



บริษัท แอ็ดวานซ์อินฟอร์เมชันเทคโนโลยี จำกัด (มหาชน)
ADVANCED INFORMATION TECHNOLOGY PUBLIC COMPANY LIMITED

แบบแสดงรายการข้อมูลประจำปี/รายงานประจำปี 2564
(FORM 56-1 ONE REPORT)



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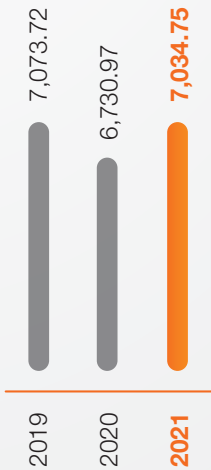
The Professional ICT Solutions Provider



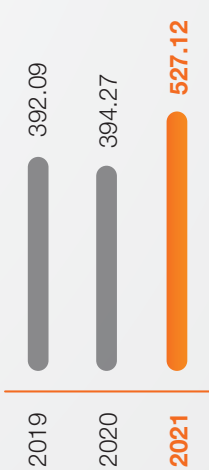
We are mainly aware of the customer's achievement. We treat our customers as the business partners and we work with the understanding in the customer's demand. This is our philosophy in working. Our duties are to select the goods and services which are mostly suitable in responding to the customer's demand of work. That is the reason why we are always reliable by our customers.

Financial Highlights

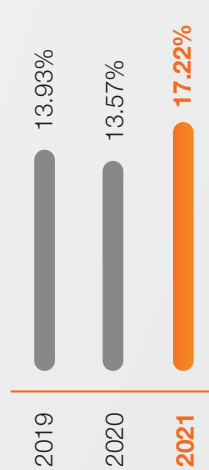
Total Revenue (Unit: THB mil)



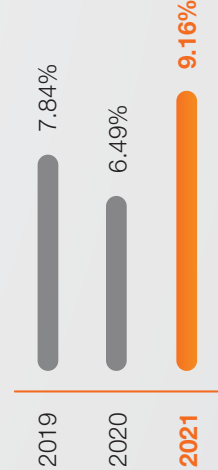
Net Profit (Unit: THB mil)



Return on Equity



Return on Asset



Financial Highlights

: Financial statements in which equity method is applied 2021
: Consolidated financial statements 2020-2019

Total Assets

(THB mil)		
5,752.11	6,429.18	5,728.61
2021	2020	2019

Total Liabilities

(THB mil)		
2,690.87	3,503.96	2,842.74
2021	2020	2019

Total Shareholder's Equity

(THB mil)		
3,061.24	2,925.22	2,885.88
2021	2020	2019

Total Revenues

(THB mil)		
7,034.75	6,730.97	7,073.72
2021	2020	2019

Total Expense

(THB mil)		
6,352.94	6,216.27	6,532.61
2021	2020	2019

Net Profits

(THB mil)		
527.12	394.27	392.09
2021	2020	2019

Earning per Share

(Baht)		
0.51	0.38	1.90
2021	2020	2019

Total Number of Employee

(persons)		
591	570	509
2021	2020	2019

Total Number of Shares

as of 31st December (shares)		
1,031,604,415	206,320,897	206,320,897
2021	2020	2019

Financial Ratio

: Financial statements in which equity method is applied 2021
: Consolidated financial statements 2020-2019

Liquidity Ratio

(Times)		
2.11	1.84	1.95
2021	2020	2019

Gross Profit Margin

(%)		
18.25%	17.35%	15.39%
2021	2020	2019

Net Profit Margin

(%)		
7.49	5.86%	5.54%
2021	2020	2019

Debt to Equity Ratio (Time)

(Time)		
0.88	1.20	0.99
2021	2020	2019

Dividend Yield

(%)		
3.77%	10.67%	5.41%
2021	2020	2019

Highlight Events in the year 2021

AIT has been also entrusted by KASIKORN PRO Co., Ltd. to be the contractor to install the SD-WAN system at all branches of Kasikorn Bank nationwide:

Advanced Information Technology PCL. has been also entrusted by KASIKORN PRO Co., Ltd. to be its contractor to install the SD-WAN system at all branches of Kasikorn Bank nationwide. On February 11, 2021, Mr.Tawan Chittawet, Managing Director; Mr.Mongkol Uajitanantakul, Deputy Managing Director; and a team from KASIKORN PRO Co., Ltd. went to see the orderliness in the installation of the SD-WAN system at Kasikorn Bank, Sao Ching Cha branch, which is the first branch to use the SD-WAN system with Mr.Apichai Nimgirawath, Senior Executive Vice President, Marketing and Sales Division, Advanced Information Technology Public Co., Ltd. attending the event.



AIT conveys concern to patients and gives encouragement to medical personnel in the fight against COVID-19

Advanced Information Technology Plc. would like to convey its concern to the patients and cheer up for medical personnel in the fight against Covid-19. On July 29-30, 2021 it made a monetary donation and medical supplies to 4 hospitals, namely Siriraj Hospital, Ramathibodi Hospital, Klang Hospital, and Srithiya Hospital, and on September 1, 2021, it donated 15 wheelchairs to Busarakham Sanam Hospital.

AIT Awards and Achievements

★ CGR 4 ดาว

AIT was ranked in Corporate Governance Report of Thai Listed Companies 2021 by Thai Institute of Directors as "Very Good"



★ Best Reseller of the Year 2020 Top Performance Award for 2020



On April 8, 2021, Mr. Udom Limmeechokchai, Executive Vice President, Pre-Sales Department, the Company representative, received the “Best Reseller of the Year 2020 Top Performance” Award from the highest sales performance of the year 2020 in the Silver Partner category. Mr. Plasil Wichiwaniwet Managing Director of Hewlett Packard Enterprise (Thailand) Co., Ltd. presented the award for the excellent performance in the year 2020, as well as the emphasis on developing potential both in sales and service, resulting in this year the Company to step up to be an HPE Gold Partner; thus, all customers can ensure that the Company will work with a professional team and look at the benefits and success of the customers is important in order to be number one in the hearts of customers according to the Company's mission.



★ Veeam Deal of the Year Award

On November 19, 2021, Advanced Information Technology Plc. received the "Veeam Deal of the Year" award from the Veeam Partner Appreciation Day event.



★ SEA Rising Star Partner of the Year FY21 Award

On April 29, 2021, Advanced Information Technology Plc. received the “SEA Rising Star Partner of the Year FY21 Award” from VMware Company, the Best Sales Performance Awards in Southeast Asia with a high sales growth rate of 236% from the previous year.



★ Gold Partner from Huawei

AIT was appointed as a Huawei Enterprise Gold Partner on September 30, 2021, a Certified Huawei Enterprise awarded to its partners who have achieved sales targets, including passing the standard training criteria, that is, it received Sales, Pre-Sales, and Post-Sales Certification in data communication, enterprise IT and transmission. With the readiness and expertise in the service of AIT, it was appointed as a distributor at the Gold Partner level.

Message from the Chairman of the Board of Directors and the Chairman of the Executive Committee

Dear Shareholders,

The first and second quarters of 2021 are the period where the world continued to face challenges from the COVID-19 epidemic that had been affecting the economy, society and operations, and people around the world, causing social change and leading to a new normal in both Thai and global society. Important lessons in 2020 enabled the Company to learn from such impacts, such as a shift from traditional working to a 100 percent work from home, resulting in the development of more systems within the organization to facilitate more interconnected communication and risk assessment, as well as new guidelines for customers to keep their business going due to the inability to operate in certain areas. The company has learned these issues and keeps adapting to them.

