax occurred from Other accounts payable. | 46 | - | - |
| | | 3. Account payable | Accounts payable occurred from the material purchasing and construction services. | 709 | 709 | 4,888 |
| | | 4. Accrued Interest Payable | The company charges interest on short-term loans at the rate 6.25% per year. | 3,554 | 3,554 | 3,554 |
| | | 5.Retention Payable | The transaction occurred from the materials construction purchasing and services and deducted retention. | 2,596 | 2,596 | 1,778 |
| | | 6. chartered wages | The transaction occurred from the material cost by reasonable and fair pricing and no difference with customers. | - | 12,944 | 12,944 |

(Unit : Thousand Baht)

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transaction Value | | |
|----------------------------------|--------------|-----------------------------|---|-------------------|-------------------|-------------------|
| | | | | As of Dec 31,2021 | As of Dec 31,2020 | As of Dec 31,2019 |
| 10. Mr.Voravit Leenabanchong | Directors | 1. Advance Payment | The transaction occurred from expenses paid on behalf of subsidiaries. | 50 | - | - |
| | | 2. Short Term Loan | The transaction occurred on borrowing money for Company project expenditures. | - | - | 32,500 |
| | | 2. Accrued Interest Payable | The company charges interest on short-term loans at the rate 6.00% per year. | - | - | 28 |
| | | 3. Finance Cost | The company charges interest on short-term loans at the rate 6.00% per year.. | - | 1,480 | 2,450 |

(Unit : Thousand Baht)

| Possible of Conflict of Interest | Relationship | Description of Transaction | Necessity and rationality of the transaction | Transaction Value | | |
|----------------------------------|--------------|-----------------------------|---|-------------------|-------------------|-------------------|
| | | | | As of Dec 31,2021 | As of Dec 31,2020 | As of Dec 31,2019 |
| 11. Mr.Chanachai Leenabanchong | Directors | 1. Finance Cost | The company charges interest on short-term loans at the rate 6.00% per year.. | - | - | 1,671 |
| 12. Mr.Chinchai Leenabanchong | Shareholder | 1. Finance Cost | The company charges interest on short-term loans at the rate 6.00% per year.. | - | - | 31 |
| 13. Mr.Chinsiri Leenabanchong | Shareholder | 1. Short Term Loan | The transaction occurred on borrowing money for Company project expenditures. | - | - | 17,500 |
| | | 2. Accrued Interest Payable | The company charges interest on short-term loans at the rate 6.00% per year. | - | - | 14 |
| | | 3. Finance Cost | The company charges interest on short-term loans at the rate 6.00% per year.. | - | 755 | 1,521 |
| 14. Mr.Wachara Pakdeemonthon | Directors | 1. Advance Payment | The transaction occurred from expenses paid on behalf of subsidiaries. | 63 | 200 | - |

* The Company has set a sidew the allowance for credit loss in-curred in full amount.

** The Company has set a sidew the allowance for doubtful debts in some amount.

1. *Necessity and Justification of Transactions*

Transactions occurring in the past year are transactions made from:

1. Interest payment for short term loans to related persons and companies for the operation of the company.
2. The consulting fees of projects and other incomes which collected by the Company from subsidiaries and joint ventures, is a fee charged by the company under a mutually agreed contract including the sale of scrap materials from the construction such transactions are normal business of the Company.
3. The contract works for the construction of the project instead of the subsidiary as the company undertakes the construction work and consider carefully the construction cost such transactions are normal business.
4. The material purchasing of projects, the Company has compared material prices according to the Company's regulations and the selection of material vendors is fair and considering the properties of the material vendor and the material price such transactions are normal business of the Company.
5. In 2021, the amount is 14.50 million baht, interest is charged at the rate of 5.50% per year, and in 2019, the amount is 50 million baht, the interest is charged at the rate of 6% per year.
6. Short term loan occurred from loan of subsidiaries operation with interest at the rate of 5.50-7.50% per year.

The Audit Committee is of the opinion that such connected transactions are in line with the nature of the business and the income and expenses which received and paid are market prices, as well as those with unrelated parties.

Necessity and Justification of Transactions are the highest benefits of the Company. The Audit Committee has commented that it is in line with general business and the company received and paid a fair price and guarantees of loans from banks instructions and loans to subsidiaries and related companies. It is a transaction that improves liquidity and improves the financial position of the company to be able to continue operating on a continuous basis. In addition, the said transaction is in accordance with the policy of the connected transaction according to the resolutions of the Board of Directors Meeting.

3. *Measures/Procedures for Approval of Related Party Transactions*

The above related transactions in the table, the Audit Committee has audited and agreed that it is in line with the field of business and the future transactions, the Company will assign related departments to gather information transaction to propose to the Audit Committee to consider that the transaction is in line with the general business and is in line with the market pricing. In this regard, company will perform with the regulations of the Securities and Exchange Commission. The Stock Exchange of Thailand and the Audit

Committee will consider and propose to the Board of Directors by commenting on the transactions must be no directors with conflict of interests.

4. *Policy or Trend of Making the Related Party Transactions in the Future*

The Company has a policy on transactions with the conditions of business at the market pricing. It can be compared with the third parties pricing, thereby, company has provided the audit committee or the auditor of the company or independent expert to audit and comment on the suitable pricing and the reasonableness of the transaction.

If the transaction between the Company or its subsidiaries occurred with the possible of conflicts of interest or possible of conflicts of interest in the future. The Company will provide the Audit Committee with an opinion on the necessity and appropriate of the transaction. In the case of the Audit Committee is not proficient in the consideration of related transactions. The Company will provide the independent expert or the auditor to comment on transactions for the decision of Board of Directors or shareholders as the case may be. The Company will disclose related transactions in the notes to financial statements which audited by the Company's auditors.

EMC PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of EMC Public Company Limited and its subsidiaries

Opinion

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

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

Basis of 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 Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Recognition of revenues and costs of construction contracts.

Reference to notes to the financial statements no. 4.17.2 and 4.18.2

Revenue from construction contract is recognized by the stage of completed works in each contract. The percentage of completed works is calculated by comparing the cost of construction works incurred until the end of period with total construction costs expected to be used in construction accordingly. The total cost of the project is also estimated by the engineer or person in charge of the project. Therefore, the Management is required to use judgement in assessing the amount of revenue initially agreed in the contract. Amounts relating to contract changes is arisen from modifications, compensation claims, completeness and accuracy of estimated construction cost until the work is completed and the ability to deliver work to customers on schedule. The final result of the contract may have different results in several directions, depending on the accuracy of assumption applied and the judgement used in evaluating whether the construction contract is specific contract, and total estimated of construction costs will significantly affect on making adjustment revenue from construction contract construction income causing both positive and negative results. Therefore, I have focused on verifying the percentage of completed works and the value of total estimated construction cost and addressed such matter as key audit matter.

How my audit addressed the key audit matters

Percentage of completed works

This is because the percentage of completed construction works at the end of the period is calculated by comparing the cost of construction work incurred until the end of period with the total cost of construction work expected to be used in contract construction which may have risk of the deviation amount of value of work accepted by customer. Therefore, I have performed auditing procedures by checking with the amount of works accepted by the customer after the end of the period, participating in the observation of the construction works at the end of the period to review the construction conditions at the actual location and the quantity of completed works . In addition, I have compared the completed works provided by the engineer and have found that the percentage of completed construction works work applied by the Company is appropriate.

Estimated total cost of the project.

I have tested the reliability of total estimated cost of the project by starting from obtaining an understanding the control system designed to be used for making the estimated total cost of a project in order to assess the effectiveness overall control of the Company. Estimated cost of the main works area is tested by comparing the information in the customer's contract with the accounting data showing the amount of materials and labor used in the construction. (BOQ) prepared by the supervisor engineer. Testing the accuracy of construction cost prices in BOQ with accounting documents and supporting documentation for recording construction cost transactions in ledger account in order to test the accuracy of defined estimated cost. Management is inquired into control methods adopted in case of adjustments to estimated cost that the company will have to pay in the future to complete construction works. Accordingly ,I have found that total all estimated of construction costs of the company is appropriately prepared.

Other Information

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

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available 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 charge with governance to correct the materially misstatement appropriately.

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

Managements 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 Consolidated and Separate 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 Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also :

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 have 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.

D I A International Audit Co., Ltd.

(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

February 24, 2022

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

(Unit : Bath)

| | Consolidated financial statements | | | | Separate financial statements | |
|--|-----------------------------------|-------------------|-------------------|----------------|-------------------------------|-------------------|
| | Notes | December 31, 2021 | December 31, 2020 | January 1,2020 | December 31, 2021 | December 31, 2020 |
| | | | Restated | Restated | | |
| <u>Assets</u> | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents items | 30.1 | 18,305,089 | 34,571,236 | 62,875,082 | 11,599,516 | 26,362,808 |
| Trade and other current receivables | 6 | 37,501,761 | 116,281,609 | 62,807,692 | 31,188,174 | 119,154,380 |
| Current contract assets | 7.1 | 496,493,480 | 402,154,647 | 663,600,072 | 496,493,480 | 402,154,647 |
| Short-term loans and interest receivable | 8 | 3,338,490 | 3,068,990 | 2,465,733 | 706,707,207 | 771,094,519 |
| Inventories | 9 | 660,702,167 | 718,105,707 | 768,322,034 | 188,017,517 | 203,173,500 |
| Advance payments for materials and contractors | 10 | 12,240,080 | 19,184,286 | 12,616,682 | 9,859,916 | 15,727,819 |
| Other current financial assets | | - | 351,132 | 1,820,180 | - | - |
| Other current assets | | 6,907,838 | 9,306,479 | 18,002,957 | 5,333,806 | 8,068,914 |
| Total current assets | | 1,235,488,905 | 1,303,024,086 | 1,592,510,432 | 1,449,199,616 | 1,545,736,587 |
| Non-current assets | | | | | | |
| Other non-current financial assets | 11 | 20,068,680 | 22,411,920 | 25,000,000 | 20,068,680 | 22,411,920 |
| Investments in subsidiaries | 12 | - | - | - | 20,000,000 | 20,000,000 |
| Investments in associates and joint venture | 13 | - | - | 158,173 | - | - |
| Land held for development | | 113,384,984 | 113,384,984 | 113,384,984 | - | - |
| Investment property | 14 | 971,746,373 | 1,014,060,674 | 1,031,665,917 | 728,508,856 | 761,263,504 |
| Property, plant and equipment | 15 | 139,565,417 | 163,906,097 | 170,537,329 | 139,423,470 | 163,613,142 |
| Right-of-use assets | 16 | 15,684,891 | 5,663,083 | - | 15,554,421 | 5,351,543 |
| Other intangible assets other than goodwill | | 3,720,561 | 3,826,251 | 3,236,316 | 3,677,898 | 3,772,353 |
| Non-current non-cash financial assets pledged as collateral | 17 | 68,957,469 | 211,513,169 | 106,439,083 | 68,081,990 | 210,637,690 |
| Withholding tax deducted at sources | | 78,668,083 | 56,681,704 | 64,800,751 | 76,600,815 | 55,168,291 |
| Advance payments for purchases of real estate projects under development | 18 | - | - | - | - | - |
| Other non-current assets | | 1,490,157 | 1,559,208 | 2,816,556 | 1,033,606 | 1,074,606 |
| Total non-current assets | | 1,413,286,615 | 1,593,007,090 | 1,518,039,109 | 1,072,949,736 | 1,243,293,049 |
| Total assets | | 2,648,775,520 | 2,896,031,176 | 3,110,549,541 | 2,522,149,352 | 2,789,029,636 |

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

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

(Unit : Bath)

| | Notes | Consolidated financial statements | | | Separate financial statements | |
|---|-------|-----------------------------------|-------------------|-----------------|-------------------------------|-------------------|
| | | December 31, 2021 | December 31, 2020 | January 1, 2020 | December 31, 2021 | December 31, 2020 |
| | | Restated | Restated | | | |
| Liabilities and shareholders' equity | | | | | | |
| Current liabilities | | | | | | |
| Overdrafts and short-term borrowings from | | | | | | |
| financial institutions | 19 | 16,808,739 | 19,560,000 | 484,195,520 | 16,808,739 | 19,560,000 |
| Trade and other current payables | 20 | 201,765,262 | 254,837,528 | 201,280,147 | 185,113,706 | 235,108,272 |
| Current contract liabilities | 7.1 | 68,223,226 | 70,205,313 | 154,065,698 | 62,245,565 | 63,658,297 |
| Current portion of: | | | | | | |
| Long-term borrowings | 23 | 204,262,708 | 135,050,315 | 1,292,005 | 204,262,708 | 135,050,315 |
| Lease liabilities | 24 | 3,513,748 | 3,952,013 | 2,562,419 | 3,377,943 | 3,773,395 |
| Short-term borrowings and accrued interest | 21 | 8,922,469 | 8,922,469 | 58,963,565 | 16,207,520 | 1,578,082 |
| Other current provisions | 22 | 38,487,687 | 48,154,194 | 90,411,070 | 32,133,278 | 41,145,386 |
| Other current liabilities | | 10,370,081 | 11,312,800 | 9,043,926 | 19,858,800 | 20,604,050 |
| Total current liabilities | | 552,353,920 | 551,994,632 | 1,001,814,350 | 540,008,259 | 520,477,797 |
| Non-current liabilities | | | | | | |
| Long-term borrowings | 23 | 19,078,377 | 169,644,281 | - | 19,078,377 | 169,644,281 |
| Lease liabilities | 24 | 44,843,485 | 47,839,594 | 48,565,562 | 20,931,266 | 23,791,569 |
| Non-current contract liabilities | 7.1 | 346,583 | 331,000 | 331,000 | - | - |
| Deferred income tax liability | 25 | 3,741,996 | 7,207,197 | 17,148,671 | 3,741,996 | 7,207,197 |
| Non-current provisions for employee benefit | 26 | 28,673,285 | 30,741,554 | 24,978,271 | 28,673,285 | 30,741,554 |
| Retention payable to contractors | | 131,918,104 | 139,859,373 | 133,364,228 | 126,030,838 | 135,014,978 |
| Other non-current liabilities | | 9,440,597 | 8,214,064 | 4,685,845 | - | - |
| Total non-current liabilities | | 238,042,427 | 403,837,063 | 229,073,577 | 198,455,762 | 366,399,579 |
| Total liabilities | | 790,396,347 | 955,831,695 | 1,230,887,927 | 738,464,021 | 886,877,376 |
| Shareholders' equity | | | | | | |
| Share capital | 27 | | | | | |
| 12,650,632,144 Ordinary shares @ Baht 1.00 each | | 12,650,632,144 | 12,650,632,144 | 12,650,632,144 | 12,650,632,144 | 12,650,632,144 |
| Issued and paid-up share capital | | | | | | |
| 8,433,754,763 Ordinary shares @ Baht 1.00 each | | 8,433,754,763 | 8,433,754,763 | 8,433,754,763 | 8,433,754,763 | 8,433,754,763 |
| Share premium (discount) on ordinary shares | | | | | | |
| Share premium on ordinary shares | | 248,605,614 | 248,605,614 | 248,605,614 | 248,605,614 | 248,605,614 |
| Share discount on ordinary shares | | (4,459,882,745) | (4,459,882,745) | (4,459,882,745) | (4,459,882,745) | (4,459,882,745) |
| Share premium on treasury stocks | | 5,970,478 | 5,970,478 | 5,970,478 | 5,970,478 | 5,970,478 |
| Retained earnings (deficit) | | | | | | |
| Legal reserve | | 16,482,791 | 16,482,791 | 16,482,791 | 16,482,791 | 16,482,791 |
| Deficit | | (2,320,818,523) | (2,242,544,578) | (2,304,124,445) | (2,524,546,729) | (2,408,726,562) |
| Other component of equity | | 63,301,159 | 65,947,921 | 68,594,684 | 63,301,159 | 65,947,921 |
| Total shareholders' equity of Parent Company | | 1,987,413,537 | 2,068,334,244 | 2,009,401,140 | 1,783,685,331 | 1,902,152,260 |
| Non-controlling interests | | (129,034,364) | (128,134,763) | (129,739,526) | - | - |
| Total shareholders' equity | | 1,858,379,173 | 1,940,199,481 | 1,879,661,614 | 1,783,685,331 | 1,902,152,260 |
| Total liabilities and shareholders' equity | | 2,648,775,520 | 2,896,031,176 | 3,110,549,541 | 2,522,149,352 | 2,789,029,636 |

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

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Bath)

| | | Consolidated financial statements | | Separate financial statements | |
|---|-------|-----------------------------------|-----------------|-------------------------------|-----------------|
| | Notes | 2021 | 2020 | 2021 | 2020 |
| | | | Restated | | |
| Revenues | | | | | |
| Revenue from construction | | 948,876,118 | 1,345,737,372 | 948,876,118 | 1,345,737,372 |
| Revenue from sales of real estate | | 107,338,392 | 50,681,272 | 29,503,600 | 11,727,600 |
| Rental income and fee leasehold | | 8,444,141 | 13,241,913 | 3,969,416 | 8,316,441 |
| Other income | | | | | |
| Revenue from project consultant | | 828,000 | 1,025,000 | 2,400,000 | 7,314,330 |
| Gain on disposal of investment property | | 4,279,387 | 642,980 | 4,279,387 | 642,980 |
| Other income | | 31,355,378 | 52,124,482 | 30,312,908 | 43,125,274 |
| Total revenues | | 1,101,121,416 | 1,463,453,019 | 1,019,341,429 | 1,416,863,997 |
| Expenses | | | | | |
| Costs of construction | | (924,517,860) | (1,153,264,123) | (924,517,860) | (1,153,264,123) |
| Cost of sales of real estate | | (83,878,575) | (39,438,048) | (23,174,273) | (11,271,248) |
| Cost of rental and leasehold fee | | (39,707,796) | (42,773,149) | (26,230,130) | (29,903,652) |
| Distribution costs | | (10,373,702) | (21,890,733) | (6,232,683) | (13,761,394) |
| Administrative expenses | | (129,000,110) | (134,034,241) | (165,675,731) | (231,141,441) |
| Total expenses | | (1,187,478,043) | (1,391,400,294) | (1,145,830,677) | (1,439,341,858) |
| Profit (loss) from operating activities | | (86,356,627) | 72,052,725 | (126,489,248) | (22,477,861) |
| Finance income | | 535,869 | 1,394,627 | 1,278,454 | 6,532,222 |
| Finance costs | | (2,570,148) | (4,771,216) | (2,703,687) | (4,765,432) |
| Share of profit (loss) of joint ventures and associates accounted | | | | | |
| for using equity method | 13 | (1,513,401) | (1,442,611) | - | - |
| Profit (loss) before income tax expense | | (89,904,307) | 67,233,525 | (127,914,481) | (20,711,071) |
| Tax income (expenses) | 28.2 | 3,298,118 | (6,695,658) | 4,661,671 | (6,695,658) |
| Profit (loss) for the year | | (86,606,189) | 60,537,867 | (123,252,810) | (27,406,729) |

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

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Bath)

| | Notes | Consolidated financial statements | | Separate financial statements | |
|---|-------|-----------------------------------|------------------|-------------------------------|--------------|
| | | 2021 | 2020 Restated | 2021 | 2020 |
| Profit (loss) for the year | | (86,606,189) | 60,537,867 | (123,252,810) | (27,406,729) |
| Other comprehensive income | | | | | |
| Components of other comprehensive income | | | | | |
| that will not be reclassified to profit or loss | | | | | |
| Actuarial gains (loss) | | 5,982,351 | - | 5,982,351 | - |
| Income tax relating to components of other comprehensive income | | | | | |
| that will not be reclassified to profit or loss | | (1,196,470) | - | (1,196,470) | - |
| Other comprehensive income for the year - net of tax | 28.3 | 4,785,881 | - | 4,785,881 | - |
| Total comprehensive income (expense) for the year | | (81,820,308) | 60,537,867 | (118,466,929) | (27,406,729) |
| Profit (loss) attributable to : | | | | | |
| Owners of the Company | | (85,706,588) | 58,933,104 | (123,252,810) | (27,406,729) |
| Non-controlling interests | | (899,601) | 1,604,763 | - | - |
| | | (86,606,189) | 60,537,867 | (123,252,810) | (27,406,729) |
| Total comprehensive income (expense) attributable to : | | | | | |
| Owners of the Company | | (80,920,707) | 58,933,104 | (118,466,929) | (27,406,729) |
| Non-controlling interests | | (899,601) | 1,604,763 | - | - |
| | | (81,820,308) | 60,537,867 | (118,466,929) | (27,406,729) |
| Earnings (loss) per share | 29 | | | | |
| Basic earnings (loss) per share | | (0.0102) | 0.0070 | (0.0146) | (0.0032) |
| Diluted earnings (loss) per share | | (0.0100) | 0.0069 | (0.0143) | (0.0032) |

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

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Bath)

| | Consolidated financial statements | | | | | | | | | | Total shareholders' equity |
|---|-----------------------------------|----------------------------------|---------------------------------|----------------------------------|--------------------------|-------------------------------------|---------------------------|--------------|-------------|---|----------------------------|
| | Equity holders of the parent | | | | | | Non-controlling interests | | | | |
| | Issued and paid-up share capital | Share premium on ordinary shares | Share discount on share capital | Share premium on treasury stocks | Deficit | | Other component of equity | | | Equity attributable to owners of the parent | |
| Appropriated for legal reserve | | | | | Unappropriated (deficit) | Revaluation surplus of fixed assets | Income tax | Net | | | |
| Balance as at December 31, 2020 - As previously reported | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,246,532,417) | 82,434,903 | (16,486,982) | 65,947,921 | 2,064,346,405 | 1,936,211,642 |
| The effect from adjustment transaction of previous year financial statements (Notes 38) | - | - | - | - | - | 3,987,839 | - | - | - | 3,987,839 | - |
| Balance as at January 1, 2021 - After adjustment | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,242,544,578) | 82,434,903 | (16,486,982) | 65,947,921 | 2,068,334,244 | 1,940,199,481 |
| Transaction with shareholder on directly recorded to equity | | | | | | | | | | | |
| Depreciation of surplus on revaluation of assets | - | - | - | - | - | 2,646,762 | (3,308,452) | 661,690 | (2,646,762) | - | - |
| Total transaction with shareholder on directly recorded to | - | - | - | - | - | 2,646,762 | (3,308,452) | 661,690 | (2,646,762) | - | - |
| Total comprehensive income (expense) for the year | | | | | | | | | | | |
| Loss for the year | - | - | - | - | - | (85,706,588) | - | - | - | (85,706,588) | (86,606,189) |
| Other comprehensive expense for the year | - | - | - | - | - | 4,785,881 | - | - | - | 4,785,881 | 4,785,881 |
| Total comprehensive income (expense) for the year | - | - | - | - | - | (80,920,707) | - | - | - | (80,920,707) | (81,820,308) |
| Balance as at December 31, 2021 | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,320,818,523) | 79,126,451 | (15,825,292) | 63,301,159 | 1,987,413,537 | 1,858,379,173 |
| Balance as at December 31, 2019 - As previously reported | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,308,269,529) | 85,743,356 | (17,148,672) | 68,594,684 | 2,005,256,056 | 1,875,516,530 |
| The effect from adjustment transaction of previous year financial statements (Notes 38) | - | - | - | - | - | 4,145,084 | - | - | - | 4,145,084 | - |
| Balance as at January 1, 2020 - After adjustment | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,304,124,445) | 85,743,356 | (17,148,672) | 68,594,684 | 2,009,401,140 | 1,879,661,614 |
| Transaction with shareholder on directly recorded to equity | | | | | | | | | | | |
| Depreciation of surplus on revaluation of assets | - | - | - | - | - | 2,646,763 | (3,308,453) | 661,690 | (2,646,763) | - | - |
| Total transaction with shareholder on directly recorded to | - | - | - | - | - | 2,646,763 | (3,308,453) | 661,690 | (2,646,763) | - | - |
| Comprehensive income (expense) for the year | | | | | | | | | | | |
| Profit for the year | - | - | - | - | - | 58,933,104 | - | - | - | 58,933,104 | 60,537,867 |
| Total comprehensive income (expense) for the year | - | - | - | - | - | 58,933,104 | - | - | - | 58,933,104 | 60,537,867 |
| Balance as at December 31, 2020 - After adjustment | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,242,544,578) | 82,434,903 | (16,486,982) | 65,947,921 | 2,068,334,244 | 1,940,199,481 |