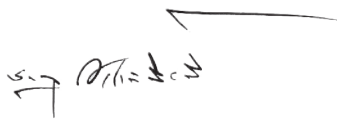
Meanwhile, the overall economy began to recover in the third quarter of 2021 due to the following factors: 1) the gradual relaxation of the COVID-19 epidemic control measures and more progress in vaccination; 2) the results of the outstanding demand from the previous period; and 3) government measures that continue to support purchasing power, which is considered to play an important role in supporting the economy today. Amid the COVID-19 epidemic control measures, which are considered less stringent compared to the beginning of 2020, the Company was able to generate revenue of 7,035 million baht, exceeding the target of 6.5 billion baht, breaking a record net profit of 527 million baht, which is the highest record net profit since the establishment of the Company. The main reason is that the government expenditure budget had continuously expanded to support the overall economy from the impact of the COVID-19 epidemic. Therefore, the number of projects for bidding to compete in the market did not decrease and the Company was able to bid for many large projects in 2021.

In recent years, although information technology system contractor business always had a high competition in the market, with the cooperation of executives and employees at all levels together to set common goals and jointly manage the organization within the organization, focusing on 3 main factors as follows: Customer Focus, Efficiency Focus, and Profit Focus, resulting in the Company's net profit margin in 2021 to reach 7.49 percent, exceeding the full-year target of 7.00 percent and an increase of 27.86 percent compared to 5.86 percent in 2020, another year of great pride for the Company.

The Company also has a relatively positive view of the business prospects of the IT systems contractors, especially the information and communications technology infrastructure market, which is growing the demand for technology in various organizations to support working with more online partners. In addition, the high competition in the business sector encourages organizations to accelerate the transformation of Digital Transformation and Business Transformation, including business opportunities of companies with 4G/5G and Big Data Analytic technologies, which help for further development.

In 2022, management and employees promise to never stop moving forward and will continue to work hard to create maximum profits for shareholders continuously. It will focus on sales that generate the most profit, developing service to customers, business partners, and business alliances of the Company to create maximum satisfaction, as well as develop its personnel, work systems, improve work efficiency, and adjust the organization to support new forms of technology with a commitment to be the country's leading professional ICT solution provider with stable growth.

Finally, on behalf of the Board of Directors Advanced, Information Technology Public Company Limited would like to thank you to shareholders, customers, partners, trade partners, financial institutions, the management and staff, including all stakeholders, who have supported and trusted the Company, resulting in the Company to generate good results over the past period and also strive to make the business progress sustainable with your support in the future from now on.



Mr. Thana Chaiprasit
Chairman of the Board



Mr. Siripong Oontornpan
Chairman of Executive Committee &
the President

Business Operations and Performance

1. Structure and Business Operations of the Company

1.1 Business's Policies and Overview

Advanced Information Technology PCL.

Our business is The System Integrator or "SI" or the designer of computer system and computer communication system in order to be able to work altogether efficiently and effectively agreeing with the customer's demand of work. The components of system consist of computer hardware, system software, application software, and computer network system equipment. Our sale is in the feature of completeness or Turn Key including the consultation, project planning, system design, implementation, installation, training, and maintenance.

[Vision]

"AIT is the Country's Leading
Professional ICT Solution provider
with stable Growth"

[Mission]

"Lifelong Trusted Partner"

To Customers : Is to be number one in the minds customers and provides a professional team who emphasize the customer's benefits and success beyond the features.

To Employees : Is to encourage them to be a professional and create the stability of work and family life.

To Shareholders : Is to build confidences and maximize return to shareholders.

To Partners : Is to create trust to business partners to drive business growth opportunities and sustainable success together.

To Society and Community : Is to create the digital services to society and community.

History of major changes and Developments

2021

- The Company has become an “HPE Gold Partner” of Hewlett Packard Enterprise (Thailand) Co., Ltd.
- The Company has stepped up to be a "HUAWEI Gold Partner" of Huawei Technologies (Thailand) Co., Ltd.
- The Company has developed its Internet of Thing products to enhance the service to customers. Formerly known as “Talegur”, “iotonix” is a comprehensive platform for exchanging IoT data online to be launched the website <https://iotonix.ait.co.th/th/>
- The Company has invested in Blue Green Solution Co., Ltd., which operates the business of System Storage. This investment is expected to increase the Company's services to be comprehensive and strengthen its business.
- The Extraordinary General Meeting of Shareholders No. 1/2564 resolved that the Company change the par value of the Company's shares from 5 baht per share to 1 baht per share and to approve the issuance of warrants to purchase the Company's ordinary shares No. 2 (AIT-W2) not exceeding 515,802,242 units for right offerings in the proportion of 2 existing ordinary shares per 1 unit of AIT-W2 warrant, including the approval of the increase of the Company's registered capital in the amount of 515,802,242 baht by issuing 515,802,242 new ordinary shares to support the exercise of AIT-W2 warrants on December 21, 2021.

2020

- The Company has closed its subsidiary, “SP Recourses and Commercials Pte. Ltd.”, incorporated in Singapore with the objective of distributing spare parts and hardware equipment and conducting other business. However, the said subsidiary did not operate any commercial activities and the closure of the said subsidiary did not materially affect the Company's operations.
- The Company has brought technology from MEGVII, the world's leading AI technology manufacturer, to provide an intelligent temperature monitoring system called "MEGVII AI Fever Screening System by AIT", which is capable of screening people before entering buildings or places quickly, making an alert for those who exceed the set temperature, recognizing the faces of those who pass through the screening point without removing their mask, replacing the use of employees to measure the temperature in order to reduce the risk of employees of being in a crowd. However, the Company has also provided support for equipment and installation of an intelligent temperature detection system to 3 agencies to use for screening people entering their buildings, namely the Royal Thai Air Force, Chulalongkorn Hospital, the Thai Red Cross Society, and the Queen's National Institute of Child Health.
- The Company has collaborated with Forms Simtron (Thailand) Co., Ltd., Cisco Systems (Thailand) Co., Ltd., and Institute of Field Robotics (FIBO) King Mongkut's University of Technology Thonburi (KMUTT) to develop robotic system kits on the control platform to help doctors care for patients infected with COVID-19 under the name of the Mod Borirak project, “FIBO AGAINST COVID-19: FACO”, which the Company has funded the creation of the platform by supporting both in terms of budget and equipment. The project has delivered robot kits to 9 hospitals to help their medical personnel.

2019

- Mr.Siripong Oontornpan, Chairman of the Executive Committee and the President of Advanced Information Technology Public Co., Ltd. ("the Company") attended the signing ceremony of the Integrity Pact between Mr. Sorasak Pianvej, Secretary-General of the House of Representative, and four observers, namely Pol Maj. Gen.Saengchai Suwatthanabhakdi, Ms.Sothiya Awichian, Mr.Somchat Jesrichai, and Mr. Wichian Jetsadakan, in order to express their intention to perform their duties with honesty for the Information and Communication Technology Employment Project for the New Parliament Building.
- Mr.Chodiwat Duntanasarn, Director and Senior Executive Vice President, Customer Relations and Satisfaction Division, with the executives of Advanced Information Technology PCL., participated in the signing ceremony of the Memorandum of Understanding for the Promotion, Development and Determination of Guidelines for Bangkok Underground Communication Cable Project and the opening ceremony of the Bangkok Underground Communication Conduit Network Construction Project with Police General Asawin Kwanmuang, Governor of Bangkok. The Company, together with Demco Plc. and Wire and Wireless Co., Ltd., established a joint venture AWD ("AWD") to carry out the projects in Zone 2.
- Mr.Siripong Oontornpan, Chairman of the Executive Committee and the President, and Mr.Suraporn Raktaprachit, Senior Executive Vice President, Service Division, Advanced Information Technology Plc., signed an MOU to partner with Hentong Optic-Electric, a number-one cable leader from China.
- Mr.Apichai Nimgirawath, Senior Executive Vice President, Marketing and Sales Division, Advanced Information Technology PCL., and Mr.Worawut Mala, Deputy Governor of Asset Management Business Group acting for the Governor of the State Railway of Thailand (SRT), jointly signed the D-Ticket Project, for which the MRTA hired AIT to develop an application and ticketing system to support ticket sales in all channels, both online and offline, in order to raise the standard of good service.