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

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Bath)

| | Separate financial statements | | | | | | | | | | Total |
|---|---|--|---------------------------------------|--|--------------------------------------|-----------------------------|---|--------------|--|-------------|---------------|
| | Equity holders of the parent paid-up share capital | Share premium on ordinary shares | Share discount on share capital | Share premium on treasury stocks | Deficit | | Other component of equity | | | Net | |
| | | | | | Appropriated for legal reserve | Unappropriated (deficit) | Revaluation surplus of fixed assets | Income tax | | | |
| Balance as at January 1, 2021 | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,408,726,562) | 82,434,903 | (16,486,982) | | 65,947,921 | 1,902,152,260 |
| Transaction with shareholder on directly recorded to equity | | | | | | | | | | | |
| Depreciation of surplus on revaluation of assets | - | - | - | - | - | 2,646,762 | (3,308,452) | 661,690 | | (2,646,762) | - |
| Total transaction with shareholder on directly recorded to | - | - | - | - | - | 2,646,762 | (3,308,452) | 661,690 | | (2,646,762) | - |
| Total comprehensive income (expense) for the year | | | | | | | | | | | |
| Loss for the year | - | - | - | - | - | (123,252,810) | - | - | | - | (123,252,810) |
| Other comprehensive expense for the year | - | - | - | - | - | 4,785,881 | - | - | | - | 4,785,881 |
| Total comprehensive income (expense) for the year | - | - | - | - | - | (118,466,929) | - | - | | - | (118,466,929) |
| Balance as at December 31, 2021 | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,524,546,729) | 79,126,451 | (15,825,292) | | 63,301,159 | 1,783,685,331 |
| Balance as at January 1, 2020 | | | | | | | | | | | |
| 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,383,966,596) | 85,743,356 | (17,148,672) | | | 68,594,684 | 1,929,558,989 |
| Transaction with shareholder on directly recorded to equity | | | | | | | | | | | |
| Depreciation of surplus on revaluation of assets | - | - | - | - | - | 2,646,763 | (3,308,453) | 661,690 | | (2,646,763) | - |
| Total transaction with shareholder on directly recorded to | - | - | - | - | - | 2,646,763 | (3,308,453) | 661,690 | | (2,646,763) | - |
| Total comprehensive income (expense) for the year | | | | | | | | | | | |
| Loss for the year | - | - | - | - | - | (27,406,729) | - | - | | - | (27,406,729) |
| Total comprehensive income (expense) for the year | - | - | - | - | - | (27,406,729) | - | - | | - | (27,406,729) |
| Balance as at December 31, 2020 | 8,433,754,763 | 248,605,614 | (4,459,882,745) | 5,970,478 | 16,482,791 | (2,408,726,562) | 82,434,903 | (16,486,982) | | 65,947,921 | 1,902,152,260 |

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

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Bath)

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|-----------------------------------|--------------|-------------------------------|--------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | | Restated | | |
| Cash flows from operating activities | | | | | |
| Profit (loss) for the year | | (86,606,189) | 60,537,867 | (123,252,810) | (27,406,729) |
| Adjustments to reconcile profit before tax income to cash received (paid) | | | | | |
| from operating activities | | | | | |
| Tax expenses | | (3,298,118) | 6,695,658 | (4,661,671) | 6,695,658 |
| Expected credit loss incurred (reverse) | | (3,713,726) | 32,339,196 | 39,194,513 | 105,136,690 |
| Loss from devaluation of inventories (Reversal) | | (1,621,482) | 889,066 | (1,621,482) | 889,066 |
| Depreciation and amortization | | 48,151,942 | 48,865,621 | 38,180,302 | 38,907,286 |
| Share of (Profit) loss from investment in associates and joint venture | | 1,513,401 | 1,442,611 | - | - |
| Loss from impairment of investment in associates and joint venture | | | - | | 2,550,000 |
| Gain on disposal of investment property | | (4,279,387) | (642,980) | (4,279,387) | (642,980) |
| Loss from devaluation of fair value | | 2,343,240 | 2,588,080 | 2,343,240 | 2,588,080 |
| Gain on disposal of property, plants and equipment | | (3,920) | (1,313,425) | (3,920) | (1,313,425) |
| Other current provisions (reverse) | | (14,345,690) | (10,955,470) | (14,191,291) | (7,014,601) |
| Provisions for employee retirement benefit | | 4,660,842 | 5,763,283 | 4,660,842 | 5,763,283 |
| Financial income | | (535,869) | (1,394,627) | (1,278,454) | (6,532,222) |
| Financial cost - Costs of construction | | 17,708,670 | 27,709,719 | 17,708,670 | 25,009,183 |
| Financial cost | | 2,570,148 | 4,771,216 | 2,703,687 | 4,765,432 |
| Profit (loss) from operations before changes in operating assets and liabilities | | (37,456,138) | 177,295,815 | (44,497,761) | 149,394,721 |
| Operating assets (increase) decrease | | | | | |
| Trade and other current receivable | | 83,940,640 | (83,535,195) | 91,199,978 | (63,075,765) |
| Current contract assets | | (96,119,765) | 261,445,425 | (96,119,765) | 261,445,425 |
| Inventories | | 59,025,022 | 29,008,482 | 16,777,465 | 40,846,905 |
| Advance payments for materials and contractors | | 6,944,206 | (9,236,818) | 5,867,903 | (10,083,787) |
| Other current assets | | 2,398,641 | 8,696,478 | 2,735,108 | 8,294,412 |
| Other non-current assets | | 69,051 | 1,257,348 | 41,000 | 1,244,840 |
| Operating liabilities increase (decrease) | | | | | |
| Trade and other current payables | | (54,497,025) | 52,854,833 | (51,419,325) | 52,893,589 |
| Current contract liabilities | | (1,982,572) | (83,860,386) | (1,412,732) | (84,029,092) |
| Other current provisions | | 4,679,183 | (31,301,406) | 5,179,183 | (31,787,948) |
| Other current liabilities | | (942,719) | 2,317,611 | (745,250) | 2,607,149 |
| Non-current contract liabilities | | 16,068 | - | - | - |
| Retention payable to contractors | | (7,941,269) | 6,495,145 | (8,984,140) | 5,205,018 |
| Non-other current liabilities | | (286,868) | 2,085,608 | - | - |
| Cash from (used in) operation activities | | (42,153,545) | 333,522,940 | (81,378,336) | 332,955,467 |
| Income tax paid | | (23,349,932) | (8,518,085) | (21,432,524) | (8,330,266) |
| Net cash provided by operation activities | | (65,503,477) | 325,004,855 | (102,810,860) | 324,625,201 |

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

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Bath)

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|-----------------------------------|---------------|-------------------------------|---------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | Restated | | | |
| Cash flows from investing activities | | | | | |
| Cash received from short-term loan | | - | - | 24,500,000 | 14,200,000 |
| Cash paid for short-term loan | | - | (300,000) | (3,600,000) | (21,300,000) |
| Cash received from current financial assets | | 351,132 | 1,469,048 | - | 1,482,250 |
| Cash paid for current financial assets | | - | - | - | - |
| Cash received from investment in associates and joint venture | | - | 158,173 | - | - |
| Cash received from sales of property, plant and equipment | | 15,269,800 | 7,047,600 | 15,269,800 | 7,047,600 |
| Cash received from sales of property, plant and equipment | | 39,252 | 1,314,953 | 39,252 | 1,314,953 |
| Cash paid for acquisition of property, plant and equipment | | (1,082,579) | (7,292,192) | (1,013,905) | (7,205,052) |
| Cash paid for acquisition other intangible assets except for goodwill | | (553,450) | (1,205,140) | (553,450) | (1,205,140) |
| Cash received from current non-cash financial assets pledged as collateral | | 142,555,700 | - | 142,555,700 | - |
| Cash paid for current non-cash financial assets pledged as collateral | | - | (105,074,086) | - | (105,478,086) |
| Cash received from interest income | | 600,235 | 1,433,929 | 4,118,413 | 1,862,202 |
| Net cash provided by investing activities | | 157,180,090 | (102,447,715) | 181,315,810 | (109,281,273) |
| Cash flows from financing activities | | | | | |
| Overdrafts and short-term borrowings from financial institutions | | | | | |
| (increase) decrease | | (2,587,001) | (461,331,040) | (2,587,001) | (461,331,040) |
| Cash received from short-term borrowings | | - | - | 14,500,000 | - |
| Cash paid for short-term borrowings | | - | (50,000,000) | - | (50,000,000) |
| Cash received from long-term borrowings | | 40,000,000 | 360,000,000 | 40,000,000 | 360,000,000 |
| Cash paid for long-term borrowings | | (121,794,276) | (55,794,415) | (121,794,276) | (55,794,415) |
| Cash paid for Lease liabilities | | (3,434,374) | (7,295,174) | (3,255,755) | (7,247,458) |
| Cash paid for interest expense | | (20,127,109) | (36,440,357) | (20,131,210) | (33,734,036) |
| Net cash provided by financing activities | | (107,942,760) | (250,860,986) | (93,268,242) | (248,106,949) |
| Net cash and cash equivalents, increase (decrease) | | (16,266,147) | (28,303,846) | (14,763,292) | (32,763,021) |
| Cash and cash equivalents at the beginning of the period | | 34,571,236 | 62,875,082 | 26,362,808 | 59,125,829 |
| Cash and cash equivalents at the end of the period | 30.1 | 18,305,089 | 34,571,236 | 11,599,516 | 26,362,808 |

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

EMC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. General information

1.1 General information of the company

EMC Public Company Limited("The Company"), incorporated in Thailand, was listed on the Stock Exchange of Thailand with the Company registration number 0107538000321 on September 9, 1995, Its head office is situated at 140/66-67 , ITF Tower, 28th – 30th Floor, Silom Road, Suriwongse, Bangrak, Bangkok 10500, Thailand.

The Group is engaged in the provision of services under long-term service agreements and construction agreements and real estate development.

1.2 Major shareholder Group of Leenabanchong surname

1.3 Coronavirus disease 2019 pandemic :

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries in terms of supply chains, consumer spending relating to habitation, limited or suspended real estate construction, operational delays. . This situation may bring uncertainties and have an impact on the environment in which the group operates.

Nevertheless, the management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities. The degree of the impact severity is dependent upon duration of virus pandemic and controlling measures imposed by government The Management has used estimate and judgement in various issues when circumstance is changed.

2. Basis of financial statements preparation

2.1 The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

- 2.2 These financial statement have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Professions Act B.E. 2547 and presented in accordance with the Notification of the Department of Business Development by the Ministry of Commerce dated December 26, 2019, regarding the condensed form should be included in the financial statements (No. 3) B.E. 2562 and the relevant regulations and announcements of the Securities and Exchange Commission.

The financial statements were prepared and presented currency in Thai Baht which the Group functional currency, rounded to the nearest thousand baht unless otherwise stated and using historical cost basis except those disclosed otherwise in the accounting policies.

2.3 New financial reporting standards

2.3.1 Financial report standards that became effective in the current year

Financial reporting standards and interpretations become effective for fiscal years beginning on or after January 1, 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 that included in amendments to references to the Conceptual Framework in Financial Reporting Standards, Definition of business of material and reform of referenced interest.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial Statements.

2.3.2 Financial report standards that will become effective in the future

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

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

3. Basis of the consolidated financial statements preparation

- 3.1 The consolidated financial statements consist of the financial statements of the Company and subsidiaries (together called “The Group”).
- 3.2 A subsidiary companies are enterprise under the control of the Group. This control occurs when the Group have a controlling power directly or indirectly in giving direction of financial policy and operation of that company in order to derive benefits from that subsidiary companies. Also the financial statements of the subsidiary companies will be combined into the consolidated financial statements of the Group commencing from the date of control until the cessation date of such control.
- 3.3 The consolidated financial statements are prepared by using the same accounting policies for similar accounting items or events.
- 3.4 The accounting period of the subsidiary companies ends on the same date as that of EMC Public Company Limited.
- 3.5 The consolidated financial statements has been prepared by including the financial statements of EMC Public Company Limited and its subsidiaries after eliminate the significant related party balances and transactions and recognized investments in associated and joint venture with equity method. The Company holds directly and indirectly shares at the percentage of :-

| <u>Name of company</u> | <u>Nature of business</u> | <u>Incorporated in</u> | <u>Percentage of shareholding</u> | |
|---|--|----------------------------|---------------------------------------|-------------|
| | | | <u>2021</u> | <u>2020</u> |
| <u>Subsidiaries</u> | | | | |
| BR Construction Co., Ltd. | The provision of services under long-term service agreements and construction agreements. Currently, the subsidiary does | Thailand | 51.00 | 51.00 |
| Rich Man Property Co., Ltd. | Real estate development | Thailand | 100.00 | 100.00 |
| North Property Co., Ltd. | Real estate development | Thailand | 100.00 | 100.00 |
| Sajja Bangsaen Condominium Co., Ltd. | Real estate development | Thailand | 100.00 | 100.00 |
| Siam Bangkok Development Co., Ltd. | Real estate development | Thailand | 100.00 | 100.00 |
| Imperial land company Limited | Real estate development | Thailand | 100.00 | 100.00 |
| <u>Associated</u> | | | | |
| Sanken - EMC Co., Ltd. | Slough service construction agreements | Thailand | 48.00 | 48.00 |
| <u>Joint Arrangement</u> | | | | |
| Chiangmai Daily Company Limited – EMC Real estate development Public Company Limited Joint Venture | | Thailand | 51.00 | 51.00 |

The financial statements of the subsidiaries, associated and joint arrangement are prepared for the same reporting periods as the Company and using consistent significant accounting policies.

The non-controlling interest is measured at the non-controlling interest's proportionate share of the acquirer's identifiable net assets.

- 3.6 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

4. Accounting policies

Significant accounting policies used in the preparation of the financial statements can be summarized as follows:

- 4.1 Cash and cash equivalents items include cash, bank deposits in the forms of savings and current accounts, and fixed accounts with term not exceeding three months and not subject to withdrawal restrictions.

4.2 Trade / Contract assets

- 4.2.1 Trade receivable and contract assets are stated at the receiving right of their invoice value less allowance for expected credit losses.

- 4.2.2 The Group recognises allowance for expected credit losses on its financial assets measured at amortised cost, and they are no longer necessary for a credit - impaired event to have occurred. The Group applies simplified approach to consider allowance for expected credit losses over the lifetime of financial assets.

4.3 Inventories

- 4.3.1 Construction materials are stated at cost or net realizable value, whichever is lower.

- 4.3.2 Remaining real estate development costs are stated at the lower of cost and net realizable value. Cost comprises cost of land, design fees, utilities, construction costs and directly related finance cost and expenses. The Group recognizes loss on diminution in value of projects (if any) in the statement of comprehensive income.

4.4 Investments

- 4.4.1 Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

- 4.4.2 In the separate financial statements, the investments in subsidiary companies, associates and joint venture are recorded by the cost method less accumulated allowance for impairment and recorded the recognition of the change of the investments value in the statement of comprehensive income when the investments has been disposed or impaired.

4.5 Other current financial assets

Investments in equity securities of non-listed company is measured at fair value through profit or loss (FVTPL) and presented in statement of financial position at fair value by recognizing net change in fair value in profit or loss.

4.6 Deferred financial fee

Financial expenses relating to loan incurred before or date of loan facilities contract or loan drawdown is recorded as deferred financial fee. Deferred financial fee will be amortised by proportion of loan draw-down and presented by deducting from related loan and amortised by effective interest rate method by term of loan.

Amortisation of financial fee is included profit or loss for the year as "Finance Cost". Except for incase of recording as partial of cost of assets which is resulted from taking long time for construction or production of such assets for using or sales.

4.7 Land awaiting developments are valued at cost or net realisable value whichever is lower.

4.8 Investment property of the Group are land, building and condominium units without specific purpose of use in the future and exploiting for rental income or appreciation of the asset. The Group measures the investment property by the cost value, deducted the accumulated depreciation and impairment loss (if any) and calculated depreciation on a straight-line method over their approximate useful-life of 30 years, except for land which is considered to have an indefinite life.

4.9 Property, plant and equipment

Equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Land and buildings are stated at revalued amounts less accumulated depreciation and allowance for impairment. Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the statement of financial position date.

The Group records the differences incurred from revaluation as follows :-

When an asset's carrying amount is increased as a result of a revaluation, the increase is recognized in other comprehensive income and presented in equity in the statement of financial position as a "Revaluation surplus on fixed assets". However, a revaluation increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit and loss.

When an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading "Revaluation surplus of fixed assets".

The revaluation surplus on fixed assets is not available for dividend distribution.

When assets are sold or retired, their costs and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of comprehensive income in the period they are incurred.

Depreciation

Depreciation of plant and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives :-

| | Years |
|--|--------|
| Office buildings | 36 |
| Building improvements | 5 |
| Sales gallery | 4 |
| Tools, machinery and equipment | 5 - 10 |
| Furniture, fixtures and office equipment | 3 - 10 |
| Vehicles | 5 |

4.10 Other intangible assets other than goodwill

Software licenses that are acquired by the Group are stated at cost less accumulated amortization and impairment losses.

Amortization is charged to the statement of comprehensive income on a straight-line basis from the date that intangible assets are available for use over the estimated useful lives of the assets, unless such lives are indefinite. Intangible assets with an indefinite useful life are not amortized but are systematically tested for impairment at each statement of financial position date. The estimated useful lives of software licenses are 3 years to 10 years.

- 4.11 Impairment of non-financial assets, the Group assesses at each statement of financial position date whether there is an indication that an asset may be impaired. If any such indication exists, the Group make an estimate of the asset's recoverable amount. When the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in statements of comprehensive income.

The recoverable amount of assets is the greater of fair value less costs to sell the asset or value in use under the agreement whichever is the higher.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.12 Employee benefits

Short-term employee benefits

The Group recognize salaries, wages, bonuses, contributions to social security fund and provident fund as expense when incurred.

Post-employment benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The defined benefit plan is defined as the post-employment benefit plan.

The obligation under the defined benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method on a regular basis. The projected unit credit method is the allocation of benefits for the current period and previous period That must be paid to employee who provide services to the group of company to various periods according to the calculation formula of the benefits of the project and will allocate benefits by straight-line method throughout the service life of the employee until retirement.

Current service cost, Past service costs and gains and losses on settlement Including gains and losses from reducing project size and project benefit payment when reducing project size will be recognized in the income statement in the period which the transaction occurs.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

The defined benefit obligations are measured at the present value of estimated future cash flows using a discount rate that is similar to the interest rate on government bond.

- 4.13 Estimation of liabilities: The Group will record liability estimates whenever there is certainty that liability or obligation will occur at present legally or by estimation from the result connected with the past event. Such obligation is expected to cause damage to loss of useful or economic resources in order to make payment toward obligation and the amount to be paid is respectfully estimated. If payment made toward liability estimated is recovered fully or partly with certainty, the Group will recorded the recovered payment as asset separately but the amount so recorded must be more than the amount of related liability estimate and the related expense with the liability estimate will be shown in the statement of comprehensive income in the net amount after recovered expense already recognized.

The Group recognized provision for liabilities by the best estimate of the expected expenses to settle the present obligation at the end of the reporting period. In the case where the time value of money has a significant effect on the amount of such provision. The group of company need to reduce cash flow to present value by the discount rate used must be the pre-tax rate that reflects the current market situation of the time value of money and the specific risk of the liabilities being considered. In measuring the value of estimate liabilities. The group of company must consider the risks and uncertainties that are inevitable which it is surrounding on events and situations to get the best estimate of provision.

- 4.14 Premiums on ordinary shares when the Company share subscription monies are in excess of the par value of the shares issued, the Company has to set aside this excess amount to a reserve account ("premiums on ordinary shares"). Premiums on ordinary share are not available for dividend distribution.
- 4.15 Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account, until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

4.16 Non-controlling interests

Non-controlling interests mean book value of the subsidiaries' net asset according to the holding ratio of non-controlling interests or interests that are not owned by the shareholders of the parent company. Non-controlling interests will declare any item in shareholders' equity in the statement of consolidated financial position and the net gains (losses) item of non-controlling interests separating in consolidated in-come statement. The comprehensive income will be divided to non-controlling interests even if it makes negative balance in non-controlling interests.

4.17 Incomes recognition

- 4.17.1 Revenue from sale of property : The Group considers most of contract of selling land together with house and residential condominium units having only one obligation . Therefore, revenue from sale is recognized at the time when the construction works are completed and the ownerships have been transferred to buyers.

Revenue from sales is recognized by value of contract less discount , giveaway and absorbed expenses for buyer.

- 4.17.2 The Group considers most of construction contract having only one obligation. Revenue from construction contract is recognized throughout period by percentage of completion works.

The percentage of completion works is calculated by comparing construction cost incurred throughout the end of period with the estimated total cost used in the construction contract. When it is unable to reliably estimate construction works, revenue from construction contract is recognised not exceeding over construction cost and it is certainly probable to recover such construction cost.

The recognised revenues which have not yet been due as per contracts have been shown under the caption of "Current contract assets" in the statements of financial position.

- 4.17.3 The Group has considered that most of rental and service contract have been identified as only one performance obligation. Revenue from rental is recognized on straight-line method over term of lease and revenue from services is recognized when service is completely rendered.
- 4.17.4 Finance income is recognised on an accrual basis based on the effective interest rate.
- 4.17.5 Dividend income is recognised when the right to receive the dividends is established.
- 4.17.6 Other income, the group is recognized on accrual basis.

4.18 Expenses recognition

- 4.18.1 Cost of land and houses sold and cost of residential condominium units, in determining the cost of real estate sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses sold on the basis of the salable area and to residential condominium units sold on the basis of the salable area weighted to the selling price of the unit, and then recognised as costs in profit or loss concurrently with revenue from sales.

- 4.18.2 Cost of construction contract is recognised on accrual basis. In case of, If there is any event that indicate total estimated cost of project exceeding over total revenue of construction contract, the Group will recognise loss possible incurred as expenses such accounting period.
- 4.18.3 Financial cost consists of interest expense or other expenses in similar nature charged to the statement of comprehensive income in the year such expenses are incurred except in case that they are partly recorded as cost of assets due to the effect of long period of time used to acquire construction or produce such assets prior to direct utilization or for sale. Interest which is part of installment amount under finance lease contract is charged to the statement of comprehensive income by effective rate method.
- 4.18.4 Other expense is recognized on accrual basis.
- 4.19 Income tax comprises current tax and deferred tax. Income tax is recognized in profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in equity which will recognize in other comprehensive income or recognized directly in equity as same as that items.

Current tax

The Group recognise the current tax at the amount expected to be paid to the taxation authorities, are calculated based on taxable profits in accordance with Revenue Code.

Deferred tax

The Group recognise the deferred tax 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.

At each reporting date, the Group reviews and devalues 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 utilized.

4.20 Earnings (loss) per share

- 4.20.1 Basic earnings (loss) per share is calculated by dividing profit (loss) for the year by the weighted average number of already issued and fully paid shares during the accounting year.
- 4.20.2 Diluted earnings (loss) per share is calculated by dividing annual profit (loss) for the year after adjustment with the effect of item related to diluted ordinary shares by the weighted average number of already issued and fully paid shares during the year plus number of ordinary shares which may be issued in order to convert all diluted ordinary shares to ordinary shares.

- 4.21 The related parties and related companies with the Group meant individuals or enterprises which have the controlling power over the Group or are controlled by the Group either directly or indirectly, or under the same control with the Group. Furthermore, the related parties or related companies also meant the associated companies and the parties whose holding the shares with voting rights, either directly or indirectly, and have significant influence to the Company, important managers, directors or the employees of the Group who have the power to plan and control the operations of the Company and its subsidiaries including the family members close to the said persons which could persuade or power to persuade to act in compliance with the said persons and business that the said persons have control power or significant influence, either directly or indirectly.
- 4.22 The sectoral business operation is disclosed under the separate business sectors of the Group. The business segment is the business sector that source products or provide services which have different risks and return from the risks and return of the products or services provide by other business sectors.