2022 Business Direction

The Company adheres to the business operation guidelines by emphasizing 3 main issues: Customer Focus, Efficiency Focus, and Profit Focus, along with "Employee Focus" as another key principle. There are 4 main topics with details as follows:

1. **Customer Focus:** The Company aims to develop services to its customers in order to create the highest satisfaction as follows:

- To acknowledge and understand the core business of customers to truly meet their needs;
- To develop service to customers (Service and Technical); and
- To build a good relationship with customers

2. **Efficiency Focus:** The Company aims to develop its personal and work systems to be more efficient as follows:

- To arrange employees to suit the job, enhance employees' knowledge, and abilities and to work in a professional manner; and
- To adjust the organizational structure to suit the ever-changing situation and improve work systems and reduce processes for speed and flexibility by applying modern technology systems in the organization for maximum efficiency.

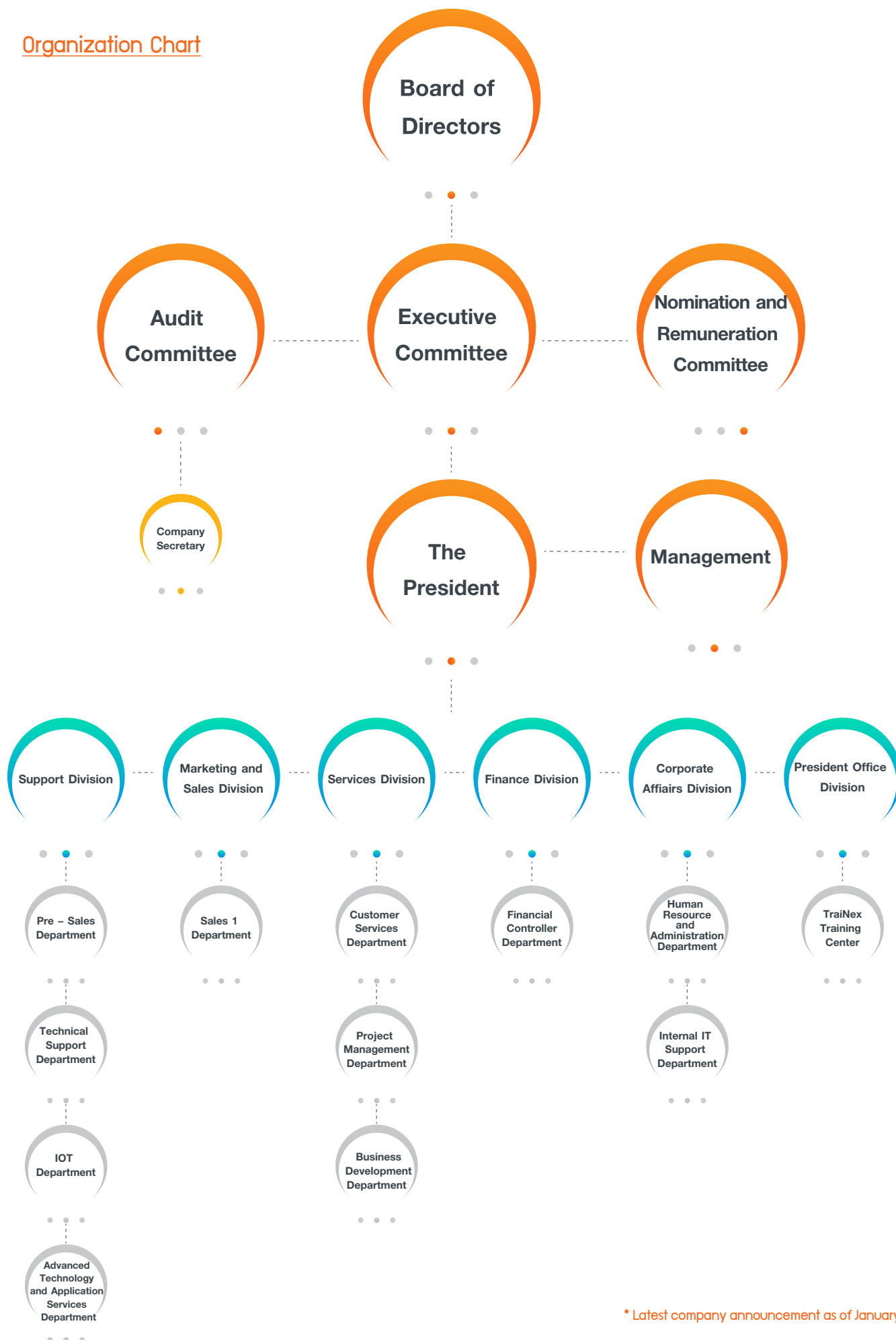
3. **Profit Focus:** The Company aims to be a Company that focuses on profitability and generates the best returns as follows:

- To create projects that it add value and have good margins;
- To reduce operating expenses
- To reduce errors in work

4. **Employee Focus:** The Company focuses on developing its personnel in every role to be smart, moral, work professionally, loyal to the organization, and happy at work as follows:

- To promote and develop employees to work in the fields they like and are excel in;
- To create a reward system in terms of income, benefits, and other incentives for employees based on knowledge, abilities, and job achievements enough to keep good and talented personnel to stay with the Company; and
- To organize activities to build relationships between employees to create love and unity within the organization.

Organization Chart



* Latest company announcement as of January 9, 2022

1.2 Business Overview

Revenue structure

	2021		2020		2019	
	THB mil.	%	THB mil.	%	THB mil.	%
Sales and service income	6,765.98	96.18	6,529.65	97.00	6,903.43	97.55
Rental income from equipment for lease	179.38	2.55	131.23	1.95	118.90	1.68
Other income	89.39	1.27	70.08	1.04	51.39	0.77
Total	7,034.75		6,730.96		7,073.72	

Products or Services

The Company operates the business of providing integrated information technology and telecommunication services or System Integrator (“SI”) and is the main business that generates more than 70 percent of the revenue by designing computer systems and computer communication systems to be able to work together effectively and efficiently in order to meet the work needs of customers with a service system consisting of computer hardware, software system application software, and computer network equipment. The Company has a turnkey sales approach, starting from understanding the needs of customers, consulting project planning, system design, installation, operation maintenance, as well as training to create an understanding of its use as shown in Diagram 1.1. The rest is a new business group focusing on basic engineering that extends the business on the existing customer base, such as building a power substation; in basic engineering on ICT lines such as wiring, conduits; and engineering of artificial intelligence, Big Data, and Business Intelligence (BI), such as CCTV systems, facial recognition, detection identity, and analytical reporting of business data.