4.23 Financial instruments

Classification and measurement

- 1) The Group classifies financial assets, at the initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification is derived by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.
- 2) The Group classifies financial liabilities, at the initial recognition, as to be measured at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using effective interest rate method. Gains or losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate amortization process. In determining amortized cost, the amortization of effective interest rate is included in finance costs in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the company applies a simplified approach to determine the lifetime expected credit losses.

4.24 Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and provision for impairment (If any) and adjusted for any remeasurement of lease liabilities (If any). The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Depreciation is calculated by cost of assets on straight line method over term of leases.

Lease liabilities

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

Short-term leases and Leases of low-value assets

The Group has elected exception to recognize short-term leases (leases with a term of 12 months or less from effective date of leases and purchasing option) and underlying low value assets. The amount paid under such leases is recognized as expenses in profit or loss on straight line method over term of leases.

4.25 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 apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximize the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

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

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

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

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

4.26 Significant accounting judgments and estimates

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

Estimated real estate development project costs

In calculating cost of condominium and cost of land and buildings sold, the Group have to estimate all project development costs, comprising land and land improvement costs, design and construction costs, public utility costs, borrowing costs and other related costs. The management estimates these costs based on their business experience and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Estimated construction project costs

The Group estimates costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the Management is required to make judgement and estimates expected credit losses of each debtor based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The historical credit loss experience and forecast economic conditions of the Group may also not be representative of whether a customer will actually default in the future.

Allowance for devaluation on inventories

In determining the allowance for devaluation on inventories, management has used judgment to estimate losses that are expected to arise from such inventories. Net realizable value is the estimated selling price in the ordinary course of business less the necessary expenses to make the sale, allowance for obsolete goods estimated by considering inventories aging.

Impairment of investments in subsidiaries, associates and other in long-term investments

The Company treats investments in subsidiaries and associates and other in long-term investments as impaired if the business operations of such companies are severely impacted by the economic crisis and the investments will take time to recover their value. The management determines devaluation of such investments based on management's judgement. The use of different estimates and assumptions could affect the amounts of allowances for impairment of investments in subsidiaries, associates and other in long-term investments and adjustments to the allowances may therefore be required in the future.

Depreciation of investment property buildings and equipment and right-of-use assets

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of investment property buildings and equipment and right-of-use assets. The management will review the estimate useful lives and residual values when there are any changes from the estimates made during the prior periods, derecognition of the dilapidated asset or cease of usage from disposal or disused.

In addition, the management is required to review impairment of investment property buildings and equipment and right-of-use assets on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying cost. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

Provision for maintenance of housing and condominium units

In recording provision for maintenance of housing and condominium units care warrantee, the management estimates the expenses expected to be incurred as a result of providing maintenance based on past experiences of actual expenses claimed.

Compensation for Housing Estate Juristic Persons

The Group estimate the compensation for Housing Estate Juristic Persons using the rate specified by the laws and regulations and the budgeted public utilities costs as a basis for the calculation.

Post-employment benefits under defined benefit plan

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Group normally have contingent liabilities as a result of disputes and litigation. Management use judgment to assess the results of the disputes and litigation and recognize reasonable provision for losses in the accounts at the reporting date. However, actual results could differ from the estimates.

Other estimates are disclosed under related caption in these notes to financial statements.

5. Business transactions with related parties and person

The Group has significant business transaction with related person and parties with common director and shareholder. Such business transaction in accordance with condition and mutually agreed in normal course of business and significant related party transaction.

5.1 Relationship of related parties

Consisted of :-

| <u>Name of companies</u> | <u>Nationality</u> | <u>Nature of relationship</u> |
|---|--------------------|-------------------------------|
| BR Construction Co., Ltd. | Thai | Subsidiary |
| Rich Man Property Co., Ltd. | Thai | Subsidiary |
| Sajja Bangsaen Condominium Co., Ltd. | Thai | Subsidiary |
| North Property Co., Ltd. | Thai | Subsidiary |
| Siam Bangkok Development Co., Ltd. | Thai | Subsidiary |
| Imperial Land Co., Ltd. | Thai | Subsidiary |
| Sanken - EMC Co., Ltd. | Thai | Associate |
| Chiangmai Daily Company Limited – EMC Public Company Limited Joint Venture | Thai | Joint Arrangement |
| Sky Tower Public Company Limited (Formerly named Ua WithYa Public Company Limited) | Thai | Common shareholders |
| Khun Voravit Leenabanchong | Thai | Shareholder and Directors |
| Khun Chinsiri Leenabanchong | Thai | Shareholder |
| Khun Wachara Pakdeemonthon | Thai | Directors |

Policy of setting prices

| | <u>Policy</u> |
|---------------------------|-------------------------------|
| Revenue from construction | Based on the agreed price |
| Project consultant fees | Based on the agreed price |
| Other income | Based on the agreed price |
| Advance payments | Interest was not inter-charge |
| Finance income | 5.50% -7.50% per annum |
| Construction contract | Based on the agreed price |
| Finance costs | 5.50% -6.00% per annum |

5.2 Inter-assets and liabilities are as follows :-

| <u>Type of items</u> | (Unit :Thousand Baht) | |
|---|--------------------------------------|---------------|
| | <u>Separate financial statements</u> | |
| | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> |
| <u>Subsidiary</u> | | |
| Trade accounts receivable | | |
| BR Construction Co., Ltd. | 139,119 | 139,119 |
| <u>Less</u> Allowance for expected credit loss incurred | (139,119) | (139,119) |
| Total | - | - |
| Other current receivables | | |
| Advance payment | | |
| Rich Man Property Co., Ltd. | 1,041 | 1,041 |
| <u>Less</u> Allowance for expected credit loss incurred | (1,041) | (1,041) |
| Total | - | - |
| Accrued income | | |
| Siam Bangkok Development Co., Ltd. | 1,144 | 984 |
| Rich Man Property Co., Ltd. | 12 | 12 |
| Imperial Land Co., Ltd. | 623 | 594 |
| Total | 1,779 | 1,590 |
| <u>Less</u> Allowance for expected credit loss incurred | (635) | (606) |
| Total | 1,144 | 984 |
| Other receivables | | |
| BR Construction Co., Ltd. | 4,600 | 4,600 |
| Rich Man Property Co., Ltd. | 11,139 | 11,139 |
| North Property Co., Ltd. | 810 | 810 |
| Sajja Bangsaen Condominium Co., Ltd. | 1,227 | 1,227 |
| Siam Bangkok Development Co., Ltd. | - | 1,102 |
| Imperial Land Co., Ltd. | 19,387 | 18,103 |
| Total | 37,163 | 36,981 |
| <u>Less</u> Allowance for expected credit loss incurred | (36,600) | (34,692) |
| Total | 563 | 2,289 |

| <u>Type of items</u> | (Unit :Thousand Baht) | |
|---|--------------------------------------|------------------|
| | <u>Separate financial statements</u> | |
| | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> |
| Current contract assets | | |
| BR Construction Co., Ltd. | 308 | 308 |
| <u>Less</u> Allowance for expected credit loss incurred | <u>(308)</u> | <u>(308)</u> |
| Total | <u>-</u> | <u>-</u> |
| Short-term loans and Accrued interest receivable | | |
| Short-term loans | | |
| (interest rate at 5.50% to 7.50 % per annum) : | | |
| BR Construction Co., Ltd. | 95,707 | 95,707 |
| Rich Man Property Co., Ltd. | 468,146 | 465,046 |
| North Property Co., Ltd. | 51,604 | 51,404 |
| Sajja Bangsaen Condominium Co., Ltd. | 48,214 | 47,914 |
| Siam Bangkok Development Co., Ltd. | - | 24,500 |
| Imperial Land Co., Ltd. | 219,000 | 219,000 |
| Total | <u>882,671</u> | <u>903,571</u> |
| <u>Less</u> Allowance for expected credit loss incurred | <u>(245,861)</u> | <u>(229,096)</u> |
| Total | <u>636,810</u> | <u>674,475</u> |
| Accrued interest receivable | | |
| BR Construction Co., Ltd. | 25,427 | 23,108 |
| Rich Man Property Co., Ltd. | 171,729 | 145,998 |
| North Property Co., Ltd. | 22,948 | 20,115 |
| Sajja Bangsaen Condominium Co., Ltd. | 20,509 | 17,863 |
| Siam Bangkok Development Co., Ltd. | - | 2,785 |
| Imperial Land Co., Ltd. | 66,683 | 54,638 |
| Total | <u>307,296</u> | <u>264,507</u> |
| <u>Less</u> Allowance for expected credit loss incurred | <u>(243,237)</u> | <u>(173,457)</u> |
| Total | <u>64,059</u> | <u>91,050</u> |
| Total | <u>700,869</u> | <u>765,525</u> |

| | | (Unit :Thousand Baht) | |
|--|--|--------------------------------------|-------------|
| <u>Type of items</u> | | <u>Separate financial statements</u> | |
| | | <u>As at December 31,</u> | |
| | | <u>2021</u> | <u>2020</u> |
| Short-term borrowings and Accrued interest expenses | | | |
| Short-term borrowings | | | |
| (interest rate at 5.50% per annum) : | | | |
| Siam Bangkok Development Co., Ltd. | | 14,500 | - |
| Total | | 14,500 | - |
| Accrued interest expenses | | | |
| Siam Bangkok Development Co., Ltd. | | 129 | - |
| Total | | 129 | - |
| Total | | 14,629 | - |
| Other current liabilities | | | |
| BR Construction Co., Ltd. | | 9,101 | 9,101 |
| Imperial Land Co., Ltd. | | 433 | 347 |
| Total | | 9,534 | 9,448 |

| | | (Unit :Thousand Baht) | | | |
|---|--|--|-------------|--------------------------------------|-------------|
| <u>Type of items</u> | | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
| | | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| <u>Associated and joint arrangement</u> | | | | | |
| Other current receivables | | | | | |
| Other receivables | | | | | |
| Chiangmai Daily Company Limited – EMC | | | | | |
| Public Company Limited Joint Venture | | 4,202 | 3,902 | 4,202 | 3,902 |
| <u>Less</u> Allowance for expected credit loss incurred | | (4,202) | - | (4,202) | - |
| Total | | - | 3,902 | - | 3,902 |

(Unit :Thousand Baht)

| Type of items | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|---------------|-------------------------------|---------------|
| | As at December 31, | | As at December 31, | |
| | 2021 | 2020 | 2021 | 2020 |
| Short-term loans and Accrued interest receivable | | | | |
| Short-term loans | | | | |
| (interest rate at 5.50% to 7.50 % per annum) : | | | | |
| Sanken - EMC Co., Ltd. | 4,900 | 4,900 | 4,900 | 4,900 |
| <u>Less</u> Allowance for expected credit loss incurred | (2,500) | (2,500) | - | - |
| Total | <u>2,400</u> | <u>2,400</u> | <u>4,900</u> | <u>4,900</u> |
| Accrued interest receivable | | | | |
| Sanken - EMC Co., Ltd. | 938 | 669 | 938 | 669 |
| Total | <u>938</u> | <u>669</u> | <u>938</u> | <u>669</u> |
| Total | <u>3,338</u> | <u>3,069</u> | <u>5,838</u> | <u>5,569</u> |
| Retention payable | | | | |
| Sanken - EMC Co., Ltd. | 10,128 | 10,128 | 10,128 | 10,128 |
| Total | <u>10,128</u> | <u>10,128</u> | <u>10,128</u> | <u>10,128</u> |
| Related parties | | | | |
| Other current receivables | | | | |
| Advance payment | | | | |
| Khun Wachara Pakdeemonthon | 63 | 200 | 63 | 200 |
| Khun Voravit Leenabanchong | 50 | - | 50 | - |
| Total | <u>113</u> | <u>200</u> | <u>113</u> | <u>200</u> |
| Other receivables | | | | |
| Sky Tower Public Company Limited | 61 | 61 | - | - |
| Total | <u>61</u> | <u>61</u> | <u>-</u> | <u>-</u> |

(Unit :Thousand Baht)

| <u>Type of items</u> | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|--------------|--------------------------------------|--------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Other current assets | | | | |
| Sky Tower Public Company Limited | 46 | - | - | - |
| <u>Less</u> Allowance for expected credit loss incurred | (46) | - | - | - |
| Total | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Trade accounts payable | | | | |
| Sky Tower Public Company Limited | 709 | 709 | - | - |
| Total | <u>709</u> | <u>709</u> | <u>-</u> | <u>-</u> |
| Short-term loans and Accrued interest expenses | | | | |
| Accrued interest expenses | | | | |
| Sky Tower Public Company Limited | 3,554 | 3,554 | 1,578 | 1,578 |
| Total | <u>3,554</u> | <u>3,554</u> | <u>1,578</u> | <u>1,578</u> |
| Retention payable | | | | |
| Sky Tower Public Company Limited | 2,596 | 2,596 | 2,596 | 2,596 |
| Total | <u>2,596</u> | <u>2,596</u> | <u>2,596</u> | <u>2,596</u> |

The movement for the year ended December 31, 2021 and 2020 of loans to related parties are as follows:-

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|--------------------------------------|--|-------------|--------------------------------------|---------------|
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| BR Construction Co., Ltd. | | | | |
| Balance as at January 1, | - | - | 95,707 | 94,707 |
| <u>Plus</u> Increase during the year | - | - | - | 3,200 |
| <u>Less</u> Received during the year | - | - | - | (2,200) |
| Balance as at December 31, | <u>-</u> | <u>-</u> | <u>95,707</u> | <u>95,707</u> |

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|--------------|--------------------------------------|----------------|
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Rich Man Property Co., Ltd. | | | | |
| Balance as at January 1, | - | - | 465,046 | 466,846 |
| <u>Plus</u> Increase during the year | - | - | 3,100 | 2,200 |
| <u>Less</u> Received during the year | - | - | - | (4,000) |
| Balance as at December 31, | - | - | 468,146 | 465,046 |
| Sajja Bangsaen Condominium Co., Ltd. | | | | |
| Balance as at January 1, | - | - | 47,914 | 47,614 |
| <u>Plus</u> Increase during the year | - | - | 300 | 300 |
| Balance as at December 31, | - | - | 48,214 | 47,914 |
| North Property Co., Ltd. | | | | |
| Balance as at January 1, | - | - | 51,404 | 51,104 |
| <u>Plus</u> Increase during the year | - | - | 200 | 300 |
| Balance as at December 31, | - | - | 51,604 | 51,404 |
| Siam Bangkok Development Co., Ltd. | | | | |
| Balance as at January 1, | - | - | 24,500 | 18,500 |
| <u>Plus</u> Increase during the year | - | - | - | 14,000 |
| <u>Less</u> Received during the year | - | - | (24,500) | (8,000) |
| Balance as at December 31, | - | - | - | 24,500 |
| Imperial Land Co., Ltd. | | | | |
| Balance as at January 1, | - | - | 219,000 | 218,000 |
| <u>Plus</u> Increase during the year | - | - | - | 1,000 |
| Balance as at December 31, | - | - | 219,000 | 219,000 |
| Sanken - EMC Co., Ltd. | | | | |
| Balance as at January 1, | 4,900 | 4,600 | 4,900 | 4,600 |
| <u>Plus</u> Increase during the year | - | 300 | - | 300 |
| Balance as at December 31, | 4,900 | 4,900 | 4,900 | 4,900 |
| Total short-term loans | 4,900 | 4,900 | 887,571 | 908,471 |

As at December 31, 2021 and 2020, short-term loans to related parties are unsecured promissory notes and period of promissory note are 12 month from the date of issue and due at call. Interest was charged at the rates of 5.50%-7.50% per annum ,respectively (Separate: apart of short-term loans to BR Construction Co., Ltd. in amount of Baht 53.55 million, interest was not inter-charge).

The movement for the year ended December 31, 2021 and 2020 of allowance for expected credit loss incurred of short-term loans and interest receivable are as follows :-

(Unit :Thousand Baht)

| | | <u>Separate financial statements</u> | | |
|---|------------------------|--------------------------------------|-----------------|--------------------------|
| | <u>January 1, 2021</u> | <u>Increase</u> | <u>Decrease</u> | <u>December 31, 2021</u> |
| BR Construction Co., Ltd. | | | | |
| short-term loans | 95,707 | - | - | 95,707 |
| Accrued interest receivable | 23,108 | 2,319 | - | 25,427 |
| Rich Man Property Co., Ltd. | | | | |
| Accrued interest receivable | 87,782 | 34,483 | - | 122,265 |
| Sajja Bangsaen Condominium Co., Ltd. | | | | |
| Accrued interest receivable | 5,744 | 14,122 | - | 19,866 |
| North Property Co., Ltd. | | | | |
| Accrued interest receivable | 6,164 | 2,833 | - | 8,997 |
| Imperial Land Co., Ltd. | | | | |
| short-term loans | 11,087 | 16,765 | - | 27,852 |
| Accrued interest receivable | 50,659 | 16,024 | - | 66,683 |

(Unit :Thousand Baht)

| | | <u>Separate financial statements</u> | | |
|----------------------------------|------------------------|--------------------------------------|-----------------|--------------------------|
| | <u>January 1, 2020</u> | <u>Increase</u> | <u>Decrease</u> | <u>December 31, 2020</u> |
| BR Construction Co., Ltd. | | | | |
| short-term loans | 94,707 | 3,200 | (2,200) | 95,707 |
| Accrued interest receivable | 20,502 | 2,656 | (50) | 23,108 |

(Unit :Thousand Baht)

| | <u>Separate financial statements</u> | | | |
|---|--------------------------------------|-----------------|-----------------|--------------------------|
| | <u>January 1, 2020</u> | <u>Increase</u> | <u>Decrease</u> | <u>December 31, 2020</u> |
| Rich Man Property Co., Ltd. | | | | |
| Accrued interest receivable | - | 87,782 | - | 87,782 |
| Sajja Bangsaen Condominium Co., Ltd. | | | | |
| Accrued interest receivable | - | 5,744 | - | 5,744 |
| North Property Co., Ltd. | | | | |
| Accrued interest receivable | - | 6,164 | - | 6,164 |
| Imperial Land Co., Ltd. | | | | |
| Accrued interest receivable | - | 50,659 | - | 50,659 |

The movement for the year ended December 31, 2021 and 2020 of short-term loans from related parties are as follows :-

| | (Unit :Thousand Baht) | |
|---|--------------------------------------|-------------|
| | <u>Separate financial statements</u> | |
| | <u>2021</u> | <u>2020</u> |
| Siam Bangkok Development Co., Ltd. | | |
| Balance as at January 1, | - | - |
| <u>Plus</u> Increase during the year | 17,500 | - |
| <u>Less</u> Payment during the year | (3,000) | - |
| Balance as at December 31, | <u>14,500</u> | <u>-</u> |

As at December 31, 2021, short-term loans from related party is loan from a subsidiary in form of 12 months promissory note ,without collateral. bearing Interest at the rates of 5.50% per annum.

5.3 Inter-revenues and expenses are as follows :-

(Unit :Thousand Baht)

| Type of items | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|------|-------------------------------|----------|
| | For the years ended December 31, | | | |
| | 2021 | 2020 | 2021 | 2020 |
| Subsidiary | | | | |
| Revenue from project consultant | | | | |
| Siam Bangkok Development Co., Ltd. | - | - | 1,200 | 3,180 |
| Imperial Land Co., Ltd. | - | - | 1,200 | 1,923 |
| Rich Man Property Co., Ltd. | - | - | - | 1,186 |
| Total | - | - | 2,400 | 6,289 |
| Other income | | | | |
| Imperial Land Co., Ltd. | - | - | 26 | 575 |
| Siam Bangkok Development Co., Ltd. | - | - | 150 | 721 |
| Total | - | - | 176 | 1,296 |
| Finance income | | | | |
| BR Construction Co., Ltd. | - | - | 2,318 | 2,656 |
| Rich Man Property Co., Ltd. | - | - | 25,731 | 56,250 |
| North Property Co., Ltd. | - | - | 2,833 | 6,164 |
| Sajja Bangsaen Condominium Co., Ltd. | - | - | 2,646 | 5,747 |
| Siam Bangkok Development Co., Ltd. | - | - | 754 | 1,183 |
| Imperial Land Co., Ltd. | - | - | 12,045 | 14,182 |
| Total | - | - | 46,327 | 86,182 |
| <u>Less</u> Expected credit loss incurred | - | - | (33,529) | (81,120) |
| Net | - | - | 12,798 | 5,062 |
| Finance costs | | | | |
| Siam Bangkok Development Co., Ltd. | - | - | 148 | - |
| Total | - | - | 148 | - |

(Unit :Thousand Baht)

| <u>Type of items</u> | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|-------------|--------------------------------------|-------------|
| | <u>For the years ended December 31,</u> | | | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| <u>Associate and joint arrangement</u> | | | | |
| Revenue from project consultant | | | | |
| Chiangmai Daily Company Limited – EMC | | | | |
| Public Company Limited Joint Venture | - | 1,025 | - | 1,025 |
| Total | - | 1,025 | - | 1,025 |
| Finance income | | | | |
| Sanken - EMC Co., Ltd. | 269 | 303 | 269 | 303 |
| Total | 269 | 303 | 269 | 303 |
| <u>Related parties</u> | | | | |
| Construction contract | | | | |
| Sky Tower Public Company Limited | - | 12,944 | - | 12,944 |
| Total | - | 12,944 | - | 12,944 |
| Finance costs | | | | |
| Khun Voravit Leenabanchong | - | 1,480 | - | 1,480 |
| Khun Chinsiri Leenabanchong | - | 755 | - | 755 |
| Total | - | 2,235 | - | 2,235 |
| Directors' remuneration and key management | | | | |
| benefits | | | | |
| Short-term benefits | 19,200 | 19,547 | 19,200 | 19,547 |
| Post-employment benefits | 1,776 | 4,331 | 1,776 | 4,331 |
| Directors' remuneration | 2,320 | 2,090 | 2,320 | 2,090 |
| Total | 23,296 | 25,968 | 23,296 | 25,968 |

6. Trade and other current receivables

Trade and other current receivables as at December 31, 2021 and 2020 as follows :-

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|-------------|--------------------------------------|-------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Trade accounts receivable | | | | |
| Related parties | - | - | 139,119 | 139,119 |
| <u>Less</u> Allowance for expected credit loss incurred | - | - | (139,119) | (139,119) |
| Net | - | - | - | - |
| | | | | |
| Other parties | 36,419 | 107,295 | 29,140 | 107,295 |
| <u>Less</u> Allowance for expected credit loss incurred | (9,051) | (8,899) | (9,051) | (8,899) |
| Net | 27,368 | 98,396 | 20,089 | 98,396 |
| Total trade accounts receivable | 27,368 | 98,396 | 20,089 | 98,396 |
| | | | | |
| Other current receivables | | | | |
| Related parties | | | | |
| Advance payment | 113 | 200 | 1,154 | 1,241 |
| Accrued income | - | - | 1,779 | 1,590 |
| Other receivables | 4,263 | 3,963 | 41,365 | 40,883 |
| Total | 4,376 | 4,163 | 44,298 | 43,714 |
| <u>Less</u> Allowance for expected credit loss incurred | (4,202) | - | (42,478) | (36,340) |
| Net | 174 | 4,163 | 1,820 | 7,374 |
| | | | | |
| Third parties | | | | |
| Advance payment | 894 | 2,224 | 514 | 1,907 |
| Accrued income | 240 | 473 | 27 | 351 |
| Prepaid expenses | 4,218 | 6,782 | 4,179 | 6,746 |
| Deposits | 5,396 | 15,396 | 5,396 | 15,396 |
| Other receivables | 28,462 | 28,098 | 27,852 | 27,673 |
| Total | 39,210 | 52,973 | 37,968 | 52,073 |
| <u>Less</u> Allowance for expected credit loss incurred | (29,250) | (39,250) | (28,689) | (38,689) |
| Net | 9,960 | 13,723 | 9,279 | 13,384 |
| Total other current receivables | 10,134 | 17,886 | 11,099 | 20,758 |
| Total | 37,502 | 116,282 | 31,188 | 119,154 |

Aging analysis for trade receivable were as follows :-

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|-------------|--------------------------------------|-------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Trade accounts receivable - related parties | | | | |
| - Over due | | | | |
| More than 12 months | - | - | 139,119 | 139,119 |
| Total | - | - | 139,119 | 139,119 |
| <u>Less</u> Allowance for expected credit loss incurred | - | - | (139,119) | (139,119) |
| Total | - | - | - | - |
| Trade accounts receivables - other parties | | | | |
| - Not yet due | 22,404 | 98,122 | 15,125 | 98,122 |
| - Over due | | | | |
| Less than 3 months | 4,964 | 144 | 4,964 | 144 |
| From 3 to 6 months | - | 141 | - | 141 |
| From 6 to 12 months | 21 | 164 | 21 | 164 |
| More than 12 months | 9,030 | 8,724 | 9,030 | 8,724 |
| Total | 36,419 | 107,295 | 29,140 | 107,295 |
| <u>Less</u> Allowance for expected credit loss incurred | (9,051) | (8,899) | (9,051) | (8,899) |
| Total | 27,368 | 98,396 | 20,089 | 98,396 |
| Total trade account receivables | 27,368 | 98,396 | 20,089 | 98,396 |

The normal credit terms for the customer of the Group had a period of 5 days to 45 days.