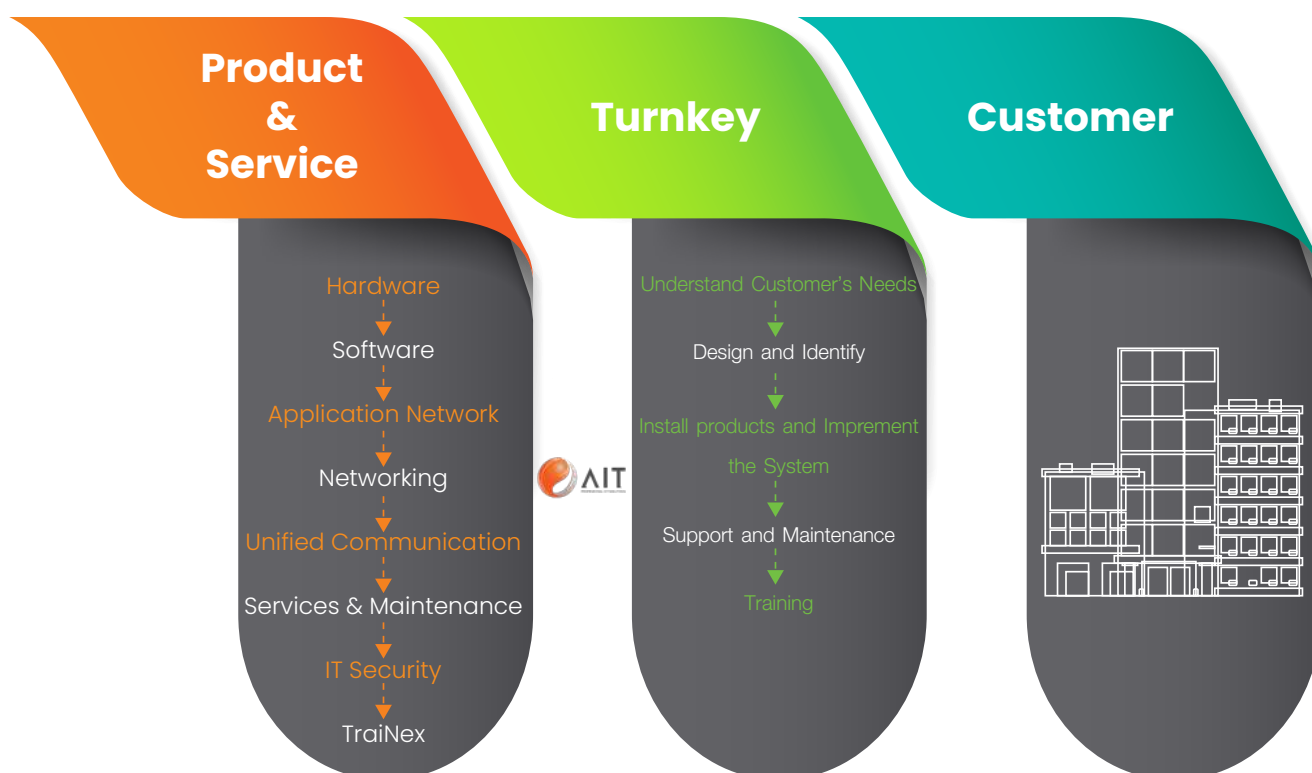


Diagram 1.1 The Business Operations of the System Integrator

The Company operates the SI business in accordance with 4 plans and structures, as follows;

1. Product Sales and Services of information technology and telecommunications and communication networks

A project work is the main component in doing a business, which can be divided into 2 parts, a project from auction and a project from direct sale. The Company pays close attention to the needs of customers and offers a technology proposal that customers can be ensured on the best advanced technology. The understanding in business and the attention in detail of the project are the key to success in delivering the project and satisfying customers. The Company has sales team and pre-sales team that are highly in skills in order to ensure all project proposals are clear and accurate for both the Company and the customers. When starting the project, the project management department is taking the responsibility to execute the project properly and completely. The project manager will organize the team of trained expertise and engineer. The entire team will operate the project in accordance with the plans and procedures that have been trained. These are the fundamental foundation that makes the Company becomes successful up until these days.

The Company operates the projects with a range of value from thousands to hundred thousands THB, depending on the customers. At the present, the customer-base ranges from small company to large-scale company, including the government agency and the state enterprise. After the completion of delivering and training, the Company will start after-sales service and system maintenance for the customers.

2. Support and Maintenance Services

The maintenance services are available in all aspects are flexible and diverse, by designing to meet the needs of customers with over 25 years of experiences in various fields, such as project operation design, server and software network maintenance, by implementing Information Technology Infrastructure Library (ITIL) system to integrate with operations to ensure that the Company is able to provide service with consistent.



3. Managed Services

Under the AIT Managed Services option our customers will transfer their day-to-day management responsibilities to us as their strategic partner. This ensures improved, effective and efficient operations including production support, build and lifecycle maintenance activities. AIT Managed Services can be offered for certain defined parts or the whole infrastructure, such as

- Managed IT Infrastructure
- Managed Network Infrastructure
- Managed Security
- Managed Communication (VoIP)

Maintaining the IT infrastructure has become a very complex undertaking and the requirements placed on employees has increased considerably. Managing multiple vendors and integration partners is time consuming and often troublesome. A modern Managed Service company like AIT takes away the burden of undertaking this complex activity from our customer's valuable IT resources and ensures that they have a properly performing infrastructure at all times.

Today's customer demand for managed services has grown from being a forced purchase and not adding value to the business. However, the Company is working in a different way, by ensuring its customers' awareness of the benefits of having the right network as needed, which in turn can avoid downtime, which may affect the performance of the business.

4. TrainNex Training Center (TRAINEX)



TrainNex Training Center is an Information Technology Training, IT Certificate and Soft Skill Center of the Company. The Company has established this center to provide training services to the Company's project clients and personnel of different departments of general companies. The services offered by our training center range from standard training courses, official courses for various products available in the market. At present, training courses are designed to be in accordance and meet the needs of the learners. In addition, we offer a test center that provides services related to international standard IT Certificate examinations, training room rentals, and lab rentals, which provides opportunities for businesses and individuals in the information technology industry to learn and acquire additional skills through with 3E's knowledge transfer philosophy as follows:

- | | |
|-------------------|---|
| Expert | Training by the certified instructors with knowledge and skills using standard textbooks. |
| Experience | Knowledge transfer from instructors who have a long work experience. |
| Experiment | Modern and complete LAB equipment are available. |

TRAINEX has developed new training services to provide learners the first-class learning experiences as learning and training center in information technology that meets the international standards. In addition, Mobile Test Center Service is opened as offsite examination center for convenience of those who want to do the test without disrupting their work. More importantly, the knowledge provided is derived from real experience of instructors with over 10 years of work experience.



TRAINEX has been appointed as Cisco Authorized Learning Partner and all instructors are qualified and certified as Cisco Certified Systems Instructor (CCSI) and Cisco Certified Internetwork Expert (CCIE). In addition, it has officially been appointed by CompTIA, Palo Alto, CWNP, in partnership with other partners, offering over 300 IT training courses, including Microsoft, Oracle, Red Hat, VMware, ITIL, PMP, Linux. Our test center has also been approved by the Authorized Test Center: PEARSON VUE, PSI (AWS, ISACA) and Scantron or Castle Worldwide as a test center with the ability to provide inspection and certification services, including advice to enhance efficiency and build on success for learners and organizations in the business sector. These ensure that TRAINEX can deliver excellent training courses in the information technology industry at all levels and is an international standardized testing center.

At the present, TraiNex Training Center is located at CW Tower B, 16th floor, Ratchadapisek Road, Bangkok, 10310 and has 1 sub-branch in Khon Kean province which its is located at 35/1 moo 23, Srichan Road, Tambon Ban Pet, Amphoe Mueang, Khon Kaen 40000. For more information, please refer to www.trainextrainingcenter.com.

Technology / System Services

The Company divides its technology businesses into the following divisions.

1. IT Infrastructure and business cloud: At present, the Company is considered one of the top experts in Thailand in designing and installing important infrastructure systems at the national level, especially the infrastructure based on the architecture called Software Defined. With market share number one in Software Defined Data, which the Company has successfully installed and has the largest market share in Software Defined Data Center, Software Defined Infrastructure and Software Defined WAN.

2. IT Innovation, AI and Big Data: The Company invested in the development of IOT (Internet of Things) platform. This year, the process is completed and ready for marketing and offering products and services to customers. Over the past 2 – 3 years, the Company has won many auctions related to Big Data and this year the Company starts to expand its business based on AI/Data Analytics and Face Recognition to support the market growth in more digitized areas. The Digital Transformation department was set up to be responsible for this part.