- 1) As at December 31, 2021 and 2020, the Company has deposit Baht 5.40 million and Baht 15.40 million in consolidated and separate financial statements, respectively. The Group already provided allowance for expected credit losses in full amount.

Such deposit is incurred in 2014 as the Company paid deposit for purchasing a project to Fine 22 Properties Co., Ltd. amount of Baht 25 million. The Company cancelled the memorandum of intention to purchase of this project and such company send letter to the Company to pay back such deposit on May 31, 2016. Later on, Such Company defaulted on deposit repayment. The Company, therefore, filed litigation against such Company. On October 2, 2017, the Court was on trial such case and both parties agreed as such company made installment debt repayment by 36 postdate cheques total amount of Baht 40.50 million to the Company. The Company was able to clear such cheques at the bank only Baht 8.00 million.

Later on October 11, 2019, both parties entered into new debt repayment agreement total amount of Baht 32.50 million as such Company will make debt repayment in full amount January 30, 2020. If it is unable to make debt repayment, such company will appraise property for debt settlement in the form of free of mortgaged 31 units of Tower C, Am Fine Condominium project within March 31, 2020 and the Court made appointment for hearing debt repayment result and judgement on April 28, 2020. But such Company defaulted on debt repayment or transferred condominium as agreed on due date. On October 9, 2020, such Company made debt repayment Baht 1.60 million and additional debt repayment Baht 10.00 million on April 27, 2020. The Court determined that such company is still able to make debt repayment and must completely make debt repayment. The Court postponed appointment for hearing debt repayment result and judgement again to May 3, 2022.

- 2) As at December 31, 2021 the company transferred right to receive from a trade receivable amount of Baht 10.70 million as collateral for line of credit from bank as stated in note 19.

7. Contract assets /Contract liabilities

7.1 Balance under contract

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|-----------------|--------------------------------------|-----------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Contract assets | | | | |
| Unbilled income | 484,513 | 377,299 | 484,513 | 377,299 |
| <u>Less</u> Allowance for expected credit loss incurred | <u>(7,505)</u> | <u>(7,505)</u> | <u>(7,505)</u> | <u>(7,505)</u> |
| Unbilled income - net | <u>477,008</u> | <u>369,794</u> | <u>477,008</u> | <u>369,794</u> |
| Retention receivable | 41,595 | 54,471 | 41,595 | 54,471 |
| <u>Less</u> Allowance for expected credit loss incurred | <u>(22,110)</u> | <u>(22,110)</u> | <u>(22,110)</u> | <u>(22,110)</u> |
| Retention receivable - net | <u>19,485</u> | <u>32,361</u> | <u>19,485</u> | <u>32,361</u> |
| Total contract assets | <u>496,493</u> | <u>402,155</u> | <u>496,493</u> | <u>402,155</u> |
| Contract liabilities | | | | |
| Advances received from customers | | | | |
| - Real estate development | 60,131 | 61,155 | 54,250 | 54,626 |
| - Services | <u>8,439</u> | <u>9,382</u> | <u>7,996</u> | <u>9,032</u> |
| Total | 68,570 | 70,537 | 62,246 | 63,658 |
| <u>Less</u> Current contract liabilities | <u>(68,223)</u> | <u>(70,205)</u> | <u>(62,246)</u> | <u>(63,658)</u> |
| Non-current contract liabilities | <u>347</u> | <u>331</u> | <u>-</u> | <u>-</u> |

7.2 Revenues to be recognized for incomplete performance obligations

As at December 31, 2021 and 2020, the Group expected to have revenues to be recognized in the future relating to performance obligations that are incomplete of construction contracts with customer in the amount of Baht 1,996.38 million and Baht 2,463.14 million, respectively. The Group has expected to comply with performance obligation of such contract within 2 years and 3 years, respectively. (Only construction contractor)

7.3 As at December 31, 2021 and 2020, the Company has transferred the right to receive payment from an unbilled receivable amount of Baht 474.22 million (4 customers) and Baht 368.44 million (5 customers), respectively as collateral for credit facilities from bank as discussed in notes to financial statements No.19

8. Short-term loans and interest receivable

Short-term loans and interest receivable as at December 31, 2021 and 2020 as follows :

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|----------------|--------------------------------------|------------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Short-term loans - related parties | 4,900 | 4,900 | 887,571 | 908,471 |
| <u>Less</u> Allowance for expected credit loss incurred | <u>(2,500)</u> | <u>(2,500)</u> | <u>(245,861)</u> | <u>(229,096)</u> |
| Net | <u>2,400</u> | <u>2,400</u> | <u>641,710</u> | <u>679,375</u> |
| Interest receivable - related parties | 938 | 669 | 308,234 | 265,176 |
| <u>Less</u> Allowance for expected credit loss incurred | <u>-</u> | <u>-</u> | <u>(243,237)</u> | <u>(173,457)</u> |
| Net | <u>938</u> | <u>669</u> | <u>64,997</u> | <u>91,719</u> |
| Total | <u>3,338</u> | <u>3,069</u> | <u>706,707</u> | <u>771,095</u> |

9. Inventories

Inventories as at December 31, 2021 and 2020 as follows :

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|------------------------------|--|----------------|--------------------------------------|----------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Construction materials | 14,746 | 6,183 | 14,746 | 6,183 |
| Real estate development cost | 645,956 | 711,923 | 173,271 | 196,991 |
| Total | <u>660,702</u> | <u>718,106</u> | <u>188,017</u> | <u>203,174</u> |

Real estate development cost Consist of :-

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|-------------|--------------------------------------|-------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Land and development | 9,235 | 13,834 | - | - |
| Construction cost | 50,703 | 93,690 | - | - |
| Interest expenses | - | 1,917 | - | - |
| Property for sale | 1,323,640 | 1,257,580 | 609,553 | 611,701 |
| Total | 1,383,578 | 1,367,021 | 609,553 | 611,701 |
| <u>Less</u> Transfer of real estate development | | | | |
| cost to accumulated cost | (730,162) | (646,016) | (430,996) | (407,803) |
| Balance of real estate development cost | 653,416 | 721,005 | 178,557 | 203,898 |
| <u>Less</u> Allowance for devaluation Inventories | (7,460) | (9,082) | (5,286) | (6,907) |
| Total | 645,956 | 711,923 | 173,271 | 196,991 |

Value of real estate development cost as follows :-

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|-------------|--------------------------------------|-------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Total estimated sale value of project which | | | | |
| Were operated at the end of period | 2,094,653 | 2,119,132 | 918,113 | 902,273 |
| Total sale value of units with signed | | | | |
| agreements to buy and sell, or units sold | 1,144,627 | 1,055,631 | 675,317 | 642,654 |
| Percentage of sale value of units with signed | | | | |
| agreements to buy and sell, or units sold | 54.65 | 49.81 | 73.55 | 71.23 |

As at December 31, 2021 and 2020, real estate development cost total Baht 46.43 million and Baht 47 million, respectively , in the consolidated and separate financial statements total , were pledged as collateral against short-term borrowings, long-term borrowings from financial institutions and obligations with commercial banks as stated in notes 19, 23 and 36.3

10. Advance payments for materials and contractors

Advance payments for materials and contractors as at December 31, 2021 and 2020 as follows :

| | (Unit :Thousand Baht) | | | |
|---|-------------------------------|---------------|---------------------------|---------------|
| | <u>Consolidated financial</u> | | <u>Separate financial</u> | |
| | <u>statements</u> | | <u>statements</u> | |
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Advance payments for materials and contractors | 49,990 | 58,792 | 32,771 | 40,497 |
| <u>Less</u> Allowance for expected credit loss incurred | (37,750) | (39,608) | (22,911) | (24,769) |
| Advance payments for materials and contractors - net | <u>12,240</u> | <u>19,184</u> | <u>9,860</u> | <u>15,728</u> |

11. Other non-current financial assets

Long-term investment in equity instrument of non-listed company as at December 31, 2021 and 2020 as follows :

(Unit :Thousand Baht)

| Company names | Nature of business | Authorized share capital | Paid up capital | Investment portion | Consolidated financial statements and Separate financial statements | | | | | |
|--|--|--------------------------|-----------------|--------------------|---|--------|--------------------------|----------|--------|--------|
| | | | | | Cost method | | Allowance for impairment | | Net | |
| | | | | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| M.1 Property Co., Ltd. | Real estate development | 120,000 | 120,000 | 10.00 | 12,000 | 12,000 | (12,000) | (12,000) | - | - |
| Thai medical center public company limited | Health care business | 200,539 | 200,539 | 0.02 | 50 | 50 | (50) | (50) | - | - |
| Bangkok Club Co., Ltd | Sales of food and beverages, services | 450,000 | 450,000 | 0.22 | 1,000 | 1,000 | (1,000) | (1,000) | - | - |
| Moonshot Venture Capital Co., Ltd. | Holding company in which has not mainly invested in finance business | 378,000 | 192,500 | 10.00 | 25,000 | 25,000 | (4,931) | (2,588) | 20,069 | 22,412 |
| Total | | | | | 38,050 | 38,050 | (17,981) | (15,638) | 20,069 | 22,412 |

According to the resolution of the Board of Directors' Meeting No. 7/2018 held on November 14, 2018, the Company approved the investment in Moonshot Venture Capital Co., Ltd. by establishing a joint venture company ("Venture Capital Company") in order to invest in specific technology and industry. The Company will hold 10% of the registered capital of Baht 1,000.00 million by making agreement to become co-shareholder on November 15, 2018. Such company will gradually call for capital payment

and find out entire co-investor. As at December 31, 2021 and 2020, the Company, already paid Baht 25 million for co-investment agreement and has obligation to pay Baht 75 million.

As at December 31, 2021 and 2020, Moonshot Venture Capital Co., Ltd has registered share capital Baht 378.00 million (3,780,000 common shares at par Baht 100 each) and issued-paid-up share capital Baht 192.50 million or 50.93 of registered capital.50.93

On April 21, 2020, the Company send letter to Moonshot Venture Capital Co., Ltd. in order to initially void contract or agreement for right for share subscription since Such company has not complied with investing on new innovation in order to obtain return from investment IRR 25 % per annum of investment and dividend throughout the holding period. Moreover, such company also called for additional share payment Baht 50 million from the Company by not allotting increasing share capital for other investors. It has appeared that there is no any investment intention in other businesses. On May 29, 2020, the Company ,therefore, filed litigation against Moonshot Venture Capital Co., Ltd. and a Director of such company at Civil Court allegation for co-deception in making contract or agreement from reserving increasing share capital by presenting false information or concealing the truth. The Court already judged by dismissing the litigation. On January 28, 2021, the Company filed appeal judgement of the Primary Court to the Appeal Court . The Court makes appointment to listen the court order on March 8,2022

12. Investments in subsidiaries

Investments in subsidiaries as at December 31, 2021 and 2020 as follows :

(Unit :Thousand Baht)

| Company name | Separate financial statements | | | | | | | | | | Net |
|-------------------------------------|-------------------------------|---------|-----------------------------|--------|-------------|---------|--------------------------|-----------|--------|--------|-----|
| | Paid up capital | | Percentage of ownership (%) | | Cost Method | | Allowance for impairment | | Net | | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | | | |
| Rich Man Property Co., Ltd. | 5,000 | 5,000 | 100.00 | 100.00 | 37,030 | 37,030 | (37,030) | (37,030) | - | - | |
| North Property Co., Ltd. | 4,000 | 4,000 | 100.00 | 100.00 | 66,067 | 66,067 | (66,067) | (66,067) | - | - | |
| Sajja Bangsaen Condominium Co., Ltd | 4,000 | 4,000 | 100.00 | 100.00 | 12,767 | 12,767 | (12,767) | (12,767) | - | - | |
| Total | 60,000 | 60,000 | 51.00 | 51.00 | 115,864 | 115,864 | (115,864) | (115,864) | - | - | |
| BR Construction Co., Ltd. | 110,000 | 110,000 | 100.00 | 100.00 | 3,600 | 3,600 | (3,600) | (3,600) | - | - | |
| Imperial Land Co., Ltd. | | | | | 134,800 | 134,800 | (134,800) | (134,800) | - | - | |
| Total | | | | | 254,264 | 254,264 | (254,264) | (254,264) | - | - | |
| Siam Bangkok Development Co., Ltd | 20,000 | 20,000 | 100.00 | 100.00 | 20,000 | 20,000 | - | - | 20,000 | 20,000 | |
| Total | | | | | 20,000 | 20,000 | - | - | 20,000 | 20,000 | |
| Net | | | | | 274,264 | 274,264 | (254,264) | (254,264) | 20,000 | 20,000 | |

According to the Board of Director meeting no.3/ 2019 held on April 4, 2019, the Company passed resolution to sell all of 3 subsidiaries stated at cost Baht 115.64 million (Richman Property Company Limited, North Property Company Limited and Sajja Bangsaen Condominium Company Limited) to 5 persons (Re-buyer) and entered into to buy and to sell all of common shares (100 %) at the price Baht 590 million. Re-buyer has agreed to make payment as follows :

- 1) The 1st instalment amount of Baht 15 million at the agreement date.
- 2) The 2nd instalment amount of Baht 15 million is paid on April 17, 2019.
- 3) The 3rd instalment amount of Baht 118 million will be paid on June 20, 2019.
- 4) The remaining amount of Baht 442 million will be paid every the 5th of each month not less than Baht 36.84 million, commenced on July 5, 2019 onwards and the Company will transfer the share capital existed in those three subsidiaries to the re-buyer when the payment is completed.

In 2019, the Company already received 2 installment payment amount of Baht 30 million.

In 2020, re-purchaser entity additionally paid by 2 postdated cheques amount of Baht 310 million. But the postdated cheques could not be drawn. The Company, therefore, confiscated such deposit and recognized as other incomes in statements of comprehensive income. Under to buy and to sell of such ordinary share and judgement by consent red case no. P957/2019 dated on April 5, 2019 by making compromise agreement. The Company also has used the right for judgement execution and the Court issue writ of execution dated on May 12, 2020 to the re-buyer. This is in the execution process to confiscate assets of some of re-purchasers in order to selling by auction for making payment for damage.

13. Investments in associates and joint venture

Investments in associates and joint venture as at December 31, 2021 and 2020 as follows :-

| <u>Company name</u> | | | | | <u>Consolidated</u> | | <u>Separate financial statements</u> | | | | | |
|---------------------------------------|------------------------|-------------|-------------|-------------|-----------------------------|-------------|---------------------------------------|-------------|-------------|-------------|--------------------|-------------|
| | | | | | <u>financial statements</u> | | | | | | | |
| | | | | | <u>Percentage of</u> | | | | | | | |
| | <u>Paid up capital</u> | | | | <u>ownership (%)</u> | | <u>Book value under equity method</u> | | | | <u>Cost Method</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Sanken - EMC Co., Ltd. | 40,000 | 40,000 | 48 | 48 | - | - | 19,200 | 19,200 | (19,200) | (19,200) | - | - |
| Chiangmai Daily Company Limited – EMC | | | | | | | | | | | | |
| Public Company Limited Joint Venture) | - | - | 51 | 51 | - | - | 2,550 | 2,550 | (2,550) | (2,550) | - | - |
| Total | | | | | - | - | 21,750 | 21,750 | (21,750) | (21,750) | - | - |

(Unit :Thousand Baht)

The Company recognizes loss on equity method in excess of investment in Sanken-EMC Co., Ltd. and Chiangmai Daily Company Limited – EMC Public Company Limited Joint Venture, which is recognized as a part of the transaction "Other non-current liabilities" in the consolidated financial statements at December 31, 2021 and 2020, amounting of Baht 7.88 million and Baht 6.34 million, respectively.

For the year ended December 31, 2021 and 2020, share of profit (loss) in associates and joint venture as follows:-

| (Unit :Thousand Baht) | | |
|---|----------------|----------------|
| <u>Consolidated financial statements</u> | | |
| <u>Share of profit (loss)</u> | | |
| | <u>2021</u> | <u>2020</u> |
| Sanken - EMC Co., Ltd. | 656 | (710) |
| Chiangmai Daily Company Limited – EMC Public Company Limited Joint Venture | <u>(2,169)</u> | <u>(733)</u> |
| Total | <u>(1,513)</u> | <u>(1,443)</u> |

Profit (Loss) share from Chiangmai Daily Company Limited – EMC Public Company Limited Joint Venture are derived from selling and administrative expenses such as advertising and public relation, office management and so on.

Significant financial information of associates and joint venture that can be summarized as follows :-

| (Unit :Thousand Baht) | | | | |
|-------------------------|---------------------------|-------------|--|-------------|
| | Sanken - EMC Co., Ltd. | | Chiangmai Daily Company Limited – EMC Public Company Limited Joint Venture | |
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Current assets | 11,793 | 17,251 | 4,874 | 4,894 |
| Non-current assets | 5,690 | 9 | 3,360 | 10,092 |
| Current liabilities | 5,929 | 7,071 | 11,567 | 11,324 |
| Non-current liabilities | 7,330 | 7,330 | - | - |

(Unit :Thousand Baht)

Sanken - EMC Co., Ltd.

Chiangmai Daily Company

Limited – EMC Public Company

Limited Joint Venture

For the years ended December 31,

| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
|--|-------------|-------------|-------------|-------------|
| Revenues | 1,826 | 69 | - | 1 |
| Profit (loss) from continuing operations | 1,366 | (1,479) | (4,253) | (1,436) |
| Other comprehensive income (expense) | 1,366 | (1,479) | (4,253) | (1,436) |
| Total comprehensive income (expense) | 1,366 | (1,479) | (4,253) | (1,436) |

14. Investment property

The movement for the year ended December 31, 2021 and 2020 of investment property are as follows :-

(Unit :Thousand Baht)

| | Consolidated financial statements | | | | |
|--|-----------------------------------|---------------|------------------|---------------|-----------|
| | | Buildings and | Leasehold rights | | |
| | Land | condominium | Land | Buildings and | Total |
| | | units | | condominium | |
| | | | | units | |
| Cost : | | | | | |
| As at January 1, 2020 | 155,480 | 536,216 | 161,311 | 279,198 | 1,132,205 |
| Transfer from real estate development cost | - | 20,319 | - | - | 20,319 |
| Disposals / Write off | - | (6,532) | - | - | (6,532) |
| As at December 31, 2020 | 155,480 | 550,003 | 161,311 | 279,198 | 1,145,992 |
| Disposals / Write off | - | (11,861) | - | - | (11,861) |
| As at December 31, 2021 | 155,480 | 538,142 | 161,311 | 279,198 | 1,134,131 |
| Accumulated depreciation : | | | | | |
| As at January 1, 2020 | - | (32,928) | (9,147) | (31,825) | (73,900) |
| Depreciation for the year | - | (17,574) | (4,586) | (9,380) | (31,540) |
| Disposals / Write off | - | 127 | - | - | 127 |
| As at December 31, 2020 | - | (50,375) | (13,733) | (41,205) | (105,313) |
| Depreciation for the year | - | (17,392) | (4,574) | (9,358) | (31,324) |
| Disposals / Write off | - | 870 | - | - | 870 |
| As at December 31, 2021 | - | (66,897) | (18,307) | (50,563) | (135,767) |

(Unit :Thousand Baht)

| | Consolidated financial statements | | | | |
|--------------------------------|-----------------------------------|---------------|------------------|---------------|-----------|
| | | Buildings and | Leasehold rights | | |
| | Land | condominium | Land | Buildings and | Total |
| | | units | | condominium | |
| | | | | units | |
| Accumulated impairment: | | | | | |
| As at January 1, 2020 | - | (7,193) | (19,425) | - | (26,618) |
| Decrease | - | - | - | - | - |
| As at December 31, 2020 | - | (7,193) | (19,425) | - | (26,618) |
| Decrease | - | - | - | - | - |
| As at December 31, 2021 | - | (7,193) | (19,425) | - | (26,618) |
| Net book value : | | | | | |
| As at December 31, 2020 | 155,480 | 492,435 | 128,153 | 237,993 | 1,014,061 |
| As at December 31, 2021 | 155,480 | 464,052 | 123,579 | 228,635 | 971,746 |

(Unit :Thousand Baht)

| | Separate financial statements | | | |
|-------------------------|-------------------------------|------------------------------------|----------------------------|----------|
| | Land | Buildings and condominium units | Leasehold rights - Land | Total |
| Cost : | | | | |
| As at January 1, 2020 | 145,445 | 530,159 | 161,311 | 836,915 |
| Increase | - | 20,319 | - | 20,319 |
| Disposals / Write off | - | (6,532) | - | (6,532) |
| As at December 31, 2020 | 145,445 | 543,946 | 161,311 | 850,702 |
| Disposals / Write off | - | (11,861) | - | (11,861) |
| As at December 31, 2021 | 145,445 | 532,085 | 161,311 | 838,841 |

(Unit :Thousand Baht)

| | Separate financial statements | | | |
|-----------------------------------|-------------------------------|------------------------------------|----------------------------|----------|
| | Land | Buildings and condominium units | Leasehold rights - Land | Total |
| Accumulated depreciation : | | | | |
| As at January 1, 2020 | - | (31,843) | (9,147) | (40,990) |
| Depreciation for the year | - | (17,371) | (4,586) | (21,957) |
| Disposals / Write off | - | 127 | - | 127 |
| As at December 31, 2020 | - | (49,087) | (13,733) | (62,820) |
| Depreciation for the year | - | (17,190) | (4,574) | (21,764) |
| Disposals / Write off | - | 870 | - | 870 |
| As at December 31, 2021 | - | (65,407) | (18,307) | (83,714) |
| Accumulated impairment: | | | | |
| As at January 1, 2020 | - | (7,193) | (19,425) | (26,618) |
| Increase | - | - | - | - |
| As at December 31, 2020 | - | (7,193) | (19,425) | (26,618) |
| Increase | - | - | - | - |
| As at December 31, 2021 | - | (7,193) | (19,425) | (26,618) |
| Net book value : | | | | |
| As at December 31, 2020 | 145,445 | 487,666 | 128,153 | 761,264 |
| As at December 31, 2021 | 145,445 | 459,485 | 123,579 | 728,509 |

As at December 31, 2021 and 2020, investment property of cost amount of Baht 145.24 million, in the consolidated financial statements and separate financial statements, were pledged as collateral for short-term borrowings from financial institutions, long-term borrowings and obligations from financial institution as stated in Notes 19, 23 and 36.3

14.1 Leasehold right - Land

On November 24, 2014, the Company ("Lessee") has entered into land rental agreement for operating benefit with the State Railway of Thailand ("Lessor") for the term of lease 30 years starting from January 1, 2019 to December 31, 2048 with rental rate Baht 0.12 million per month. The lessee must pay rental in advance annually and the lessee agrees to adjust the rental rate 15% of the final rental expense of every 5th year starting from January 1, 2024 until the end of the agreement. During the rental period, the lessor can cancel this agreement by giving the lessee at least 30 days written notice in advance and the lessee cannot claim any damages or compensations.

On April 10, 2015, the Company ("Lessee") has entered into land rental agreement for operating benefit with a company for the period of 30 years starting from January 1, 2019 to December 31, 2048 at rental rate Baht 0.17 million per month. The lessee must pay rental in advance annually as indicated in the agreement. The Company already prepaid the rent for the first 15 years in advance totalling Baht 15.52 million.

14.2 Leasehold right - Building and condominium

A subsidiary is granted right on behalf of a subsidiary is eligible for managing land with construction under lease agreement with a foundation dated on December 1, 2015 under project "STATION 1 @ CHINA TOWN" project with term of lease 30 years from June 1, 2016 to May 31, 2046. The remuneration over the lease period is Baht 161.01 million by dividing payment into 3 parts as follows.

- 1) Special remuneration amount of Baht 60 million will be paid on a yearly basis through 6 years of Baht 10 million each and to be completed within December 10, 2019 (At present, it has been fully paid.)
 - 2) Compensation for lack of benefits during the building renovation total amount of Baht 2.76 million already paid in full.
 - 3) Monthly rental on over the lease total Baht 96.67 million by making payment on the 10th of every month.
- Thus the subsidiary intended to possess building under lease agreement to find benefit from rental income.

15. Property, plant and equipment

For the year ended December 31, 2021 and 2020, the movement of property, plant and equipment are as follows

:-

(Unit :Thousand Baht)

| Consolidated financial statements | | | | | | | | |
|--|--------|-----------|--------------------------|---------------|--------------------------------------|---|----------|----------|
| | Land | Buildings | Building improvements | Sales gallery | Tools, machinery and equipment | Furniture, fixtures and office equipment | Vehicles | Total |
| Cost : | | | | | | | | |
| As at January 1, 2020 | 20,426 | 45,000 | 29,257 | 444 | 71,952 | 35,877 | 51,834 | 254,790 |
| Acquisition | - | - | 15 | - | 3,084 | 4,517 | 191 | 7,807 |
| Disposals / Write off | - | - | - | - | (8,461) | (694) | (11,549) | (20,704) |
| As at December 31, 2020 | 20,426 | 45,000 | 29,272 | 444 | 66,575 | 39,700 | 40,476 | 241,893 |
| Acquisition | - | - | 43 | - | 1,170 | 672 | - | 1,885 |
| Transfer to right-of-use assets | - | - | - | - | - | - | (21,359) | (21,359) |
| Transfer from right-of-use assets | - | - | - | - | - | - | 3,699 | 3,699 |
| Transfer in/Transfer out | - | - | - | - | 927 | (927) | - | - |
| Disposals / Write off | - | - | - | - | (51) | (14) | (520) | (585) |
| As at December 31, 2021 | 20,426 | 45,000 | 29,315 | 444 | 68,621 | 39,431 | 22,296 | 225,533 |
| Difference amount from surplus on assets revaluation : | | | | | | | | |
| As at January 1, 2020 | 7,609 | 130,118 | - | - | - | - | - | 137,727 |
| Increase of revalued during the year | - | - | - | - | - | - | - | - |
| As at December 31, 2020 | 7,609 | 130,118 | - | - | - | - | - | 137,727 |
| Increase of revalued during the year | - | - | - | - | - | - | - | - |
| As at December 31, 2021 | 7,609 | 130,118 | - | - | - | - | - | 137,727 |
| Accumulated depreciation of surplus on assets revaluation : | | | | | | | | |
| As at January 1, 2020 | - | (51,983) | - | - | - | - | - | (51,983) |
| Depreciation for the year | - | (3,308) | - | - | - | - | - | (3,308) |
| As at December 31, 2020 | - | (55,291) | - | - | - | - | - | (55,291) |
| Depreciation for the year | - | (3,308) | - | - | - | - | - | (3,308) |
| As at December 31, 2021 | - | (58,599) | - | - | - | - | - | (58,599) |

| Land | Buildings | Building | Sales gallery | Tools, | Furniture, | Vehicles | Total |
|------|-----------|--------------|---------------|-------------------------|-------------------------------|----------|-------|
| | | improvements | | machinery and equipment | fixtures and office equipment | | |

| | | | | | | | | |
|-------------------------|-------|--------|---|---|---|---|---|--------|
| As at December 31, 2020 | 7,609 | 74,827 | - | - | - | - | - | 82,436 |
|-------------------------|-------|--------|---|---|---|---|---|--------|

| | | | | | | | | |
|-------------------------|-------|--------|---|---|---|---|---|--------|
| As at December 31, 2021 | 7,609 | 71,519 | - | - | - | - | - | 79,128 |
|-------------------------|-------|--------|---|---|---|---|---|--------|

| | | | | | | | | |
|-----------------------|---|----------|----------|-------|----------|----------|----------|-----------|
| As at January 1, 2020 | - | (23,810) | (29,049) | (424) | (59,049) | (28,996) | (28,669) | (169,997) |
|-----------------------|---|----------|----------|-------|----------|----------|----------|-----------|

| | | | | | | | | |
|---------------------------|---|-------|------|------|---------|---------|---------|----------|
| Depreciation for the year | - | (897) | (79) | (20) | (2,807) | (3,484) | (3,829) | (11,116) |
|---------------------------|---|-------|------|------|---------|---------|---------|----------|

| | | | | | | | | |
|-----------------------|---|---|---|---|-------|-----|--------|--------|
| Disposals / Write off | - | - | - | - | 8,460 | 684 | 11,546 | 20,690 |
|-----------------------|---|---|---|---|-------|-----|--------|--------|

| | | | | | | | | |
|-------------------------|---|----------|----------|-------|----------|----------|----------|-----------|
| As at December 31, 2020 | - | (24,707) | (29,128) | (444) | (53,396) | (31,796) | (20,952) | (160,423) |
|-------------------------|---|----------|----------|-------|----------|----------|----------|-----------|

| | | | | | | | | |
|---------------------------------|---|---|---|---|---|---|-------|-------|
| Transfer to right-of-use assets | - | - | - | - | - | - | 5,346 | 5,346 |
|---------------------------------|---|---|---|---|---|---|-------|-------|

| | | | | | | | |
|-----------------------------------|-----|-----|-----|-----|-----|---------|---------|
| Transfer from right-of-use assets | (2) | (2) | (2) | (2) | (2) | (2,148) | (2,148) |
|-----------------------------------|-----|-----|-----|-----|-----|---------|---------|

| | | | | | | | | |
|--------------------------|--|--|--|--|---------|-------|--|--|
| Transfer in/Transfer out | | | | | (1,824) | 1,824 | | |
|--------------------------|--|--|--|--|---------|-------|--|--|

| | | | | | | | | |
|---------------------------|---|-------|------|---|---------|---------|---------|---------|
| Depreciation for the year | - | (897) | (52) | - | (2,972) | (3,189) | (1,218) | (8,328) |
|---------------------------|---|-------|------|---|---------|---------|---------|---------|

| | | | | | | | | |
|-----------------------|---|---|---|---|---|------|-----|-----|
| Disposals / Write off | - | - | - | - | 4 | (67) | 520 | 457 |
|-----------------------|---|---|---|---|---|------|-----|-----|

| | | | | | | | | |
|-------------------------|---|----------|----------|-------|----------|----------|----------|-----------|
| As at December 31, 2021 | - | (25,604) | (29,180) | (444) | (58,188) | (33,228) | (18,452) | (165,096) |
|-------------------------|---|----------|----------|-------|----------|----------|----------|-----------|

As at January 1, 2020

| | | | | | | | | |
|----------|---|---|---|---|---|---|---|---|
| Increase | • | • | • | • | • | • | • | • |
|----------|---|---|---|---|---|---|---|---|

As at December 31, 2020

Transfer in/Transfer out ☐ ☐ ☐ ☐ ☐ ☒ ☐ ☐

As at December 31, 2021

| | | | | | | | | |
|-------------------------|--------|--------|-----|---|--------|-------|--------|---------|
| As at December 31, 2020 | 28,035 | 95,120 | 144 | - | 13,179 | 7,904 | 19,524 | 163,906 |
|-------------------------|--------|--------|-----|---|--------|-------|--------|---------|

| | | | | | | | | |
|-------------------------|--------|--------|-----|---|--------|-------|-------|---------|
| As at December 31, 2021 | 28,035 | 90,915 | 135 | - | 10,433 | 6,203 | 3,844 | 139,565 |
|-------------------------|--------|--------|-----|---|--------|-------|-------|---------|

End of December 31, 2020 14,424

| | |
|--------------------------|--------|
| End of December 31, 2021 | 11.636 |
|--------------------------|--------|

| | |
|--------------------------|--------|
| End of December 31, 2021 | 11,636 |
|--------------------------|--------|

(Unit :Thousand Baht)

Separate financial statements

| | Land | Buildings | Building improvements | Sales gallery | Tools, machinery and equipment | Furniture, fixtures and office equipment | Vehicles | Total |
|-----------------------------------|--------|-----------|--------------------------|---------------|--------------------------------------|---|----------|----------|
| Cost : | | | | | | | | |
| As at January 1, 2020 | 20,426 | 45,000 | 29,257 | 444 | 71,952 | 34,146 | 51,834 | 253,059 |
| Acquisition | - | - | 15 | - | 3,084 | 4,429 | 191 | 7,719 |
| Disposals / Write off | - | - | - | - | (8,461) | (694) | (11,549) | (20,704) |
| As at December 31, 2020 | 20,426 | 45,000 | 29,272 | 444 | 66,575 | 37,881 | 40,476 | 240,074 |
| Acquisition | - | - | 43 | - | 1,170 | 603 | - | 1,816 |
| Transfer to right-of-use assets | - | - | - | - | - | - | (21,359) | (21,359) |
| Transfer from right-of-use assets | - | - | - | - | - | - | 3,699 | 3,699 |
| Transfer in/Transfer out | - | - | - | - | 927 | (927) | - | - |
| Disposals / Write off | - | - | - | - | (51) | (14) | (520) | (585) |
| As at December 31, 2021 | 20,426 | 45,000 | 29,315 | 444 | 68,621 | 37,543 | 22,296 | 223,645 |

Difference amount from surplus on assets revaluation :

| | | | | | | | | |
|--------------------------------------|-------|---------|---|---|---|---|---|---------|
| As at January 1, 2020 | 7,609 | 130,118 | - | - | - | - | - | 137,727 |
| Increase of revalued during the year | - | - | - | - | - | - | - | - |
| As at December 31, 2020 | 7,609 | 130,118 | - | - | - | - | - | 137,727 |
| Increase of revalued during the year | - | - | - | - | - | - | - | - |
| As at December 31, 2021 | 7,609 | 130,118 | - | - | - | - | - | 137,727 |

Accumulated depreciation of surplus on assets revaluation :

| | | | | | | | | |
|---------------------------|---|----------|---|---|---|---|---|----------|
| As at January 1, 2020 | - | (51,983) | - | - | - | - | - | (51,983) |
| Depreciation for the year | - | (3,308) | - | - | - | - | - | (3,308) |
| As at December 31, 2020 | - | (55,291) | - | - | - | - | - | (55,291) |
| Depreciation for the year | - | (3,308) | - | - | - | - | - | (3,308) |
| As at December 31, 2021 | - | (58,599) | - | - | - | - | - | (58,599) |

Difference amount of net carrying value from surplus on assets revaluation :

| | | | | | | | | |
|-------------------------|-------|--------|---|---|---|---|---|--------|
| As at December 31, 2020 | 7,609 | 74,827 | - | - | - | - | - | 82,436 |
| As at December 31, 2021 | 7,609 | 71,519 | - | - | - | - | - | 79,128 |

(Unit :Thousand Baht)

| Separate financial statements | | | | | | | | |
|--|--------|-----------|-----------------------|---------------|--------------------------------|--|----------|-----------|
| | Land | Buildings | Building improvements | Sales gallery | Tools, machinery and equipment | Furniture, fixtures and office equipment | Vehicles | Total |
| Accumulated depreciation : | | | | | | | | |
| As at January 1, 2020 | - | (23,810) | (29,049) | (424) | (59,049) | (27,804) | (28,669) | (168,805) |
| Depreciation for the year | - | (897) | (79) | (20) | (2,807) | (3,150) | (3,829) | (10,782) |
| Disposals / Write off | - | - | - | - | 8,460 | 684 | 11,546 | 20,690 |
| As at December 31, 2020 | - | (24,707) | (29,128) | (444) | (53,396) | (30,270) | (20,952) | (158,897) |
| Transfer to right-of-use assets | - | - | - | - | - | - | 5,346 | 5,346 |
| Transfer from right-of-use assets | - | - | - | - | - | - | (2,148) | (2,148) |
| Transfer in/Transfer out | - | - | - | - | (1,824) | 1,824 | - | - |
| Depreciation for the year | - | (897) | (52) | - | (2,972) | (2,969) | (1,218) | (8,108) |
| Disposals / Write off | - | - | - | - | 4 | (67) | 520 | 457 |
| As at December 31, 2021 | - | (25,604) | (29,180) | (444) | (58,188) | (31,482) | (18,452) | (163,350) |
| Accumulated allowance for impairment: | | | | | | | | |
| As at January 1, 2020 | - | - | - | - | - | - | - | - |
| Increase | - | - | - | - | - | - | - | - |
| As at December 31, 2020 | - | - | - | - | - | - | - | - |
| Transfer in/Transfer out | - | - | - | - | - | - | - | - |
| As at December 31, 2021 | - | - | - | - | - | - | - | - |
| Net book value : | | | | | | | | |
| As at December 31, 2020 | 28,035 | 95,120 | 144 | - | 13,179 | 7,611 | 19,524 | 163,613 |
| As at December 31, 2021 | 28,035 | 90,915 | 135 | - | 10,433 | 6,061 | 3,844 | 139,423 |
| Depreciation in profit or loss for the years :- | | | | | | | | |
| End of December 31, 2020 | | | | | | | | 14,090 |
| End of December 31, 2021 | | | | | | | | 11,416 |

As at December 31, 2021 and 2020 , the Company has assets stated at cost amount of Baht 114.38 million and Baht 115.08 million, respectively, in consolidated and separate financial statements , were fully depreciated but most of them are still in use

As at December 31, 2021 and 2020 , revaluation surplus of fixed assets amount of Baht 63.30 million and Baht 65.95 million respectively, in the consolidated financial statements and separate financial statements, shown as “Other component of equity - net” under “Shareholders’ Equity” in statements of financial position, the revaluation surplus on fixed assets is not available for dividend distribution.

As at December 31, 2021 and 2020 , the Company has property and condominium amount of Baht 232.14 million, the consolidated and separate financial statements, to collateral against bank overdrafts amount of Baht 20 million banks in Notes 19 and obligations with commercial bank in accordance in notes to financial statements No.36.3

16. Right-of-use assets

For the year ended December 31, 2021 and 2020, the movement of right-of-use assets are as follows :-

(Unit :Thousand Baht)

| | Vehicles | |
|---|--|--------------------------------------|
| | Consolidated financial statements | Separate financial statements |
| Cost : | | |
| As at January 1, 2020 | 5,661 | 5,661 |
| Increase during the year | 2,298 | 1,936 |
| As at December 31, 2020 | 7,959 | 7,597 |
| Transfer from property, plant and equipment | 21,359 | 21,359 |
| Transfer to property, plant and equipment | (3,699) | (3,699) |
| Disposals / Write off | (1,000) | (1,000) |
| As at December 31, 2021 | 24,619 | 24,257 |
| Accumulated depreciation : | | |
| As at January 1, 2020 | - | - |
| Depreciation for the year | (2,296) | (2,245) |
| As at December 31, 2020 | (2,296) | (2,245) |
| Transfer from property, plant and equipment | (5,346) | (5,346) |
| Transfer to property, plant and equipment | 2,148 | 2,148 |
| Depreciation for the year | (4,440) | (4,260) |
| Disposals / Write off | 1,000 | 1,000 |
| As at December 31, 2021 | (8,934) | 8,703 |
| Net book value : | | |
| As at December 31, 2020 | 5,663 | 5,352 |
| As at December 31, 2021 | 15,685 | 15,554 |

17. Non-current non-cash financial assets pledged as collateral

As at December 31, 2021 and 2020, fixed deposit amount of Baht 68.96 million and Baht 211.51 million, in the consolidated financial statements and amount of Baht 68.08 million and Baht 210.64 million, in the separate financial statements, respectively, have been pledged as collateral for short-term borrowings from financial institutions in Notes 19, long-term borrowings from financial institutions in Notes 23 and obligations with commercial banks in Notes 36.3

18. Advance payments for purchases of real estate projects under development

At the Board of Directors' meeting No. 6/2015 held on March 20, 2015, the Board of Directors unanimously passed the resolutions to approve the Company to purchase land and constructions of American Town project, Siam Tara Muntra project and Venice East project from Siam Grand Property Co., Ltd. The Company paid the total project costs, the borrowings for the projects from financial institutions and additional construction costs as agreed the detailed are as follows :-

| Project | (Unit :Thousand Baht) | | | |
|--------------------------|-----------------------|---|------------------------------|---------|
| | Project costs | Borrowings for the projects from financial institutions | Construction costs as agreed | Total |
| American Town project | 155,000 | 21,000 | 32,467 | 208,467 |
| Siam Tara Muntra project | 65,000 | 36,900 | 10,643 | 112,543 |
| Venice East project | 67,567 | 160,000 | 81,076 | 308,643 |
| Total | 287,567 | 217,900 | 124,186 | 629,653 |

Advance payments for purchases of real estate projects under development are detailed as follows :-

| | (Unit :Thousand Baht) | |
|---|--|-------------|
| | <u>Consolidated financial statements and Separate financial statements</u> | |
| | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> |
| American Town project | 230,909 | 230,909 |
| Siam Tara Muntra project | 83,724 | 83,724 |
| Venice East project | 151,710 | 151,710 |
| Total | 466,343 | 466,343 |
| <u>Less</u> Allowance for expected credit loss incurred | (466,343) | (466,343) |
| Net | - | - |

As at December 31, 2021 and 2020, the ownership of land and constructions of such 3 projects have not been transferred to the Company. The Company, therefore, has provided allowance for expected credit loss in full amount.

On September 16, 2015, Siam Grand Property Co., Ltd. ("the Plaintiff") and former shareholder of Siam Bangkok Development Co., Ltd (Co- plaintiff) filed a court case with the Civil Court as a black case No. Por 2206/2558 against the Company, in order to force the Company to:-

- 1) Submit the original copy of the mortgage of a mortgage contract dated August 13, 2014, consent document to redeem the mortgage from a local bank, the original land title deeds of land located at Amphur Ban Bung, Chonburi Province totalling 20 plots, including power of attorney for transfer of land of the Plaintiff.
- 2) Pay the amount of Baht 500,000 to the Plaintiff together with interest at the rate of 7.5% per annum of such principal starting from the prosecution date until completely settled such amount.
- 3) Pay for the damage continuously on a monthly basis of Baht 1.30 million per month starting from the prosecution date until the Company can return such land title deeds to the Plaintiff.

Subsequent, on October 26, 2015, the Company presented to the court and filed the counterclaim to the Civil Court against such case to force:-

- A. The Plaintiff and Co- plaintiff to transfer the ownership of land title deeds according to the sale and purchase asset agreements of Siam Tara Muntra Project (65 plots), Venice East Project (6 plots) and American Town Project (151 plots).
- B. If the Plaintiff and the Co- Plaintiff cannot transfer the ownership of land to the Company as required by A), the Plaintiff and the Co- Plaintiff have to repay the Company for the amount paid by the Company of Baht 521.62 million together with interest at the rate of 7.5% per annum of the principal of Baht 515.81 million starting from the date of filing the counterclaim until the Plaintiff and Co- Plaintiff completely settle to the Company.
- C. The Plaintiff and Co-plaintiff pay for the damage to the Company of Baht 751.36 million together with interest at the rate of 7.5% per annum of the principal of Baht 743 million starting from the date of filing the counterclaim until the Plaintiff and Co-plaintiff completely settled to the Company.

On October 3, 2017, the date of the first plaintiff's hearing, the plaintiff told the court that on September 27, 2017, the plaintiff was called by a creditor to the Central Bankruptcy Court, on October 30, 2018, the Central

Bankruptcy Court dismissed the petition for business rehabilitation of the debtor (plaintiff). The plaintiff requested to withdraw the litigation for filing litigation again but the Court did not permit. Later, when the attention of the plaintiff and defendant's taking an evidence, there is a person (interpleader) who claim to be the buyer of land in the plaintiff's project filed the interpleading that such disputed land should be transferred to him. The Primary Court of First Instance submitted the interpleading for the trail to the Appeal Court, but the Appeal Court upheld the Primary Court judge. The Court makes appointment for investigate evidence of plaintiff, co-plaintiff and defendant witness on June 23, 2021 and evidence of defendant. Due to new wave of Coronavirus (COVID-19) outbreak, the Court has postponed appointment for listening court judgement. At present, new appointment has not been set and the Court is coordinating for making appointment to investigate plaintiff witness, co-plaintiff, defendant, and all litigants.

Although the plaintiff is being ordered by the Central Bankruptcy Court to refuse the rehabilitation but all the incidence and situations as mentioned above shows that the Company has a high risk to not receiving payment from the debtors and the management is unable to predict when the debt can be settled and some part of property in the case had been transferred to a third party. These factors have a negative impact on the ability of the plaintiff to pay back its debts. As a result, the Company's management had considered to record the allowance for expected credit loss incurred of "Advances payment for purchases of real estate projects under development" in the consolidated and separate financial statements in full.

19. Overdrafts and short-term borrowings from financial institutions

Overdrafts and short-term borrowings from financial institutions as at December 31, 2021 and 2020 are as follows :-

| | | | (Unit :Thousand Baht) | |
|------------------------------------|----------------------|-------------|--|---------------|
| | <u>Interest rate</u> | | <u>Consolidated financial statements</u> | |
| | <u>(% p.a.)</u> | | <u>and Separate financial statements</u> | |
| | | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Overdrafts | MOR | - | 6,273 | - |
| Promissory notes | MLR | MLR | 10,700 | 19,560 |
| <u>Less</u> Deferred financial fee | | | (164) | - |
| Net | | | <u>16,809</u> | <u>19,560</u> |

As at December 31, 2021 and 2020, the Group had unutilized overdrafts amounting to Baht 13.73 million and Baht 20 million respectively, by the mortgage of land with its construction in Notes 15 and the director of the Company joined into the.

As at December 31, 2021 and 2020, the Group had unutilized promissory notes amounting to Baht 629.30 million and Baht 920.44 million respectively.

The promissory notes of the Company are short-term borrowings under credit lines, discounted promissory notes will be maturity due in March 2022 guaranteed by the transfer of rights to receivables from trade receivable, unbilled income, retention receivables in notes 6 and 7, the mortgaged of land with its construction under property development projects for sale and investment property in notes 9 and 14, transfer right of bank deposit in note 17 and personal guaranteed by Director of the Company.

20. Trade and other current payables

Trade and other current payables as at December 31, 2021 and 2020, are as follow :-

| | (Unit :Thousand Baht) | | | |
|---|--|----------------|--------------------------------------|----------------|
| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Trade accounts payables - related parties | 709 | 709 | - | - |
| Trade accounts payables - third parties | 163,208 | 194,626 | 163,112 | 189,614 |
| Other payables - third parties | 17,023 | 14,958 | 14,626 | 13,689 |
| Assets payable | 859 | 549 | 859 | 549 |
| Accrued expenses | 19,966 | 43,996 | 6,517 | 31,256 |
| Total | <u>201,765</u> | <u>254,838</u> | <u>185,114</u> | <u>235,108</u> |

21. Short-term borrowings and accrued interest

Short-term borrowings and accrued interest as at December 31, 2021 and 2020 are as follows :-

| | (Unit :Thousand Baht) | | | |
|----------------------------------|--|-------------|--------------------------------------|-------------|
| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Loan- related parties | - | - | 14,500 | - |
| Loan-another person | 5,368 | 5,368 | - | - |
| Total | 5,368 | 5,368 | 14,500 | - |
| Accrued interest-related parties | 3,554 | 3,554 | 1,707 | 1,578 |
| Total | 3,554 | 3,554 | 1,707 | 1,578 |
| Total | 8,922 | 8,922 | 16,207 | 1,578 |

As at December 31, 2021, short-term loans from related party amount of Baht 14.50 million is loan from a subsidiary in form of 12 months promissory note ,without collateral. bearing Interest at the rates of 5.50% per annum.