3. Infrastructure and Engineering: To further expand the business, the Company has remained steadfast in its commitment to continuously generate sales from engineering business, whether from installation of underground transmission lines or construction of substations.

The Company realizes that Information and Communication Technology (ICT) is an important infrastructure for connecting devices such as computers, servers, both wired/wireless networks, and data centers, and as a long-standing provider of ICT and System Integrator. The Company has already installed Core ICT in various agencies, such as the infrastructure of the Central Government Cloud Development Project and the IT infrastructure of the new parliament. The examples of the work systems of which the Company has previously carried out installation and maintenance include:

Wireless Solutions: With the advent of notebooks, smart phones and more recently tablet technologies, the requirements for wireless access have also increased. This extra mobility is not only a question of convenience, but also adds to the efficiency of the services offered by many of our customers. The Company has been operating in those functions such as design and installation of wireless network in various organizations.

Core Networking: AIT has built many core networks including nationwide networks for service providers such as TOT and CAT, metropolitan networks, networks for major university campus' and large enterprises, as well as all type of wireless networks. Core Networking is often also referred to as routing and switching, and which is at the very foundation of all computer networking. Routing and switching refers to forward data and voice or video packages within one network (switching) or over various individual networks (Routing). However, the world is transforming to the digital era and the Company is developing and connecting the technology boundaries to cope with the changes, to be able to support the needs of customers that are in the period of such changes.

Unified communications and Collaboration: describes the broad wealth of integrated services available such as instant messaging, (ip) telephony, video conferencing, telepresence, interactive whiteboards, integrated voicemail, e-mail, SMS and facsimile. The integration of all these individual services onto one common platform and delivering a consistent unified user interface and user experience across multiple devices, is a key business enabler.

IT Security Solutions: The security of our customer's IT systems has always been vitally important. Yet, the ongoing transition to networked economies and new paradigms such as cloud technologies makes securing our customer's systems and data even that more important. Businesses are increasingly dependent on IT to facilitate their activities and thus protection against threats from hackers, viruses and even their own staff are now a key focus area of the IT operation.

Data Centers / Cloud: The IT infrastructure of most enterprises is growing at all levels and increasingly is becoming more and more complex. Large enterprises are setting up centralized data centers which are being supported by global network topologies and distributed storage management strategies. To supply and manage such rapidly developing infrastructures demands focus, expertise and experience in cross-technologies. At the present, various business operations increasingly utilize Cloud technology, which it has enabled those businesses to have better computer resources management such as networking and data storage management. The Company has designed, installed, and tested data centers systems in various locations and has introduced customers with strategies to support the existing Cloud technology

Software Defined Network (SDN): For a network that fails to meet the needs of an organization, in addition to causing annoyance to users, the efficiency of the work of that organization is also reduced. The Company, therefore, presents the SDN network system and management guidelines to increase the efficiency of the network. This results in considerable savings in IT investment for customers.

Business Applications: At the end of the day, business applications are what matters most when it comes to enterprise information technology. For without the applications and data, most IT infrastructure in the enterprise world would be unnecessary. Over the past twenty five years AIT has selected and developed a complete range of business applications to suit the needs of our customers such as; Transportation Systems, E-Government Support Systems, Enterprise Application Integration and Military Applications.

Competitive Strategy

The Company focuses on doing business by paying attention to in-depth details, taking care of customers and considering customers as long-term partners. This is in order to build credibility and expand business with both existing and new customers without focusing on competitive pricing and reducing service quality. We believe that a good long-term relationship with customers and partners will continually contribute to trust and new business to the Company. The competitive strategies of the Company are as follows:



Product & Service

- Maintain only the highest quality of products and services.
- Clearly understand the project's requirements and seek best fitting, innovative technologies and products.
- Provide first-class after sales services with nationwide coverage through our readily established 7 service centers.



Customer

- Early engagement of the customer and offer advice on system design and planning.
- Satisfy the customer's requirements and create maximum satisfaction.
- Maintain great relationships with our customers.



Supplier

- Maintain great relationships with our partners.
- Be sincere and honest relationships with our partners.



Human resources

- Continuously develop our human resources for the present and the future.
- Increase flexibility and speed in solving problems

In bidding for projects in both the government sector and the private sector. The main criteria to win bids are generally:

- The level of understanding of the project and its requirements
- The technical quality of the proposed solution
- Available human resources within the company and project references, and
- The project cost and financial status of the company

Distribution channels

The Company receives work mainly through direct contact and negotiation with customers, which are government agencies and state enterprises. In 2021, they were accounted for approximately 76% of total sales, resulting from strategies for building good relationships with customers and the variety of products and services offered, as well as the quality of service provided. As a result, most of the Company's revenue still comes from the existing customer base due to the trust and acceptance of the good work from the customers. The Company has established and divided the sales team into 5 groups according to the characteristics of the target customer group by taking care of and providing various services to customers, as well as to increase its ability to provide services to meet customer needs,










Industry and Competition

In 2022 and over the next three years, AIT looks at the big picture as organizations looking to real-time computing technologies to increase the speed of applying data to various business strategies, resulting in massive amounts of data being generated and being in line with consumer behavior in the digital era. It is expected to have good growth prospects and estimated that the overall market will grow by more than 9-10 percent per year as many businesses accelerate their organizational restructuring focusing on driving more value-added with digital technology. Especially in the digital service business, it is expected to expand at the rate of 11-12 percent per year, mainly supported by 1) the development of 5G technology networks under the government's strategic plan that will connect the signal to cover all areas by 2022 and 2) lifestyle and work patterns that tend to continue to rely on services through digital platforms in various forms, especially online shopping and news.









Competitive Analysis

AIT's competitors can be classified into 3 major industry groups as follows:




1. Computer Systems Group

 CDG Group	 Forth Corporation Plc.
 Loxley Plc.	 MFEC Plc.
 Metro Systems Corporation Plc.	 PCC Co., Ltd.
 Samart Corporation Plc.	 SVOA Plc.
 Yip In Tsoi Co., Ltd.	

2. Information Technology Infrastructure System Group

 MFEC Plc.	 Forth Corporation Plc.
 IBM (Thailand) Co., Ltd.	 Datapro Computer Systems Co., Ltd.
 Sky ICT Plc.	 Metro Systems Corporation Plc.
 NTT Solutions (Thailand) Ltd.	 NetONE Network Solution Co., Ltd.
 Tangerine Co., Ltd.	 Turnkey Communication Services Co., Ltd.
 Yip In Tsoi Co.,Ltd.	

3. Communication Systems Group

 Jasmine International Plc.
 Samart Corporation Plc.
 United Communication Industry Plc.

The Company recognizes the importance of this relationship and plans to closely monitor the technology and the transition in the areas affecting the customers and within the organization, both in short-term and long-term. Moreover, the Company has the Digital Transformation Committee responsible for monitoring and providing support to keep up with constantly changing technology, with 2 objectives as follows:

1. To transform the organization into a digital organization in order to enhance the efficiency and effectiveness of the organization's operations, with a new re-process engineering policy to make the organization efficient with more flexible and faster services. The Company plans to adopt mobile applications and technology in the management, and also has a policy to establish a Business Intelligence Dash Board to provide the management the visibility of information in business aspects and accurate forecast of changes, with the push towards a full digital organization, both in abstract and concrete ways.

2. To determine the marketing direction in accordance with the technological transition and behavior in response to the purchase and usage needs of the customer. Due to the emergence of new technologies that will replace the old technology, the Company has to create new markets based on existing strengths by establishing a Digital Transformation Department to provide consulting services to customers who have needs in various fields such as Data Center, Cloud, Big Data/Analytics, IoT and Software Defined Network (SDN) with an emphasis on technology infrastructure that the company has expertise. At the same time, the Company also provides services including Cyber Security to these new technology groups. It can be seen that this Cyber Security technology is still the basis for which the Company attaches great importance of covering all new technologies, ensuring the safety of use and services. According to the marketing plans, the Company is trying to find partners to expand the existing customer base. As the abovementioned, the revenue from a new technology business in digital information accounts for 10% of total revenue and the Company also foresee a growing trend.