As at December 31, 2021 and 2020, the short-term loans from related persons amounted to Baht 5.37 million interest was not inter-charge, are unsecured and due at call.

22. Other current provisions

For the year ended December 31, 2021 and 2020, the movement of other current provisions are as follows :-

| | (Unit :Thousand Baht) | | | | |
|--------------------------|--|-------------------------|----------------------|-------------------------|--------------|
| | <u>Consolidated financial statements</u> | | | | |
| | <u>Provision for</u> | <u>Allowance for</u> | <u>Estimates of</u> | <u>Compensation for</u> | <u>Total</u> |
| | <u>maintenance</u> | <u>loss on</u> | <u>future losses</u> | <u>Housing Estate</u> | |
| | | <u>litigation claim</u> | | <u>Juristic Persons</u> | |
| As at January 1, 2020 | 86,151 | - | 3,829 | 431 | 90,411 |
| Increase during the year | 20,159 | 587 | - | - | 20,746 |
| Utilised | (52,048) | - | - | - | (52,048) |
| Reversal of provisions | (7,126) | - | (3,829) | - | (10,955) |
| As at December 31, 2020 | 47,136 | 587 | - | 431 | 48,154 |
| Increase during the year | 13,956 | - | - | - | 13,956 |
| Utilised | (8,690) | (587) | - | - | (9,277) |
| Reversal of provisions | (14,345) | - | - | - | (14,345) |
| As at December 31, 2021 | 38,057 | - | - | 431 | 38,488 |

(Unit :Thousand Baht)

| | Separate financial statements | | |
|--------------------------|-------------------------------|---|----------|
| | Provision for maintenance | Allowance for loss on litigation claim | Total |
| As at January 1, 2020 | 79,947 | - | 79,947 |
| Increase during the year | 20,159 | 87 | 20,246 |
| Utilised | (52,034) | - | (52,034) |
| Reversal of provisions | (7,014) | - | (7,014) |
| As at December 31, 2020 | 41,058 | 87 | 41,145 |
| Increase during the year | 13,956 | | 13,956 |
| Utilised | (8,690) | (87) | (8,777) |
| Reversal of provisions | (14,191) | - | (14,191) |
| As at December 31, 2021 | 32,133 | - | 32,133 |

23. Long-term borrowings

Long-term borrowings as at December 31, 2021 and 2020, are as follow :-

(Unit :Thousand Baht)

| | <u>Consolidated financial statements and</u> | |
|---|--|----------------|
| | <u>Separate financial statements</u> | |
| | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> |
| Long-term borrowings from financial institutions | 223,341 | 304,694 |
| <u>Less</u> Current portion of long-term borrowings | (204,263) | (135,050) |
| Net | <u>19,078</u> | <u>169,644</u> |

As at December 31, 2021 and 2020, long-term borrowings from financial institutions are as follow :-

| <u>Credit Line</u> <u>(Million Baht)</u> | | <u>Outstanding</u> <u>balance</u> <u>(Million Baht)</u> | | <u>Interest rate</u> <u>(% p.a.)</u> | | <u>Repayment of principal and interest rate</u> |
|---|---------------|---|---------------|---|-------------|--|
| <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | |
| - | 11.00 | - | - | - | 5.68 | - Repayment in monthly shall be made within 36 months from the date of first drawdown (within 2020). - Payment of the interest at each monthly from the first drawdown borrowings. |
| 250.00 | 250.00 | 223.34 | 240.96 | MLR | MLR | - Principal repayment is made by installment divided by the value of works of Taksin Hospital project in proportion of not less than 15% of amount of installment received in each installment to be completed within 24 months from the first loan drawdown date (within year 2021) - Payment of the interest at each monthly from the first drawdown borrowings. |
| 150.00 | 150.00 | - | 63.73 | MLR | MLR | - Principal repayment is made by installment divided by the value of works of Cafe Amazon Business Factory project in proportion of not less than 17% of amount of installment received in each installment to be completed within 12 months from the first loan drawdown date (Drawdown within 1 year) - Payment of the interest at each monthly from the first drawdown borrowings. |
| <u>400.00</u> | <u>411.00</u> | <u>223.34</u> | <u>304.69</u> | | | |

Long-term borrowings are guaranteed by the mortgage of land with its construction under property development projects for sale and investment property in Notes 9 and 14, transfer right of bank deposit claims in Notes 17 and transfer right of receive construction fee under the project. "Taksin Hospital" and "Café Amazon Business Factory" and the director of the Company joined into the.

24. Lease liabilities

Lease liabilities as at December 31, 2021 and 2020 are as follows :

| | (Unit :Thousand Baht) | | | |
|--|--|------------------|--------------------------------------|-----------------|
| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Lease liabilities | 170,384 | 179,361 | 86,917 | 92,838 |
| <u>Less</u> Future interest | <u>(122,027)</u> | <u>(127,569)</u> | <u>(62,608)</u> | <u>(65,273)</u> |
| Lease liabilities | 48,357 | 51,792 | 24,309 | 27,565 |
| <u>Less</u> Current portion of lease liabilities | <u>(3,514)</u> | <u>(3,952)</u> | <u>(3,378)</u> | <u>(3,773)</u> |
| Net | <u>44,843</u> | <u>47,840</u> | <u>20,931</u> | <u>23,792</u> |

The Group has investment property and right-of-use assets at cost and being paid under the above lease contract as follows :-

| | (Unit :Thousand Baht) | | | |
|------------------------------------|--|----------------|--------------------------------------|----------------|
| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Investment property | | | | |
| - Leasehold rights - Buildings and | | | | |
| condominium units | 279,198 | 279,198 | - | - |
| - Leasehold rights - Land | 161,311 | 161,311 | 161,311 | 161,311 |
| Right-of-use assets - Vehicles | <u>24,619</u> | <u>7,959</u> | <u>24,257</u> | <u>7,597</u> |
| Total | <u>465,128</u> | <u>448,468</u> | <u>185,568</u> | <u>168,908</u> |

25. Deferred tax liabilities

Deferred tax liabilities as at December 31, 2021 and 2020 as follows:

| | | |
|--------------------------|--|--------------|
| | (Unit :Thousand Baht) | |
| | <u>Consolidated financial statements and</u> | |
| | <u>Separate financial statements</u> | |
| | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> |
| Deferred tax liabilities | 16,751 | 17,317 |
| Deferred tax assets | (13,009) | (10,110) |
| Net | <u>3,742</u> | <u>7,207</u> |

Movements in total deferred tax assets and liabilities during the year were as follows :

| | | | | |
|---|--|------------------|----------------------|---------------------|
| | (Unit :Thousand Baht) | | | |
| | <u>Consolidated financial statements and Separate financial statements</u> | | | |
| | <u>(Expenses) Revenue recorded in</u> | | | |
| | <u>As at</u> | <u>Profit or</u> | <u>Other</u> | <u>As at</u> |
| | <u>January 1,</u> | <u>loss</u> | <u>comprehensive</u> | <u>December 31,</u> |
| | <u>2021</u> | | <u>income</u> | <u>2021</u> |
| <i>Deferred tax liabilities</i> | | | | |
| Surplus from asset revaluation | 16,487 | (662) | - | 15,825 |
| Lease liabilities | 830 | 96 | - | 926 |
| Total | <u>17,317</u> | <u>(566)</u> | <u>-</u> | <u>16,751</u> |
| <i>Deferred tax assets</i> | | | | |
| Allowance for expected credit loss incurred | 1,215 | 372 | - | 1,587 |
| Non-Current provisions for employee benefit | 6,148 | 932 | (1,196) | 5,884 |
| Provision for maintenance | 2,747 | 2,791 | - | 5,538 |
| Total | <u>10,110</u> | <u>4,095</u> | <u>(1,196)</u> | <u>13,009</u> |
| Net | <u>7,207</u> | <u>(4,661)</u> | <u>1,196</u> | <u>3,742</u> |

(Unit :Thousand Baht)

Consolidated financial statements and Separate financial statements(Expenses) Revenue recorded in

| | <u>As at</u> | <u>Profit or</u> | <u>Other</u> | <u>As at</u> |
|---|-------------------|------------------|----------------------|---------------------|
| | <u>January 1,</u> | <u>loss</u> | <u>comprehensive</u> | <u>December 31,</u> |
| | <u>2020</u> | | <u>income</u> | <u>2020</u> |
| <i>Deferred tax liabilities</i> | | | | |
| Surplus from asset revaluation | 17,149 | (662) | - | 16,487 |
| Lease liabilities | - | 830 | - | 830 |
| Total | 17,149 | 168 | - | 17,317 |
| <i>Deferred tax assets</i> | | | | |
| Allowance for expected credit loss incurred | - | 1,215 | - | 1,215 |
| Non-Current provisions for employee benefit | - | 6,148 | - | 6,148 |
| Provision for maintenance | - | 2,747 | - | 2,747 |
| Total | - | 10,110 | - | 10,110 |
| Net | 17,149 | (9,942) | - | 7,207 |

26. Non-current provisions for employee benefit

The Company and its' subsidiary operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Company and its' subsidiary to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Change in the present value of employee benefits provisions project for the years ended December 31, 2021 and 2020.

(Unit :Thousand Baht)

| | <u>Consolidated financial statements and</u> | |
|--|--|---------------|
| | <u>Separate financial statements</u> | |
| | <u>2021</u> | <u>2020</u> |
| Defined benefit obligations at January 1, | 30,741 | 24,978 |
| Include in profit or loss: | | |
| Current service cost | 5,043 | 6,259 |
| Past service cost | (582) | - |
| Interest on obligation | 200 | 329 |
| | <u>4,661</u> | <u>6,588</u> |
| Included in other comprehensive income: | | |
| Actuarial profit | (5,982) | - |
| | <u>(5,982)</u> | <u>-</u> |
| Other: | | |
| Transfer in (Transfer out) | (747) | (825) |
| | <u>(747)</u> | <u>(825)</u> |
| Defined benefit provisions at December 31 | <u>28,673</u> | <u>30,741</u> |

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (presented by weighted average method).

| | <u>Consolidated financial statements and</u> | |
|-----------------------|--|---------------------|
| | <u>Separate financial statements</u> | |
| | <u>2021</u> | <u>2020</u> |
| Discount rate | 1.24 % per annum | 1.35 % per annum |
| Salary increment rate | 3.00 % per annum | 5.00 % per annum |
| Resignation rate | 0% - 33 % per annum | 0% - 33 % per annum |
| Retired age | 60 years | 60 years |

Assumptions regarding future mortality are based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

(Unit :Thousand Baht)

| <u>Consolidated financial statements and Separate financial</u> | | | | |
|---|-------------|----------|-------------|----------|
| | <u>2021</u> | | <u>2020</u> | |
| Defined benefit provisions As at December 31, | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | (1,209) | 1,327 | (1,459) | 1,607 |
| Future salary growth (1% movement) | 1,416 | (1,313) | 1,973 | (1,820) |
| Turnover rate (1% movement) | (1,362) | 693 | (1,671) | 883 |
| Future mortality (Average change of 1 year) | 96 | (96) | 119 | (118) |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

27. Share capital

Warrants

At the Annual General Meeting of Shareholders' for the year 2018, held on April 27, 2018, the shareholders unanimously passed the resolution ("EMC-W6"), to the Company's existing shareholders who had share subscription and paid the share subscription. Details as follows :-

| | Description |
|-------------------------------------|--|
| Type of warrant | Registered name and transferable |
| Term of warrants | Within five years from the issuance date and selling the warrant (Last exercise date will be on October 15, 2023) |
| To be issued and offered quantities | 4,216,877,381 units |
| Offering price per warrant | At zero value |
| Exercise ratio | 1 warrant to 1 common share |
| Exercise ratio | Baht 0.15 per share |

As at December 31, 2021 and 2020, the whole amount of the Company's warrants ("EMC-W6"), has not yet been exercised.

28. Income tax

28.1 Calculation of income tax for the current period

In 2021 and 2020, the Company and a subsidiary calculated income tax by using tax rate at 20% from profit before income tax after adjusted by allowance and any expenses which shall not be allowed as expenses in tax calculation (if any).

28.2 Expense of the income tax recognized in profit or loss

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|--|--|--------------|--------------------------------------|--------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| <i>Current income tax:</i> | | | | |
| For the current year | 1,364 | 16,637 | - | 16,637 |
| <i>Deferred tax:</i> | | | | |
| Changing in temporary | (4,662) | (9,941) | (4,662) | (9,941) |
| Total | <u>(3,298)</u> | <u>6,696</u> | <u>(4,662)</u> | <u>6,696</u> |
| <i>Reconciliation of effective tax rate</i> | | | | |
| Profit (loss) before income tax expense | (87,837) | 67,234 | (127,914) | (20,711) |
| Applicable tax rate | 20 % | 20 % | 20 % | 20 % |
| Income tax using the corporate income tax rate | (17,567) | 13,447 | (25,583) | (4,142) |
| <i>Effects of:</i> | | | | |
| Income not subject to tax | - | - | - | (6,275) |
| Non-deductible expenses | 14,269 | (6,751) | 20,921 | 17,113 |
| Total income tax | <u>(3,298)</u> | <u>6,696</u> | <u>(4,662)</u> | <u>6,696</u> |
| Effective income tax rate | 3.75% | 9.96 % | 3.64% | (32.33%) |

28.3 Income tax recognized in other comprehensive income :

| | (Unit :Thousand Baht) | |
|-----------------------|--|-------------|
| | Consolidated financial statements and Separate financial statements | |
| | <u>2021</u> | <u>2020</u> |
| Actuarial profit | 5,982 | - |
| Tax Expenses (Income) | <u>(1,196)</u> | <u>-</u> |
| Net income tax | <u>4,786</u> | <u>-</u> |

29. Basic earnings (loss) per share and diluted earnings (loss) per share

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|------------------|--------------------------------------|------------------|
| | <u>For the years ended December 31,</u> | | | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Profit (loss) for the year (Thousand Baht) | <u>(85,707)</u> | <u>58,933</u> | <u>(123,253)</u> | <u>(27,407)</u> |
| Weighted average number of shares (Thousand shares) | 8,433,755 | 8,433,755 | 8,433,755 | 8,433,755 |
| Effects of potential ordinary shares | | | | |
| ("EMC-W6") (Thousand shares) | <u>158,133</u> | <u>158,133</u> | <u>158,133</u> | <u>158,133</u> |
| Number of diluted potential ordinary shares | | | | |
| (Thousand shares) | <u>8,591,888</u> | <u>8,591,888</u> | <u>8,591,888</u> | <u>8,591,888</u> |
| Basic earnings (loss) per shares (Baht) | (0.0102) | 0.0070 | (0.0146) | (0.0032) |
| Effects of potential ordinary shares (Baht) | <u>(0.0002)</u> | <u>(0.0001)</u> | <u>(0.0003)</u> | <u>-</u> |
| Diluted earnings (loss) per shares (Baht) | <u>(0.0100)</u> | <u>0.0069</u> | <u>(0.0143)</u> | <u>(0.0032)</u> |

30. Additional cash flows information

30.1 Cash and cash equivalents as at December 31, 2021 and 2020 as follows:

| | (Unit :Thousand Baht) | | | |
|-----------------------------|-------------------------------|-------------|---------------------------|-------------|
| | <u>Consolidated financial</u> | | <u>Separate financial</u> | |
| | <u>statements</u> | | <u>statements</u> | |
| | <u>As at December 31,</u> | | | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Cash | 484 | 972 | 412 | 880 |
| Current deposits | 339 | 334 | 308 | 290 |
| Savings deposits | 17,394 | 33,259 | 10,799 | 25,193 |
| Fixed deposits three months | 88 | 6 | 81 | - |
| Total | 18,305 | 34,571 | 11,600 | 26,363 |

30.2 Non cash transaction for the year ended December 31, 2021 and 2020 are as follows:

| | (Unit :Thousand Baht) | | | |
|---|-------------------------------|-------------|---------------------------|-------------|
| | <u>Consolidated financial</u> | | <u>Separate financial</u> | |
| | <u>statements</u> | | <u>statements</u> | |
| | <u>As at December 31,</u> | | | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| 1. Transfer real estate development cost to investment property | - | 20,319 | - | 20,319 |
| 2. Transfer property, plant and equipment to right-of- use assets | 16,013 | - | 16,013 | - |
| 3. Transfer right-of- use assets to property, plant and equipment | 1,511 | - | 1,511 | - |
| 4. Amortisation evaluation surplus of buildings | 3,308 | 3,308 | 3,308 | 3,308 |
| 5. Right-of-Use Assets Under Lease Liabilities | - | 7,959 | - | 7,597 |
| 6. Payable from acquisition property, plant and equipment | 803 | 513 | 803 | 513 |

31. Expenses by nature

Significant expenses by nature for the years ended December 31, 2021 and 2020 as follows :

| | (Unit :Thousand Baht) | | | |
|--|---|-------------|--------------------------------------|-------------|
| | <u>Consolidated financial</u> | | <u>Separate financial statements</u> | |
| | <u>statements</u> | | | |
| | <u>For the years ended December 31,</u> | | | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Changing in real estate development cost | 188,297 | 86,343 | 50,622 | 41,328 |
| Materials and supplies used | 345,864 | 622,801 | 345,864 | 622,801 |
| Construction contract | 334,506 | 332,362 | 334,506 | 332,362 |
| Employee benefit expenses | 158,944 | 166,805 | 158,944 | 166,805 |
| Depreciation and amortization | 48,152 | 48,886 | 38,180 | 38,907 |
| Financial cost | 20,273 | 20,209 | 20,412 | 29,203 |

32. Operating segments

32.1 Operating segment information is reported in a manner consistent with the internal reports of the Company that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assess its performance. The chief operating decision maker of the Company has been identified as the President of executive directors.

32.2 The Group operates in the main sector: providing services under long-term service contracts, construction contracts and real estate development. The business operation in single geography is Thailand. Therefore, revenues and assets presented in the financial statements are considered by geographical zone report.

32.3 Operating segments information in the consolidated financial statements follows :-

| | (Unit :Thousand Baht) | | | |
|--|---------------------------------|-------------|--------------------------------|-------------|
| | <u>Construction contracting</u> | | <u>Real estate development</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| <u>Statements of comprehensive income</u> | | | | |
| Revenue from operation | 948,876 | 1,345,738 | 115,783 | 63,923 |
| Cost from operation | (924,518) | (1,153,264) | (123,587) | (82,211) |
| Profit from operation | 24,358 | 192,474 | (7,804) | (18,288) |
| Other income | | | 36,463 | 53,792 |
| Distribution costs | | | (10,374) | (21,891) |
| Administrative expenses | | | (129,000) | (134,034) |
| Finance income | | | 536 | 1,395 |
| Financial cost | | | (2,570) | (4,771) |
| Share of loss of investments in associates and joint venture | | | (1,513) | (1,443) |
| Profit (Loss) before income tax | | | (89,904) | 67,234 |
| Tax Income (Expenses) | | | 3,298 | (6,696) |
| Profit for the year | | | (86,606) | 60,538 |

(Unit :Thousand Baht)

| | <u>Construction contracting</u> | | <u>Real estate development</u> | | <u>Consolidated financial statements</u> | |
|--|---------------------------------|-------------|--------------------------------|-------------|--|-------------|
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| <u>Statement of financial position</u> | | | | | | |
| Sectorial business assets | | | | | | |
| - Trade receivables and earned revenues not yet billed | 497,097 | 467,917 | 7,279 | 273 | 504,376 | 468,190 |
| - Retention receivable from customers | 19,485 | 32,361 | - | - | 19,485 | 32,361 |
| - Construction materials | 14,746 | 6,183 | - | - | 14,746 | 6,183 |
| - Real estate development cost | - | - | 645,956 | 711,923 | 645,956 | 711,923 |
| - Land awaiting development | - | - | 113,385 | 113,385 | 113,385 | 113,385 |
| - Investment property | - | - | 971,746 | 1,014,061 | 971,746 | 1,014,061 |
| Unallocated assets | - | - | - | - | 379,082 | 549,928 |
| Total assets | 531,328 | 506,461 | 1,738,366 | 1,839,642 | 2,648,776 | 2,896,031 |

32.4 For the year ended December 31, 2021 and 2020, the Group has revenue from 5 major customers Baht 951.81 million and Baht 1,352.46 million, respectively, which are derived from selling construction material and property development section.

33. Financial instruments

33.1 Financial risk management policy

The Group holds risk to change of interest rate and from non- performance of contractual obligations by contract parties. The Group will consider to using appropriate financial instruments when it considers necessary to manage such risks. However, the Group do not have any policy to hold or issue any financial instruments for speculation or for trading.

33.2 Risk liquidity

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group operations and to mitigate the effects of fluctuations in cash flows.

As at December 31, 2021 and 2020, the Group has detail of maturity due payment of financial liabilities in non-derivative considered from non-discounted contractual cash flows to present value as follows.

(Unit :Thousand Baht)

| | Notes | Consolidated financial statements | | | Total |
|--|-------|-----------------------------------|--------|---------|---------|
| | | Within | 1- 5 | Over | |
| | | 1 year | years | 5 years | |
| As at December 31, 2021 | | | | | |
| Overdrafts and short-term borrowings | | | | | |
| from financial institutions | 19 | 16,809 | - | - | 16,809 |
| Trade and other current payables | 20 | 201,765 | - | - | 201,765 |
| Short-term borrowings and accrued interest | | | | | |
| interest | 21 | 8,922 | - | - | 8,922 |
| Long-term borrowings | 23 | 204,263 | 19,078 | - | 223,341 |
| Lease liabilities | 24 | 3,514 | 44,843 | - | 48,357 |
| Retention payable to contractors | | 27,391 | 68,813 | 35,714 | 131,918 |
| As at December 31, 2020 | | | | | |
| Overdrafts and short-term borrowings | | | | | |
| from financial institutions | 19 | 19,560 | - | - | 19,560 |
| Trade and other current payables | 20 | 254,838 | - | - | 254,838 |
| Short-term borrowings | 21 | 8,922 | - | - | 8,922 |

(Unit :Thousand Baht)

| | | Consolidated financial statements | | | |
|----------------------------------|-------|-----------------------------------|---------|---------|---------|
| | | Within | 1- 5 | Over | |
| | Notes | 1 year | years | 5 years | Total |
| Long-term borrowings | 23 | 135,050 | 169,644 | - | 304,694 |
| Lease liabilities | 24 | 3,952 | 47,840 | - | 51,792 |
| Retention payable to contractors | | 20,202 | 80,015 | 39,642 | 139,859 |

(Unit :Thousand Baht)

| | | Separate financial statements | | | |
|--------------------------------------|-------|-------------------------------|--------|---------|---------|
| | | Within | 1- 5 | Over | |
| | Notes | 1 year | years | 5 years | Total |
| As at December 31, 2021 | | | | | |
| Overdrafts and short-term borrowings | | | | | |
| from financial institutions | 19 | 16,809 | - | - | 16,809 |
| Trade and other current payables | 20 | 185,114 | - | - | 185,114 |
| Short-term borrowings and accrued | | | | | |
| interest | 21 | 16,207 | - | - | 16,207 |
| Long-term borrowings | 23 | 204,263 | 19,078 | - | 223,341 |
| Lease liabilities | 24 | 3,378 | 20,931 | - | 24,309 |
| Retention payable to contractors | | 26,139 | 66,540 | 33,352 | 126,031 |

As at December 31, 2020

| | | | | | |
|--|----|---------|---------|--------|---------|
| Overdrafts and short-term borrowings | | | | | |
| from financial institutions | 19 | 19,560 | - | - | 19,560 |
| Trade and other current payables | 20 | 235,108 | - | - | 235,108 |
| Short-term borrowings and accrued interest | 21 | 1,578 | - | - | 1,578 |
| Long-term borrowings | 23 | 135,050 | 169,644 | - | 304,694 |
| Lease liabilities | 24 | 3,773 | 23,792 | - | 27,565 |
| Retention payable to contractors | | 18,784 | 78,839 | 37,392 | 135,015 |

33.3 Foreign currency risk

The Group does not have significant amount of commercial transactions in foreign currency, giving rise to exposure risk from changes in foreign exchange rates.