The presentation and development of a new business model for customers are also the company's focus. From the Business to Business (B2B) model, the Company has expanded more business channels in the form of Business to Business to Consumer - B2B2C through its financial strength and increased marketing channels in various forms, which included a joint-venture of new businesses and selecting ecosystem partners who have a technological strength and capability to participate in the development of a business model. This is in order to maximize the benefits of the customers, increase performance and reduce expenses at the same time. Not only provide a stable long-term income benefit, joint-ventures and ecosystems partners also increase the competitiveness of the Company which has a positive effect by shortening the marketing lead time, thus the Company does not lose business opportunities that are rapidly changing in the current technology transition.

Procurement of Products and Services

1. Product information

The products used in the information and communication system are as follows:

1. Computer devices such as monitors, pc/laptops, printers, and server/storage;
2. Network equipment such as routers, LAN switching, network controller, WiFi AccessPoint and network security; and
3. Application software such as mapping program, and billing program

The Company is a distributor of information technology products such as Cisco Systems Co., Ltd. Hewlett Packard Co., Ltd. (Hewlett Packard), Oracle Corporation Co., Ltd. (Oracle), Veritas Technology. (VERITAS) and VMware; Infrastructure and cloud business: F5 Networks (F5); and Security: Palo Alto, Fortinet, Symantec, and Trend Micro. As a result, the Company receives trade discounts from purchases of goods and for the flexibility of operations and projects.

2. Procurement of products and services

As more than 80 percent of sales and services are goods, proper cost management gives the Company an advantage in bidding for the project. At present, the Company has the nature of purchasing products by means of:

1. To directly contact with manufacturers, most of which are business partner companies and have commercial contracts, usually with a contract term of approximately 1 year, such as Cisco Systems Co., Ltd. (Cisco Systems), The Company has to renew the contract with the major manufacturer every 1 year due to the manufacturers' policy. However, the chances of not renewing the contract are very small as manufacturers are not likely to renew contracts with companies failing to fulfill their agreements, while the Company has complied with various agreements strictly. In addition, the two companies have a good relationship. The Company has had a relationship with commercial costs for more than 20 years and is always considered a good partner company and business partner.
2. To directly contact the manufacturers through dealers in Thailand or order products from general dealers (in the event that the Company does not contact the manufacturer directly). Due to the increase in the number and value of the projects and some large and high-value projects, the Company has a necessity to hire sub-contractors to join its operation.
3. The Company orders products for services, such as ordering for installation, training, seminars, etc.

The Company does not establish a policy to place an order in advance as the different projects that the Company operates have different characteristics and product specifications. If divided by imports and domestic purchases, the details are as follows.

1. Import

The Company purchases products directly from manufacturers or distributors such as Cisco Systems, whose production facilities are located in foreign countries. Purchases of the product from the manufacturer or distributor are done only upon receipt of the purchase order document from the customer, which reduces the cost of keeping inventory. As Cisco Systems is a long-term partner with the Company, it makes communication and delivery easier, which reduces the operating time of the Company with an average delivery time of about 30 - 45 days from the date of opening the purchase order.

2. Domestic purchase

The Company orders products from either foreign manufacturers or distributors that bring products to sell in Thailand and other independent importers, The Company orders products within the country in case the project is urgent, as well as to diversify the risk of oligopoly.

3. Problems with the implementation of the project

As sometimes the company encounters problems related to the inability to deliver the project within the specified timeframe. This is caused by:

1. Delayed delivery: This is caused by the factory shutdown during the festival or due to natural disasters, which affect the system installation and delivery plans. However, the Company follows up and coordinates with the manufacturer to plan the operation in advance in order to reduce the risk of delayed delivery.
2. Obsolete manufactured products: This is because, in participating in each auction, the Company must present details of the products used in the project for consideration. If the customer's consideration is greatly delayed or the project implementation period is postponed, the manufacturer may cancel or stop the production of some products and cause the Company to negotiate with the customer to request for a replacement with equal qualifications, which sometimes may affect the cost of service.

4. Environmental impact

- None -

Assets used in business operations

1. Company property

Land and buildings: the location of the Company's head office

Location:	37/2 Suthisarnvinichai Road Samsennok Sub-district, Huaykwang District, Bangkok 10310
Property type:	Area of 3 ngan 80 square wa consists of a 4-storey commercial building consisting of Head office of 1,800 square meters and temporary warehouse of 138 square meters

2. Leased Property

Land and buildings for branches where the lessor is not related to the Company.

2.1 Land and Buildings: Location of Sriracha Service Center

Location:	9/76 Tessaban Phatthana Road, Mueang Subdistrict, Mueang Chon Buri District, Chonburi Province
Property type:	3-storey commercial building
Lease term:	3-year lease agreement (1 July 2019 – 30 June 2022)
Rate:	13,500 baht per month

2.2 Land and Buildings: Location of the Khon Kaen Service Center

Location:	35/1 Moo 23, Srichan Rd., Ban Ped Subdistrict, Mueang Khon Kaen District, Khon Kaen Province
Property type:	1-storey commercial building
Lease period:	2-year lease agreement (4 August 2020 – 3 August 2022)
Rate:	10,000 baht per month

2.3 Land and Buildings: Location of the Chiang Mai Service Center

Location:	188/39 Moo 7, Chaiyasathan Subdistrict, Saraphi District, Chiang Mai Province
Property type:	3-storey commercial building
Lease period:	1 year lease agreement (1 May 2021 – 30 April 2022)
Rate:	15,000 baht per month

2.4 Land and buildings : Location of Surat Thani Service Center

Location:	9/7 Moo 10, Wat Pradu Subdistrict, Mueang District, Surat Thani Province
Property type:	3-storey commercial building.
Lease period:	1 year lease agreement (1 April 2021 – 31 March 2022)
Rate:	6,000 baht per month

2.5 Land and buildings: Location of Phitsanulok Service Center

Location:	199/183 Village No. 3, Plai Chumphon Subdistrict, Mueang Phitsanulok District, Phitsanulok Province
Property type:	4-storey commercial building.
Lease period:	3-year lease agreement (16 January 2022 – 15 January 2025)
Rate:	12,000 baht per month

2.6 Land and buildings: Location of Hat Yai Service Center

Location:	1061 Moo 1, Sanambin-Lopburiramet Rd., Khuan Lang Subdistrict, Hat Yai District, Songkhla Province
Property type:	8-storey condo (rental ground floor)
Lease period:	3-year lease agreement (1 July 2019 – 30 June 2022)
Rate:	15,000 baht per month

2.7 Land and buildings: Location of Nakhon Ratchasima Service Center

Location:	1113 Det Udom Road, Nai Mueang Subdistrict, Mueang District, Nakhon Ratchasima Province
Property type:	3-storey commercial building.
Lease period:	3-year lease agreement (21 January 2022 – 21 January 2025)
Rate:	10,000 baht per month

2.8 Land and buildings: Location of Muang Thong Thani Warehouse

Location:	Apartment no. 47/362, 363, inside Narita Building, 1st Floor, Muang Thong Thani, Nonthaburi Province
Property type:	2 adjacent suites
Lease period:	3-year lease agreement (1 January 2021 – 31 December 2023)
Rate:	133,527.10 baht per month

2.9 Land and buildings: Location of the Project Management Building

Location:	1/14 Ratchadaphisek Rd., Samsen Nok Sub-district, Huai Khwang District, Bangkok
Property type:	4-storey building
Lease period:	3-year lease agreement (1 November 2022 – 31 March 2025)
Rate:	53,500 baht per month

2.10 Land and buildings: Trainnex Training Center

Location:	B1601, Floor 16B, CW Tower, No. 90 Ratchadaphisek Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310
Property type:	Open area of 399.42 sq.m.
Lease period:	3-year lease agreement (1 March 2020 – 29 February 2023)
Rate:	263,617.20 baht per month

2.11 Land and buildings: AOT Office Service Center

Location:	Room SVB RA17 and SVB RA18, Floor B1, Suvarnabhumi Station, Nong Prue Subdistrict, Bang Phli District, Samut Prakan Province 10540
Property type:	Open area of 136.18 sq.m.
Lease period:	1 year lease agreement (1 September 2021 – 31 August 2022)
Rate:	80,545.40 baht per month

1. Land, buildings and equipment	Book value as of December 31, 2021, equal to 94.27 million baht
2. Rental properties and services	Book value as of December 31, 2021, equal to 197.50 million baht

Works Not Yet Delivered

1. The Company has contracts of sale of goods and services that have not yet been delivered, amounting to approximately 5,138 million baht (2020: 7,121 million baht). The Company expects to complete its obligations under the said contracts within 4 years (2020: 5 years).

2. The Company has entered into several lease agreements with a company with the government as a major shareholder, public agencies, and several private companies, with the value required to provide services under the contracts in the future totaling 391 million baht (2020: 117 million baht). The Company is obligated to complete the installation of rental equipment according to the contracts and provide services according to the conditions specified in the contracts.

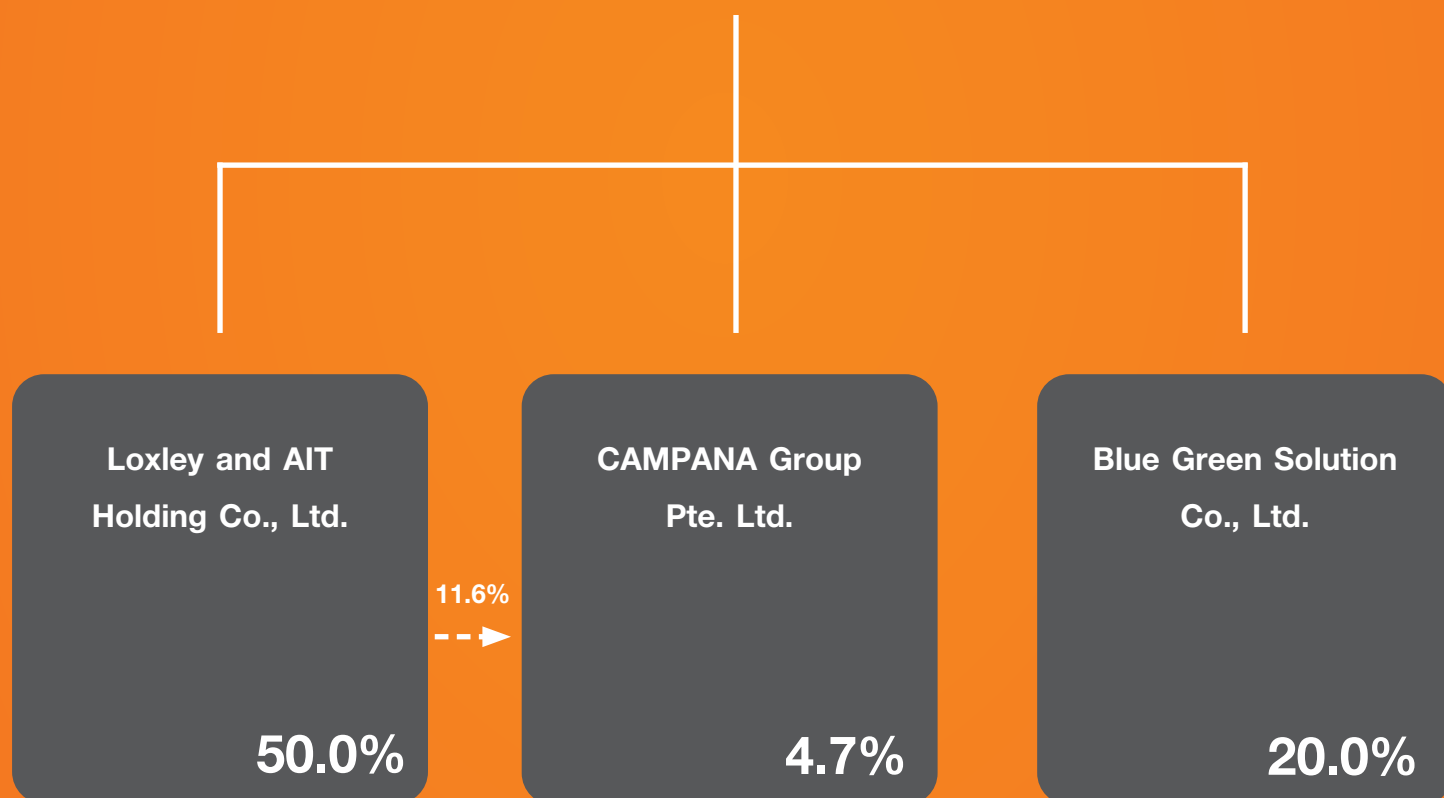
1.3 Shareholding Structure of the Company

Shareholding Structure of the Company

Advanced Information Technology PCL

Paid-up Capital

1,031,640,485 Baht



Major Shareholders

Top 10 major shareholders as of the latest book closing date as 24th November 2021

Shareholder	No. of Shares	%
1. The Oontornpan Group ⁽¹⁾	31,518,005	15.28
2. Thai NVDR Company Limited	15,771,899	7.64
3. The Duntanasarn Group ⁽²⁾	11,184,000	5.42
4. The Sopchokechai Group ⁽³⁾	8,719,659	4.23
5. The Raktaprachit Group ⁽⁴⁾	6,119,985	2.97
6. The Charudilaka Group ⁽⁵⁾	3,879,797	1.88
7. Mrs. Jiraporn Predavankul	2,626,900	1.27
8. Mr. Thana Chaiprasit	2,250,000	1.09
9. Ramkhamhaeng Hospital PCL.	2,195,000	1.06
10. Mr. Thawatch Tantimaet	2,178,000	1.06
Other Shareholders	119,859,652	58.10

(1) The Oontornpan Group comprises of

Shareholder	No. of Shares	%
1. Mr. Siripong Oontornpan	10,753,225	5.21
2. Ms. Sasinet Baholyodhin	6,898,115	3.34
3. Ms. Sinanang Oontornpan	5,720,060	2.77
4. Mr. Sina Oontornpan	5,081,908	2.46
5. Mrs. Netnapit Oontornpan	1,552,497	0.75
6. Ms. Saowaluck Oontornpan	1,000,000	0.49
7. Mr. Prachumsak Oontornpan	285,000	0.14
8. Mr. Suratthep Oontornpan	227,200	0.11
Total	31,518,005	15.28

(2) The Duntanasarn Group comprises of

Shareholder	No. of Shares	%
1. Mr. Chodiwat Duntanasarn	7,000,000	3.39
2. Mr. Sathathon Duntanasarn	2,000,000	0.97
3. Mr. Samakorn Duntanasarn	1,600,000	0.78
4. Ms. Anutch Duntanasarn	464,000	0.22
5. Mrs. Chantana Krasaesan	120,000	0.06
Total	11,184,000	5.42

(3) The Sopchokechai Group comprises of:

Shareholder	No. of Shares	%
1. Mr. Kittisak Sopchokechai	6,874,659	3.33
2. Mr. Titikorn Sopchokechai	875,000	0.42
3. Ms. Pimpaka Sopchokechai	850,000	0.41
4. Ms. Boonthida Sopchokechai	120,000	0.06
Total	8,719,659	4.23

(4) The Raktaprachit Group comprises of:

Shareholder	No. of Shares	%
1. Mr. Suraporn Raktaprachit	5,455,885	2.64
2. Ms. Thippayachat Raktaprachit	663,600	0.32
3. Ms. Patcharanan Raktaprachit	500	0.00
Total	6,119,985	2.97

(5) The Charudilaka Group comprises of:

Shareholder	No. of Shares	%
1. Mrs. Soyson Charudilaka	2,606,378	1.26
2. Ms. Apiporn Charudilaka	651,994	0.32
3. Mr. Apimuk Charudilaka	621,425	0.30
Total	3,879,797	1.88

1.4 Dividend Policy

The Company's dividend payout ratio is not less than 40% of net profit in case there is no other necessary obligation for this amount of money and the dividend payout must not materially affect the normal business operations of the Company.