33.4 Credit risk

Credit risk is the risk that a counterparty is unable or unwilling to meet a commitment that it entered into with the Group. The risk is controlled by the application of credit approvals and monitoring procedures. The carrying amount of accounts receivable recorded in the consolidated statement of financial position and separate statement of financial position net of allowance for doubtful accounts, represents the maximum exposure to credit risk

33.5 Interest rate risk

Interest rate risk arises from the fluctuation of market interest rates, which may have an impact to current and future operations of the Group. The Group's exposure to interest rate risk relates primarily to its deposits at financial institutions, short-term loans due from loan from financial institutions, short-term loans, long-term loans from financial institutions and lease liabilities.

However, since 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 management considers that the interest rate risk is minimal, hence, the Company has no hedging agreement to protect against such risk.

As at December 31, 2021 and 2020, significant financial assets and liabilities classified by type of interest rates are summarized in the table below, with those financial assets that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date) as follows.

| | | (Unit :Thousand Baht) | | | | |
|-------------------------------------|------|-----------------------------------|-------|---------------|--------------|--------|
| | | Consolidated financial statements | | | | |
| | | Fixed interest rates | | Floating | Non-interest | Total |
| | | Within | 1- 5 | interest rate | bearing | |
| | | 1 year | years | | | |
| Notes | | | | | | |
| As at December 31, 2021 | | | | | | |
| Financial assets | | | | | | |
| Cash and cash equivalents items | 30.1 | - | - | 17,821 | 484 | 18,305 |
| Trade and other current receivables | 6 | - | - | - | 33,284 | 33,284 |
| Current contract assets | | | | | | |

(Unit :Thousand Baht)

| | | Consolidated financial statements | | | | |
|--|-------|-----------------------------------|--------|---------------|--------------|---------|
| | | Fixed interest rates | | Floating | Non-interest | |
| | | Within | 1- 5 | interest rate | bearing | Total |
| | Notes | 1 year | years | | | |
| Retention receivable | 7.1 | - | - | - | 19,485 | 19,485 |
| Short-term loans and interest receivable | 8 | 3,338 | - | - | - | 3,338 |
| Non-current non-cash financial assets pledged as collateral | 17 | - | - | 68,957 | - | 68,957 |
| Total | | 3,338 | - | 86,778 | 53,253 | 143,369 |
| Financial liabilities | | | | | | |
| Overdrafts and short-term borrowings | | | | | | |
| from financial institutions | 19 | 16,809 | - | - | - | 16,809 |
| Trade and other current payables | 20 | - | - | - | 201,765 | 201,765 |
| Short-term borrowings and accrued | | | | | | |
| interest | 21 | 3,554 | - | - | 5,368 | 8,922 |
| Long-term borrowings | 23 | - | - | 223,341 | - | 223,341 |
| Lease liabilities | 24 | 3,514 | 44,843 | - | - | 48,357 |
| Retention payable to contractors | | - | - | - | 131,918 | 131,918 |
| Total | | 23,877 | 44,843 | 223,341 | 339,051 | 631,112 |

(Unit :Thousand Baht)

| | | Consolidated financial statements | | | | |
|-------------------------------------|-------|-----------------------------------|-------|---------------|--------------|---------|
| | | Fixed interest rates | | Floating | Non-interest | |
| | | Within | 1- 5 | interest rate | bearing | Total |
| | Notes | 1 year | years | | | |
| As at December 31, 2020 | | | | | | |
| Financial assets | | | | | | |
| Cash and cash equivalents items | 30.1 | - | - | 33,599 | 972 | 34,571 |
| Trade and other current receivables | 6 | - | - | - | 109,500 | 109,500 |
| Current contract assets | | | | | | |
| Retention receivable | 7.1 | - | - | - | 32,361 | 32,361 |

(Unit :Thousand Baht)

| | | Consolidated financial statements | | | | |
|--|----|-----------------------------------|-------|---------------|--------------|---------|
| | | Fixed interest rates | | Floating | Non-interest | Total |
| | | Within | 1- 5 | interest rate | bearing | |
| | | 1 year | years | | | |
| | | | | | | |
| Short-term loans and interest receivable | 8 | 3,069 | - | - | - | 3,069 |
| Other current financial assets | | 351 | - | - | - | 351 |
| Non-current non-cash financial assets | | | | | | |
| pledged as collateral | 17 | - | - | 211,513 | - | 211,513 |
| Total | | 3,420 | - | 245,112 | 142,833 | 391,365 |

Financial liabilities

| | | | | | | |
|--|----|-------|--------|---------|---------|---------|
| Overdrafts and short-term borrowings | | | | | | |
| from financial institutions | 19 | - | - | 19,560 | - | 19,560 |
| Trade and other current payables | 20 | - | - | - | 254,838 | 254,838 |
| Short-term borrowings and accrued interest | 21 | 3,554 | - | - | 5,368 | 8,922 |
| Long-term borrowings | 23 | - | - | 304,694 | - | 304,694 |
| Lease liabilities | 24 | 3,952 | 47,840 | - | - | 51,792 |
| Retention payable to contractors | | - | - | - | 139,859 | 139,859 |
| Total | | 7,506 | 47,840 | 324,254 | 400,065 | 779,665 |

(Unit :Thousand Baht)

| | | Separate financial statements | | | | |
|--|--|-------------------------------|-------|---------------|--------------|-------|
| | | Fixed interest rates | | Floating | Non-interest | Total |
| | | Within | 1- 5 | interest rate | bearing | |
| | | 1 year | years | | | |
| | | | | | | |
| | | | | | | |

As at December 31, 2021**Financial assets**

| | | | | | | |
|-------------------------------------|------|---|---|--------|--------|--------|
| Cash and cash equivalents items | 30.1 | - | - | 11,188 | 412 | 11,600 |
| Trade and other current receivables | 6 | - | - | - | 27,009 | 27,009 |

(Unit :Thousand Baht)

| | | Separate financial statements | | | | |
|--|-----|-------------------------------|-------|---------------|--------------|---------|
| | | Fixed interest rates | | Floating | Non-interest | Total |
| | | Within | 1- 5 | interest rate | bearing | |
| Notes | | 1 year | years | | | |
| Current contract assets | | | | | | |
| | | | | | | |
| Retention receivable | 7.1 | - | - | - | 19,485 | 19,485 |
| Short-term loans and interest receivable | 8 | 653,157 | - | - | 53,550 | 706,707 |
| Non-current non-cash financial assets | | | | | | |
| | | | | | | |
| pledged as collateral | 17 | - | - | 68,081 | - | 68,081 |
| Total | | 653,157 | - | 79,269 | 100,456 | 832,882 |

Financial liabilities

| | | | | | | |
|---|----|--------|--------|---------|---------|---------|
| Overdrafts and short-term borrowings | | | | | | |
| | | | | | | |
| from financial institutions | 19 | - | - | 16,809 | - | 16,809 |
| Trade and other current payables | 20 | - | - | - | 185,114 | 185,114 |
| Short-term borrowings and accrued interest | | | | | | |
| | | | | | | |
| interest | 21 | 16,207 | - | - | - | 16,207 |
| Long-term borrowings | 23 | - | - | 223,341 | - | 223,341 |
| Lease liabilities | 24 | 3,378 | 20,931 | - | - | 24,309 |
| Retention payable to contractors | | - | - | - | 126,031 | 126,031 |
| Total | | 19,585 | 20,931 | 240,150 | 311,145 | 591,811 |

(Unit :Thousand Baht)

| | | Separate financial statements | | | | |
|-------|--|-------------------------------|-------|---------------|--------------|-------|
| | | Fixed interest rates | | Floating | Non-interest | Total |
| | | Within | 1- 5 | interest rate | bearing | |
| Notes | | 1 year | years | | | |

As at December 31, 2020**Financial assets**

| | | | | | | |
|---------------------------------|------|---|---|--------|-----|--------|
| Cash and cash equivalents items | 30.1 | - | - | 25,483 | 880 | 26,363 |
|---------------------------------|------|---|---|--------|-----|--------|

(Unit :Thousand Baht)

| | | Separate financial statements | | | | |
|--|-------|-------------------------------|--------|---------------|--------------|-----------|
| | | Fixed interest rates | | Floating | Non-interest | Total |
| | | Within | 1- 5 | interest rate | bearing | |
| | Notes | 1 year | years | | | |
| Trade and other current receivables | 6 | - | - | - | 112,409 | 112,409 |
| Current contract assets | | | | | | |
| Retention receivable | 7.1 | - | - | - | 32,361 | 32,361 |
| Short-term loans and interest receivable | 8 | 717,544 | - | - | 53,550 | 771,094 |
| Non-current non-cash financial assets | | | | | | |
| pledged as collateral | 17 | - | - | 210,638 | - | 210,638 |
| Total | | 717,544 | - | 236,121 | 199,200 | 1,152,865 |
| Financial liabilities | | | | | | |
| Overdrafts and short-term borrowings | | | | | | |
| from financial institutions | 19 | - | - | 19,560 | - | 19,560 |
| Trade and other current payables | 20 | - | - | - | 235,108 | 235,108 |
| Short-term borrowings and accrued interest | 21 | 1,578 | - | - | - | 1,578 |
| Long-term borrowings | 23 | - | - | 304,694 | - | 304,694 |
| Lease liabilities | 24 | 3,773 | 23,792 | - | - | 27,565 |
| Retention payable to contractors | | - | - | - | 135,015 | 135,015 |
| Total | | 5,351 | 23,792 | 324,254 | 370,123 | 723,520 |

33.6 Fair value of financial instruments

Most of financial instruments of the Group are short-term or bearing interest rate close to market rate, the Group ,therefore, has assessed fair value of financial instruments close to carrying value in statement of financial position.

The carrying value and fair value of financial assets and financial liabilities as at December 31, 2021 and 2020 are presented below.

| (Unit :Thousand Baht) | | | | | |
|---|-------|-----------------------------------|-----------|---------|------------|
| | Notes | Consolidated financial statements | | | |
| | | Book value | | | Fair value |
| | | Fair value | Amortised | Total | |
| | | through profit | cost | | |
| | | or loss | | | |
| As at December 31, 2021 | | | | | |
| Financial assets | | | | | |
| Cash and cash equivalents items | 30.1 | - | 18,305 | 18,305 | 18,305 |
| Trade and other current receivables | 6 | - | 37,502 | 37,502 | 37,502 |
| Current contract assets | | | | | |
| Retention receivable | 7.1 | - | 19,485 | 19,485 | 19,485 |
| Short-term loans and interest receivable | 8 | - | 3,338 | 3,338 | 3,338 |
| Non-current non-cash financial assets | 11 | | 20,069 | 20,069 | 20,069 |
| Non-current non-cash financial assets pledged as collateral | 17 | - | 68,957 | 68,957 | 68,957 |
| Financial liabilities | | | | | |
| Overdrafts and short-term borrowings | | | | | |
| from financial institutions | 19 | - | 16,809 | 16,809 | 16,809 |
| Trade and other current payables | 20 | - | 201,765 | 201,765 | 201,765 |
| Short-term borrowings and accrued interest | 21 | - | 8,922 | 8,922 | 8,922 |
| Long-term borrowings | 23 | - | 223,341 | 223,341 | 223,341 |
| Lease liabilities | 24 | - | 48,357 | 48,357 | 48,357 |
| Retention payable to contractors | | - | 131,918 | 131,918 | 131,918 |

(Unit :Thousand Baht)

| | | Consolidated financial statements | | | |
|---|-------|-----------------------------------|-----------|---------|------------|
| | | Book value | | | Fair value |
| | | Fair value | Amortised | Total | |
| | Notes | through profit | cost | | |
| | | or loss | | | |
| As at December 31, 2020 | | | | | |
| Financial assets | | | | | |
| Cash and cash equivalents items | 30.1 | - | 34,571 | 34,571 | 34,571 |
| Trade and other current receivables | 6 | - | 116,282 | 116,282 | 116,282 |
| Current contract assets | | | | | |
| Retention receivable | 7.1 | - | 32,361 | 32,361 | 32,361 |
| Short-term loans and interest receivable | 8 | - | 3,069 | 3,069 | 3,069 |
| Other current financial assets | | - | 351 | 351 | 351 |
| Non-current non-cash financial assets | 11 | - | 22,412 | 22,412 | 22,412 |
| Non-current non-cash financial assets pledged as collateral | 17 | - | 211,513 | 211,513 | 211,513 |
| Financial liabilities | | | | | |
| Overdrafts and short-term borrowings | | | | | |
| from financial institutions | 19 | - | 19,560 | 19,560 | 19,560 |
| Trade and other current payables | 20 | - | 254,838 | 254,838 | 254,838 |
| Short-term borrowings and accrued interest | 21 | - | 8,922 | 8,922 | 8,922 |
| Long-term borrowings | 23 | - | 304,694 | 304,694 | 304,694 |
| Lease liabilities | 24 | - | 51,792 | 51,792 | 51,792 |
| Retention payable to contractors | | - | 139,859 | 139,859 | 139,859 |

(Unit :Thousand Baht)

| | Notes | Separate financial statements | | | |
|--|-------|-------------------------------|-----------|---------|------------|
| | | Book value | | | Fair value |
| | | Fair value | Amortised | Total | |
| | | through profit or loss | cost | | |
| As at December 31, 2021 | | | | | |
| Financial assets | | | | | |
| Cash and cash equivalents items | 30.1 | - | 11,600 | 11,600 | 11,600 |
| Trade and other current receivables | 6 | - | 31,188 | 31,188 | 31,188 |
| Current contract assets | | | | | |
| Retention receivable | 7.1 | - | 19,485 | 19,485 | 19,485 |
| Short-term loans and interest receivable | 8 | - | 706,707 | 706,707 | 706,707 |
| Non-current non-cash financial assets | 11 | - | 20,069 | 20,069 | 20,069 |
| Non-current non-cash financial assets pledged as collateral | 17 | - | 68,082 | 68,082 | 68,082 |
| Financial liabilities | | | | | |
| Overdrafts and short-term borrowings | | | | | |
| from financial institutions | 19 | - | 16,809 | 16,809 | 16,809 |
| Trade and other current payables | 20 | - | 185,114 | 185,114 | 185,114 |
| Short-term borrowings and accrued interest | 21 | - | 16,207 | 16,207 | 16,207 |
| Long-term borrowings | 23 | - | 223,341 | 223,341 | 223,341 |
| Lease liabilities | 24 | - | 24,309 | 24,309 | 24,309 |
| Retention payable to contractors | | - | 126,031 | 126,031 | 126,031 |

(Unit :Thousand Baht)

| | | Separate financial statements | | | |
|---|-------|-----------------------------------|----------------|---------|------------|
| | | Book value | | | Fair value |
| | Notes | Fair value through profit or loss | Amortised cost | Total | |
| As at December 31, 2020 | | | | | |
| Financial assets | | | | | |
| Cash and cash equivalents items | 30.1 | - | 26,363 | 26,363 | 26,363 |
| Trade and other current receivables | 6 | - | 119,154 | 119,154 | 119,154 |
| Current contract assets | | | | | |
| Retention receivable | 7.1 | - | 32,361 | 32,361 | 32,361 |
| Short-term loans and interest receivable | 8 | - | 771,094 | 771,094 | 771,094 |
| Non-current non-cash financial assets | 11 | - | 22,412 | 22,412 | 22,412 |
| Non-current non-cash financial assets pledged as collateral | 17 | - | 210,638 | 210,638 | 210,638 |
| Financial liabilities | | | | | |
| Overdrafts and short-term borrowings | | | | | |
| from financial institutions | 19 | - | 19,560 | 19,560 | 19,560 |
| Trade and other current payables | 20 | - | 235,108 | 235,108 | 235,108 |
| Short-term borrowings and accrued interest | 21 | - | 1,578 | 1,578 | 1,578 |
| Long-term borrowings | 23 | - | 304,694 | 304,694 | 304,694 |
| Lease liabilities | 24 | - | 27,565 | 27,565 | 27,565 |
| Retention payable to contractors | | - | 135,015 | 135,015 | 135,015 |

34. Fair value hierarchy

As at December 31, 2021 and 2020, the Group had the assets that were measured at fair value and liabilities for which fair value were disclosed using different levels of inputs as follows :-

| (Unit :Thousand Baht) | | | | |
|--|----------------|----------------|----------------|--------------|
| <u>Consolidated financial statements</u> | | | | |
| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
| As at December 31, 2021 | | | | |
| Assets for which fair value are disclosed | | | | |
| Investment property | - | - | 971,746 | 971,746 |
| As at December 31, 2020 | | | | |
| Assets for which fair value are disclosed | | | | |
| Investment property | - | - | 1,014,061 | 1,014,061 |

| (Unit :Thousand Baht) | | | | |
|--|----------------|----------------|----------------|--------------|
| <u>Separate financial statements</u> | | | | |
| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
| As at December 31, 2021 | | | | |
| Assets for which fair value are disclosed | | | | |
| Investment property | - | - | 728,509 | 728,509 |
| As at December 31, 2020 | | | | |
| Assets for which fair value are disclosed | | | | |
| Investment property | - | - | 761,264 | 761,264 |

35. Provident Fund

The Group has contributory provident funds for their employees in accordance with the terms and conditions prescribed in the Provident Fund Act B.E. 2530. Membership to the funds is voluntarily. Contributions are made monthly by the employees and by the Company at 2% and 3% of the employees' basic salaries. The

provident funds are managed by a Fund Manager in accordance with the terms and conditions prescribed in the Ministerial Regulation No. 2 (B.E. 2532) issued under the Provident Fund Act B.E. 2530.

For the years ended December 31, 2021 and 2020, in the consolidated financial statements, The Group contributed to the fund amounting to Baht 2.45 million and Baht 2.55 million, respectively.

36. Commitments and contingent liabilities

36.1 As at December 31, 2021 and 2020, the Group had commitments under purchase orders of construction materials and subcontractors services totalling Baht 134.19 million and Baht 418.10 million, respectively. (The Company only : Bath 106.91 million and Bath 372.84 million, respectively).

36.2 Commitments under leases

The Group has cash payable in future under various long-term operating lease contracts to rent office space and facilities, The minimum amount to incur income in future for each interval would be as follows

:-

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|--|--|-------------|--------------------------------------|-------------|
| | <u>As at December 31,</u> | | <u>As at December 31,</u> | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Not later than 1 year | 5,443 | 7,032 | 3,531 | 5,059 |
| Later than 1 year and not later than 5 years | 304 | 1,484 | 273 | 1,295 |
| Total | 5,747 | 8,516 | 3,804 | 6,354 |

36.3 As at December 31, 2021 and December 31, 2020, partial of obligation under letter of guarantee for land allocation amount of Baht 10.79 million is obligation guaranteed for a private company with no inter company charge.

As at December 31, 2021 and 2020, the Group had outstanding letters of guarantee issued by financial institutions on behalf of the Group in respect as required in the normal course of business. The Group had outstanding letters of guarantee of Baht 492.74 million and Baht 708.42 million respectively. (Separate : Baht 490.51 million and Baht 706.19 million respectively). The letters of guarantee are guaranteed by real estate development cost, and deposits with financial institutions of the Company and

a former shareholder of subsidiary and condominium of the Company, as discussed in Notes 6, 9, 15 and 17 and joint by director and the right to receive the transfer of project costs to the bank as collaterals, as discussed in Notes 6 and 14.

36.4 As at December 31, 2021 and 2020, the Group had lawsuits in accordance with the consolidated financial statements total 9 cases and 6 cases in respectively (Separate : total 9 cases and 5 cases respectively). The counterparty appealed to claim damages in accordance with the consolidated financial statements amount of Baht 234.66 million and Baht 242.46 million respectively, (Separate : Baht 234.66 million and Baht 242.19 million respectively).

37. Capital management

The Group's objective in financial management is to maintain the ability to continue its operation and maintain the appropriate capital structure. As at December 31, 2021 and 2020, the Group has debt-to-equity ratios at 0.19 : 1.00 and 0.23 : 1.00 in the consolidated financial statements and debt-to-equity ratios at 0.17 : 1.00 and 0.21 : 1.00 in the separate financial statements, respectively.

38. The effect from adjustment transaction of previous year financial statements

For the year 2021, The Group found error from accounting record of the year 2019 by recognizing rental income under term of lease of investment properties (Leasehold) instead of recognizing gain from disposal of leasehold due to lease agreement covering leasehold. The Group, therefore, adjusted cumulative effect from error correction beginning deficit of the year 2021 and restated in consolidated financial statements of the year 2019 by presenting the amount of effect to consolidated financial statements as follows.

| (Unit :Thousand Baht) | | | |
|---|-------------------|------------|-----------|
| | Before adjustment | Adjustment | Restated |
| Statements of financial position As at | | | |
| December 31, 2020 | | | |
| Investment property | 1,014,569 | (508) | 1,014,061 |
| Current contract liabilities | (70,383) | 178 | (70,205) |
| Non-current contract liabilities | (4,650) | 4,319 | (331) |
| Deficit | 2,246,532 | (3,988) | 2,242,544 |

(Unit :Thousand Baht)

| | Before adjustment | Adjustment | Restated |
|--|-------------------|------------|-----------|
| Statements of financial position As at | | | |
| January 1, 2020 | | | |
| Investment property | 1,032,194 | (528) | 1,031,666 |
| Current contract liabilities | (154,243) | 177 | (154,066) |
| Non-current contract liabilities | (4,827) | 4,496 | (331) |
| Deficit | 2,308,270 | (4,145) | 2,304,125 |
| Statements of comprehensive income For the year | | | |
| Rental income and fee leasehold | (13,419) | 177 | (13,242) |
| Cost of rental and leasehold fee | 42,793 | (20) | 42,773 |
| Profit for the period | (60,695) | 157 | (60,538) |
| Earnings per share of the parent (Baht) | | | |
| Basic earnings per share | 0.0070 | - | 0.0070 |
| Diluted earnings per share | 0.0069 | - | 0.0069 |
| Statements of cash flows For the year | | | |
| Profit for the period | (60,695) | 157 | (60,538) |
| Depreciation and amortization | 48,886 | (20) | 48,866 |
| Non-current contract liabilities | (177) | 177 | - |

39. Reclassifications

The certain accounts in the 2020 financial statements have been reclassified for corresponding with the presentation in the financial statements for the year 2021 as follows :

(Unit :Thousand Baht)

| | <u>Consolidated financial statements</u> | | | <u>Separate financial statements</u> | | |
|---|--|-------------------|-------------------|--------------------------------------|-------------------|-------------------|
| | <u>Before</u> | <u>Reclassify</u> | <u>After</u> | <u>Before</u> | <u>Reclassify</u> | <u>After</u> |
| | <u>reclassify</u> | | <u>reclassify</u> | <u>reclassify</u> | | <u>reclassify</u> |
| Statements of financial position as at December 31, 2020 | | | | | | |
| Unbilled construction cost payables | 5,690 | (5,690) | - | 5,690 | (5,690) | - |
| Other current provisions | 42,464 | 5,690 | 48,154 | 35,455 | 5,690 | 41,145 |

40. Approval of the financial statements

These financial statements have been approved for issuance by the Company's Board of directors on February 24, 2022.

Data Authentication

The Company has reviewed the information in this annual registration statement. with caution The company certifies that Such information is correct, complete, not false and does not mislead others. or lack of information that should be notified in material matters.

1. Financial statements and financial information summarized in the annual registration statement have presented accurate and complete information on essential matters relating to the financial position performance and cash flows of the Company and its subsidiaries

2. The Company has established a good information disclosure system. to ensure that the Company discloses material information Both the Company and its subsidiaries are completely correct and complete. as well as to control and supervise the implementation of the said system

3. The Company has set up a good internal control system. and supervise to ensure compliance with the said system And the company has informed the internal control system assessment information as of December 31, 2021 to the auditor and the audit committee of the company. This covers deficiencies and significant changes in the internal control system. including wrongful acts that may affect the preparation of financial reports of the Company and its subsidiaries.

In this regard, as evidence that all documents are the same set of documents that the Company has certified. The company has assigned Mr. Rattachai Phichayapoom to sign this document on every page. If any document does not have the signature of Mr. Rattachai Phichayapoom on it, the company will assume that it is not the information that the company has certified the accuracy of the information mentioned above

| | <u>Name - Surname</u> | <u>Position</u> | <u>Signature</u> |
|------------------------|---------------------------------|---|------------------|
| 1. | Mr. Rattachai Phichayapoom | Company Director Authorized Director | _____ |
| 2. | Acting Pol.Matthi Itthiriwichai | Company Director Authorized Director | _____ |
| <u>Attorney</u> | | | |
| | Mr. Rattachai Phichayapoom | Company Director Authorized Director | _____ |

Attachment 1 Details on Directors, Executives, Controlling Persons, Chief Financial Officer, Chief Accountant, Persons assigned to be directly responsible for accounting supervision and Company Secretary

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | *Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|--|---------------|--|---|---|-------------------------------------|--|---|
| | | | | | Time Period | Position | Organization / Company |
| 1. Mr. Chanachai Leenabanchong Position: Chairman of the Board of Directors, Executive Chairman, Chief Executive Officer Authorized Director Appointed: April 27, 2011 | 64 | Bachelor of Engineering Chulalongkorn University | 3.063 | Elder brother Mr. Worawit Leenabanchong | 2007– Present | Chairman of the Board of Directors, Executive Chairman, Chief Executive Officer Authorized director to bind the company | EMC Public Company Limited |
| | | | | | 2016 – Present | Chairman of the Board of Directors | Imperial Land Company Limited |
| | | | | | 2013 – Present | Chairman of the Board of Directors | Sanken-EMC Company Limited |
| | | | | | 2014 – Present | Chairman of the Board of Directors | Sajja Bangsaen Condominium Company Limited |
| | | | | | 2014 – Present | Chairman of the Board of Directors | Richman Property Company Limited |
| | | | | | 2014 – Present | Chairman of the Board of Directors | North Property Company Limited |

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | *Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|---|---------------|---|---|---|-------------------------------------|--|--|
| | | | | | Time Period | Position | Organization / Company |
| 2. Mr. Ratchai Pichayapoom Position: Vice Chairman of the Board of Directors No. 1, Executive Director, Authorized Director Appointed: August 15, 2016 | 57 | Master of Business Administration (MBA) Financial Management Utah State University, Utah, USA Bachelor's degree business administration Faculty of Economics and Business Administration majoring in Management, Kasetsart University | - | - | 2016 – Present | Director, Executive Director, Authorized Director | EMC Public Company Limited |
| | | | | | 2018 – Present | Director | Chiangmai Daily and EMC Joint Venture Company Limited |
| | | | | | 2020 – Present | Director | Sanken-EMC Company Limited |
| | | | | | 2016 – Present | Director | Sajja Bangsaen Condominium Company Limited |
| | | | | | 2016 – Present | Director | Richman Property Company Limited |
| | | | | | 2016 – Present | Director | North Property Company Limited |
| | | | | | 2016 – Present | Director | Siam Bangkok Development Company Limited |
| | | | | | 2016 – Present | Director | Imperial Land Company Limited |

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | * Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|--|---------------|--|--|---|-------------------------------------|--|---|
| | | | | | Time Period | Position | Organization / Company |
| 3. Mr. Voravit Leenabanchong Position: Vice Chairman of the Board of Directors No. 2 Executive Director Managing Director of Support Appointed: December 18, 2015 | 55 | Bachelor of Business Administration Bangkok University | 7.847 | Younger brother of Mr. Chanachai Leenabanchong | 2016 – Present | Director, Executive Director, Authorized Director | EMC Public Company Limited |
| | | | | | 2016 – Present | Director | Sajja Bangsaen Condominium Company Limited |
| | | | | | 2016 – Present | Director | Richman Property Company Limited |
| | | | | | 2016 – Present | Director | North Property Company Limited |
| | | | | | 2016 – Present | Director | Siam Bangkok Development Company Limited |

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | * Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|--|---------------|--|--|---|-------------------------------------|--|----------------------------|
| | | | | | Time Period | Position | Organization / Company |
| 4. Mr. Vachara Pakdeemonthon Position: Director, Executive Director, Authorized Director Appointed: February 26, 2020 | 56 | Master of Engineering (Vocational Certificate in Construction Management Civil engineering), Rajamangala University Uten Tawai | - | - | 2020 – Present | Director, Executive Director, Authorized Director | EMC Public Company Limited |
| | | | | | 2019 – Present | Managing Director Of Engineering | EMC Public Company Limited |

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | * Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|--|---------------|--|--|---|-------------------------------------|-------------------|---|
| | | | | | Time Period | Position | Organization / Company |
| 5. Mr. Pinit Kantikul Position: Director Appointed: February 24, 2021 | 61 | Master of Engineer (Civil Engineer Administration) Chulalongkorn University Bachelor of Engineering Program in Mechanical Engineering, Kasetsart University | - | - | 2017 – Present | Director | EMC Public Company Limited |
| | | | | | 2016 – Present | Company Secretary | EMC Public Company Limited |
| | | | | | 2020 – Present | Director | Richman Property Company Limited |
| | | | | | 2020 – Present | Director | Sajja Bangsaen Condominium Company Limited |
| | | | | | 2020 – Present | Director | North Property Company Limited |
| | | | | | 2020 – Present | Director | Imperial Land Company Limited |

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | * Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|---|---------------|---|--|---|-------------------------------------|-------------------|---|
| | | | | | Time Period | Position | Organization / Company |
| 6. Acting Sub. Lt. Matee Ittirivichai Position: Director/Company Secretary Appointed: March 15, 2017 | 44 | Bachelor of Business general management Bansomdetchaopraya Rajabhat University | 0.0001 | - | 2017 – Present | Director | EMC Public Company Limited |
| | | | | | 2016 – Present | Company Secretary | EMC Public Company Limited |
| | | | | | 2020 – 2021 | Director | Dimet (Siam) Public Company Limited |
| | | | | | 2020 – Present | Director | Asian Corrosion Control Technology Company Limited |
| | | | | | 2020 – Present | Director | Richman Property Company Limited |
| | | | | | 2020 – Present | Director | Sajja Bangsaen Condominium Company |
| | | | | | 2020 – Present | Director | North Property Company Limited |
| | | | | | 2020 – Present | Director | Imperial Land Company Limited |

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | * Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|--|---------------|---|--|---|-------------------------------------|--|----------------------------|
| | | | | | Time Period | Position | Organization / Company |
| 7. Miss Praomart Hantra Position: Independent Director, Chairman of the Audit Committee, Nomination & Remuneration Committee Appointed: June 23, 2016 | 69 | Master of Science, Chulalongkorn University | - | - | 2016 – Present | Chairman of the Audit Committee, Independent Director, Nomination and Remuneration Committee | EMC Public Company Limited |
| | | Bachelor of Laws (LL.B.) Sukhothai Thammathirat University | | | 2015 – Present | Director of the Audit and Evaluation Committee, Ministry of Transport | Ministry of Transport |
| | | Bachelor of Business Administration (BBA), Ramkhamhaeng University | | | 2015 – Present | Director of the Student Loan Fund Information Technology Subcommittee | Ministry of Finance |

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | * Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|--|---------------|---|--|---|-------------------------------------|---|---|
| | | | | | Time Period | Position | Organization / Company |
| 8. Miss Thaweesri Wikayathipat Position: Audit Committee, Independent Director, Chairman of the Nomination and Remuneration Committee Appointed: June 23, 2016 | 70 | Master's degree in Accounting Chulalongkorn University Bachelor of Accounting, Chulalongkorn University Bachelor of Laws Thammasat University | - | - | 2016 – Present | Audit Committee, Independent Director, Chairman of the Nomination and Remuneration Committee | EMC Public Company Limited |
| | | | | | 2012 – Present | Tax Committee | Professional Council under the Royal Patronage of His Majesty the King |

| Name-Surname / Position / Date Appointed | Age (Yrs.) | Education | * Share- holding in company (%) | Family Relation among Executives | Work experience in the past 5 years | | |
|--|---------------|---|--|---|-------------------------------------|---|--|
| | | | | | Time Period | Position | Organization / Company |
| 9. Dr. Yaowarin Srichainan Position: Audit Committee, Independent Director, Chairman of the Nomination and Remuneration Committee Appointed: June 23, 2016 | 70 | Doctor of Philosophy cultural sciences Isan Arts and Culture Research Institute Mahasarakham University | - | - | 2016 – Present | Audit Committee, Independent Director, Chairman of the Nomination and Remuneration Committee | EMC Public Company Limited |
| | | Master of Education, Master of Education in Educational Administration Chulalongkorn University | | | 2015 – Present | Chairman of the Executive Advisory Board | Private Forest Plantation Cooperative Limited |
| | | Bachelor of Business Administration Banking and Finance Ramkhamhaeng University | | | 2015 – Present | Information Technology Subcommittee and communication Student Loan Fund | Ministry of Finance |

Attachment 2 : Details of the Directors of the Subsidiary

| Subsidiary | BR Construction Company Limited |
|--------------------------------|---------------------------------|
| Director | |
| Mrs. Penporn Lertkajornsuk | / |
| Ms. Oranong Amatanon | / |
| Ms. Juthamas Sirimas | /, // |
| Mr. Peerapol Phiphawakorn | / |
| Mr. Panuwat Boonyakiti | / |
| Mr. Passakorn Phokawatananurak | / |
| Ms. Thipkanang Lertkomolsuk | /, // |
| Mr. Manoonrat Lertkomolsuk | /, // |

| Subsidiary | Sanken-EMC Company Limited |
|------------------------|----------------------------|
| Director | |
| Mr. Rathai Pichayapoom | /, // |
| Mr. Worakarn Worprawat | /, // |

| Subsidiary | North Property Company Limited |
|-------------------------------|--------------------------------|
| Director | |
| Mr. Chanachai Leenabanchong | /, // |
| Mr. Voravit Leenabanchong | /, // |
| Mr. Pinit Kantikul | /, // |
| Mr. Ratchai Pichayapoom | /, // |
| Acting Lt.Matee Itthiriwichai | /, // |

| Subsidiary | Rich Man Property Company Limited |
|-------------------------------|-----------------------------------|
| Director | |
| Mr. Chanachai Leenabanchong | /, // |
| Mr. Voravit Leenabanchong | /, // |
| Mr. Pinit Kantikul | /, // |
| Mr. Ratchai Pichayapoom | /, // |
| Acting Lt.Matee Itthiriwichai | /, // |

| Subsidiary | Sajja Bangsaen Condominium Company Limited |
|-------------------------------|---|
| Director | |
| Mr. Chanachai Leenabanchong | /, // |
| Mr. Voravit Leenabanchong | /, // |
| Mr. Pinit Kantikul | /, // |
| Mr. Ratchai Pichayapoom | /, // |
| Acting Lt.Matee Itthiriwichai | /, // |

| Subsidiary | Siam Bangkok Co. Development Co., Ltd. |
|-------------------------------|---|
| Director | |
| Mr. Voravit Leenabanchong | /, // |
| Mr. Pinit Kantikul | /, // |
| Mr. Ratchai Pichayapoom | |
| Mr. Unchalee Leenabanchong | /, // |
| Acting Lt.Matee Itthiriwichai | /, // |
| | /, // |

| Subsidiary | Imperial Land Company Limited |
|-------------------------------|-------------------------------|
| Director | |
| Mr. Chanachai Leenabanchong | /, // |
| Mr. Voravit Leenabanchong | /, // |
| Mr. Pinit Kantikul | |
| Mr. Ratchai Pichayapoom | /, // |
| Acting Lt.Matee Itthiriwichai | /, // |

| Subsidiary | joint venture company Chiang Mai Daily and EMC Co., Ltd. |
|----------------------------|---|
| Director | |
| Mr. Rattachai Phichayapoom | /, // |
| Mr. Krishna Sangasaeng | /, // |
| Mr. Sarawut Saeteo | /, // |
| Mrs. Supinda Saetiao | /, // |

Note / = Director

// = authorized director

Attachment 3 : Details of the Head of the Internal Audit Department and the head of the company's supervisory

Name-Surname Mr. Thitipakorn Prasertwachirakul

Position : Assistant Manager of Internal Audit Department

Age : 40 years

Shareholding in the Company : None

Family relationship between executives : none

Highest educational qualification : Master's degree, Faculty of Science medical biochemistry

Chulalongkorn University

: Bachelor's degree, Faculty of Business Administration, Finance

Chulalongkorn University

: Bachelor's degree, Faculty of Science, Chemistry

Khon Kaen University

Work history for the last 5 years, type of business

2016 - Present : Assistant Manager of Internal Audit Department

EMC Public Company Limited, Construction Business

2011 – 2016 : Manager of Internal Audit Department

Asiasoft Corporation Public Company Limited, IT business

2007 – 2011 : Assistant Manager of Internal Audit Department

Kasikorn Bank Public Company Limited Finance/Loan Business

Other Experience/Training: Association of Internal Auditors of Thailand / Association of Auditors

Association training course : Compliance Audit / Risk Based Audit

: COSO 2013 Framework for Internal Control, Version 2-56

: IT Service and Information System Management

: ISO 9001:2015 Quality management systems Lead auditor

: ISO/IEC 27001:2013 Information Security Management Systems Lead

Auditor

Promote the Thai Institute of Directors : None

Criminal record in the past 10 years : None

Name – Surname : Acting Lt.Matee Itthiriwichai

Position : Manager of Compliance Department

Age : 44 years

Shareholding in the Company : 0.001

Family relationship between executives : none

Highest educational qualification : Bachelor's degree in General Management

Bansomdetchaopraya Rajabhat University

Work history for the last 5 years, type of business

2017 - Present : Director / Company Secretary

EMC Public Company Limited Real Estate and Construction

2020 – 2021 : Company Director / Company Secretary

Dimet (Siam) Public Company Limited produces and sells paints.

2020 - Present : Director

Asian Corrosion Control Technology Co., Ltd. sells products and color related products. Sales and services of corrosion protection work

2020 - Present : Director

Richman Property Co., Ltd. Buy, sell, rent condominiums, condominiums, mansions, apartments and all kinds of real estate.

2020 - Present : Director

Sajja Bangsaen Condominium Co., Ltd. Buy, sell, rent, condominium and real estate transactions

2020 - Present : Director

North Property Company Limited sells, sells, rents condominiums, condominiums, mansions, apartments and all kinds of real estate.

2020 - Present : Director

Imperial Land Company Limited, real estate development for sale or for rent

Other experiences/training : None

Association's course training : None

Promote the Thai Institute of Directors

Criminal record in the past 10 years : None

Attachment 4 : Details of Asset Appraisal List

Appraisal year 2021

| Date | Company | Property List | Project Location | Area | Appraisal Price | Appraisal Method | Appraiser | Obligation |
|----------|---|--|--|---|-----------------|---|---|-------------------------|
| 31/1/22 | 1.EMC Public Company Limited | Project suite Urbitia 27 Unit | Urbitia Thong Lo Project, Title Deed No. 7613, Soi Sukhumvit 36, Sukhumvit Road, Phra Khanong, Khlong Toei, Bangkok. | 1,207.24 square meters | 158,420,000.00 | Market Approach | TAP Valuation Co., Ltd. | Kasikorn Bank Room 11/1 |
| 31/1/22 | 2.EMC Public Company Limited | Landmark Mahachai Mall and Commercial Building 101 | Landmark project Mahachai Deed No. 7543, Nikhom Rotdet Road, Mahachai Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province | Area of approximately 19-1-00 rai or 7,700.1 sq wa. 16.09 rai or 6,436 | 574,000,000.00 | Cost Approach Compare Market Approach discounted cash flow method | Quality Appraisal Co., Ltd. | 30 year lease |
| 24/12/21 | 3.EMC Public Company Limited | 4 plots of vacant land, Group 2, No. 282,68736-38 | Pracha Ruam Jai Road Sai Kong Din Tai Subdistrict, Khlong Sam Wa District, Bangkok | Group 2, area 11-0-20.0 rai or 4,420 sq m. | 53,040,000.00 | Market Approach | TAP Valuation Co., Ltd. | Kasikorn Bank |
| 7/1/22 | 4.EMC Public Company Limited | 7 vacant land plots | Laem Sok, Trat Province, Title Deed No. 7890,7957-8,7966,35033-5 | Area 38-1-81.7 rai or 15,381.7 square wa | 120,320,000.00 | Market Approach | TAP Valuation Co., Ltd. | Bangkok Bank |
| 11/1/22 | 5.EMC Public Company Limited | 2 residential units | Hallmark Condominium Ngamwongwan | No. 151/73 Area 28.06 sq m. No. 151/105 Area 27.88 sq m. | 3,220,000.00 | Market Approach | Krung Siam Property | no obligation |
| 12/1/22 | 6.EMC Public Company Limited | Condominium Malibu Khao Tao, 4 units 108/276-277,108/288-289, total 555.84 | Malibu Condominium, Khao Tao, Soi Hua Hin 101, Petchkasem Road, Nong Kae Subdistrict, Hua Hin District, Prachuap Khiri Khan Province | 555.84 sq m. | 52,250,000.00 | Market Approach | Krung Siam Property | Kasikorn Bank |
| 11/1/22 | 7.EMC Public Company Limited | Land ready to construct 3 commercial buildings | Arinsiri Town 2 Project, No. 98/12,13,15, Village No. 5, Huai Kapi Subdistrict, Mueang Chon Buri District, Chonburi Province, Title Deeds 206858-60 and 206863. | Area 0-0-59 rai or 59 sq m. | 13,300,000.00 | Market Price | Krung Siam Property Appraisal Co., Ltd. | Kasikorn Bank |
| 31/1/22 | 8.Imperial Land Company Limited | The right to lease land and 7-storey building with roof | Station One, Chinatown, Title Deed No. 6614, No. 411,413,415,417,419,423,425,427 and 427/1-30 Charoenkrung Rd., Khwaeng/Khet Pom Prap Sattru Phai, Bangkok. | Land area 0-1-63 rai or 163 square wa | 213,000,000.00 | Cost Approach Compare Market Approach Income Approach | Quality Appraisal Co., Ltd. | 30 year lease |
| 27/12/21 | 9.North Property Company Limited | Vacant land, sales office and building A3 | Title Deed No. 4992,4995 (Partial),178176,178177,197243-197247,199375-199379,199400 and 199301, 21 title deeds, Nong Mai Daeng Subdistrict, Mueang Chon Buri District, Chonburi Province | Total area 11-1-41.8 rai 4,541.8 square wa | 67,690,000.00 | Market Approach | Krung Siam Property Appraisal Co., Ltd. | no obligation |
| 27/12/21 | 10.Sajja Bangsaen Condominium Company Limited | Building A1,A2 | Deed No. 4992,4995 (Partial), 178173,178174, 2 title deeds, Nong Mai Daeng Subdistrict, Mueang Chon Buri District, Chonburi Province | Total area 1-1-18 rai | 43,430,000.00 | Market Approach | Krung Siam Property Appraisal Co., Ltd. | no obligation |
| 27/12/21 | 11.Richman Property Company Limited | 2 storey office building single storey restaurant build vacant land | Title deed no. 165779 Title deed no.180706 Title deed no.173076,211115,211117 | Area 68.10 square wa Area 76 square wa Total land area 419.60 sq | 49,500,000.00 | Market Approach | Krung Siam Property Appraisal Co., Ltd. | no obligation |
| 27/12/21 | 12.Richman Property Company Limited | residential unit 183 Unit | North Beach Condominium, Lower Bangsaen Road 14/3, separated from Long Had Bangsaen Road Saensuk Subdistrict, Mueang Chonburi District Chonburi | Building A 120 units 4,900.69 sq m. Building B 63 units 2,402.88 sq m. | 361,490,000.00 | Market Approach | Krung Siam Property Appraisal Co., Ltd. | no obligation |

Attachment 5 : Other

- None -

Report of the Audit Committee and the Internal Control System Sufficiency Assessment Form for the year 2021

Dear Shareholders of EMC Public Company Limited

The Audit Committee has performed its duties in accordance with the duties and scope of the regulations, rules and announcements of the Audit Committee of the Stock Exchange of Thailand. including other relevant laws in accordance with the duties and responsibilities Assigned by the Board of Directors By using the principles of good corporate governance as a guideline, in 2021, 12 meetings of the Audit Committee were convened by rotation and involved persons attending the meeting on related agendas, namely management, accounting, law, internal audit. and the Certified Public Accountant to exchange ideas and to continuously monitor the audit for efficiency and effectiveness.

The Audit Committee consists of 4 independent directors who are not executive officers or employees of the Company, namely:

- | | |
|------------------------------|---------------------------------|
| 1. Ms. Pramat Hantra | Chairman of the Audit Committee |
| 2. Dr. Yaowarin Srichainan | Member of the Audit Committee |
| 3. Ms. Taweesri Wikyathipat | Member of the Audit Committee |
| 4. Mr. Pannathee Sriwongthai | Member of the Audit Committee |

Summary of important matters in the performance of duties are as follows:

1. Consider disclosing connected transactions and may have conflicts of interest To ensure that the company has strictly complied with the rules and regulations of the Stock Exchange of Thailand. and such transactions are reasonable and in the best interests of the Company, including disclosure and compliance with the announcement Requirements and Guidelines at Stock Exchange of Thailand correctly and completely

2. Consider reviewing the quarterly and yearly financial statements with a certified auditor and the management before disclosing information to the Stock Exchange of Thailand and the general public. for information that is accurate, complete, transparent, reliable and in accordance with accounting standards including relevant laws and regulations, disclose financial statements sufficiently and timely For the benefit of shareholders and investors

3. Review to ensure that the Company has an internal control system considering the independence of the internal audit unit as well as To approve the appointment, transfer of the head of the unit or the person responsible for the internal audit unit, as well as to review the Company's risk management system that there is an adequate and appropriate internal control system in order to prevent and reduce the risks that may occur without any significant weaknesses

4. Review the internal audit report relating to the Company's operations according to the established plans. by considering the scope Obligations and responsibilities, independence and the right to conduct audits for various departments There is a better internal control system which will result in efficient and effective work.

5. Review the Company's compliance with the Securities and Exchange Act. SET regulations and the laws related to the Company are: Public Company Limited Act, Securities and Exchange Act, Office Requirements The SEC includes obligations that may arise from contracts made with third parties. which the company has complied with the law and other relevant requirements strictly To achieve the highest efficiency and effectiveness, as well as treating stakeholders in the Company's business with fairness and equality with transparency and verifiable This is to create credibility for investors and people who are interested in the Company's business operations.

6 . Consider the selection, appointment, remuneration and evaluation of the Company's auditors. which the Audit Committee has considered the independence Performance and experience of the Certified Public Accountant and the appropriateness of the annual remuneration Therefore, the Audit Committee has performed its duties and responsibilities in accordance with the SET's best practice guidelines. and the Audit Committee Charter by using knowledge and ability to consider carefully and having independence without limitation in receiving information from both the management, employees and related parties as well as gave comments and suggestions that were beneficial to the management The management has made improvements according to recommendations as appropriate for the benefit of investors and stakeholders equally.

In summary, the Audit Committee is of the opinion that the Board of Directors and the Company's executives Is committed to performing duties to achieve quality goals and emphasizes on operating under effective and reliable corporate governance

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(Ms. Paramat Hantra)

Chairman of the Audit Committee

.....

(Dr. Yaowarin Srichainan)

.....

(Ms. Taweesri Wikayathipat)

.....

(Mr. Pannathee Sriwongthai)

Audit Committee Audit Committee Audit Committee