2. Risk Management

2.1 Project Risk Management

As the Company revenues are mainly coming from project auction, the Company bestows serious attention on risks from project sales. Therefore, the Company has established an Enterprise Risk Management Policy and Framework as a major part of business management. The Company also set up the Project Risk Committee, comprised of

1 person	Senior Executive Vice President – Support Division
1 person	Senior Executive Vice President – Customer Relations and Satisfaction Division
1 person	Executive Vice President – Finance Division
1 person	Executive Vice President – Marketing and Sales Division
2 persons	Executive Vice President – Services Division
2 persons	Executive Vice President – Support Division

This Project Risk Committee responsibility for evaluate the Company's risks including financial performance, project management, and technical from both internal and external factors in mitigating risks to an acceptable level. The project's achievements are able to make the Company an appropriated return.

2.2 Risk Factors for the company's Business

Due to the instability of business conditions in these current times, risk management continues to be an inevitable tool for any business especially operating its business through an unexpected situation, including preparation for future competition to ensure that business operations are able to meet their goals while create and maintain creditability for shareholders and other stakeholders.

The Company is aware of the impact of risk factors and therefore has set measures to mitigate and maintain such risks to an acceptable level. The Company has also regularly reviewed and evaluated the risk factors and obstacles that may affect the Company and its stakeholders. In addition, the Company has also established the Project Risk Committee to be responsible for assessing risks for any project and reducing the negative factors affecting the success of the project, since the Company's sales are mostly in the form of projects.

Risk factors that may affect the business operations of the Company can be classified as follows:

Operational Risks

1. Risk Relating to Change of Technology and Threats from Cyber-attack

As technology changes rapidly and over time, the Company has to maintain its leadership in technology to avoid losing business opportunities and competitiveness in the market related to technology trends such as Cloud, SDN, and Internet of Thing (IoT). The Company encourages engineers, sales staff, and marketing staff to monitor technological developments and changes and to attend academic seminars regularly to create understanding and to develop modern service models. In addition, the Company continues to work closely with its business partners to gain an overall understanding and maintain market leadership. The Company also has its Cyber Security Unit responsible for system administration and setting up guidelines for management and surveillance to maintain cyber security and raise awareness of the organization's cyber security.

2. Risk Relating to Dependency on Major Customers

The majority of the Company's revenue comes from sales and network installation services for government agencies and state enterprises, which accounts for approximately 67% of the Company's total revenue. Although this may pose a risk, however, as the infrastructures in Thailand needs constant development, the investments are often coming from almost all of these agencies in order to support the national agenda in IT according to the policy framework of the Ministry of Digital Economy and Society. However, the Company has also expanded the long-term support and maintenance services (MA) for the project's customers and plans to expand its customer base to include new ones in order to maintain balance with the revenue from projects.

The Company has been striving to minimize the risk of dependency on a few major customers and is constantly seeking opportunities to diversify its customer base in the future. The additional revenue from expanding the customer base in the maintenance services (MA) will increase the proportion of revenue, while the Company can still maintain its existing customer base.

3. Risk Relating to Dependency on Key Employees

The information and communication technology business highly depend on qualified human resources in terms of marketing, engineering and project operation. These valuable human resources utilize their expertise in advising, designing and implementing the products and services provided by AIT. At present, the Company has 337 permanent employees, most of them are engineers, each with approximately 3-27 years of work experience. In 2021, our employee's turnover rate was only 5.93%. In order to retain its employees, the Company provides attractive compensation packages and good working environment that enhances quality of life at work. The Company has also established an internal audit system to prevent the risk of losing any key employee which may affect its business operations.

AIT has developed a multilevel organizational structure with minimized single points of impact, which even allows the Company to replace key employees in any situation or case in which they should become unavailable. There are weekly internal meetings among the senior executives to acknowledge and discuss any potential problems and to determine immediate actions to mitigate any problem that might occur.

4. Risk Relating to Dependency on Major Supplier

Normally, the Company purchases its products directly from the manufacturers or indirectly via the manufacturers distributors with representative offices in Thailand. Notably the Company is the key distributor and strategic partner of Cisco Systems, the world's leading manufacturer of information and communication technology in the IP (internet Protocol) segment. In 2021, the Company's purchase of network equipment from Cisco Systems accounted for approximately 23% of the total cost of sales. The reason behind such high purchase amounts, each year, from Cisco Systems is based on the fact that Cisco's products have wide acceptance with customers in both local and international markets.

However, The Company is aware that major supplier dependency can lead to high level of risk. The Company therefore has become a partner with other well-known suppliers, which are as reputable as Cisco. These suppliers are the leading manufacturers in their own fields of business. In addition, the Company has also received awards for guaranteeing success from that partner.

5. Risk Relating to New Customers

Bidding with a new customer inevitably comes with risk, from the background of customer, presentation of technologies to meet the needs of customer, including delivery and financial competence. The Company has therefore established a screening process before entering a bidding process, in which the Project Risk Committee is responsible for risk analysis before allowing any department to participate in a major bidding.

6. Risk Relating to Project Delivery

ICT projects have a delivery time of approximately 15 months but this is dependent upon the particular project size. If the Company fails to deliver the project on time as stated in the contract, the Company may incur a financial penalty. To its credit, in the last 5 years, such occurrences have been minimal and the Company has been penalized around 1% of the project sales revenue, which by comparison with other project suppliers is considered extremely low.

The main causes of project delays are often due to external factors beyond our control, such as delays in the delivery from suppliers and changes in installed equipment, etc. Upon the project implementation, the Company will constantly monitor and examine the project delivery period. However, in some cases where our customers urgently need to use their ordered system, the Company will be able to install a standby system for their temporary usage. In order to prevent the Company from the penalty, clear and effective project management method is necessary. The said process requires close monitoring of project and seamlessly coordination between the Company, customers, and suppliers, which allow us to identify problems, minimize potential impacts in advance and determine prevention methods.

7. Risk Relating to Sales and service contract conditions

In entering into a commercial contract, it is possible for the parties to disagree with the conditions of the contract. Therefore, amendments to the terms and conditions of the contract are needed to be satisfactory to both parties, which may cause delays in delivery and payment of products and services. Especially with medium to large organizations, which are the main customers of the Company, tend to have inconsistent contract conditions. In order to minimize the risk, the management of the Company has appointed legal consultants to provide legal advice, as well as studying and reviewing the conditions of the contract to be in line with the needs of both buyers and sellers to meet international standards. This in order to make the contract standardized, referable and acceptable. In addition, the Company regularly reviews the contract terms in order to monitor and manage risks to prevent potential contractual problems.

8. Risk of climate change

Climate change or uncontrollable and unpredictable natural events such as rainstorms, landslides, and earthquakes, may affect all sectors of the business, both directly and indirectly. These events may result in delays in the Company's project execution, which is uncontrollable. However, the Company has a management plan according to the potential risk factors in order to be able to manage accordingly according to the situation appropriately.

9. Risk of the spread of COVID-19

Due to the COVID-19 epidemic in the past year affecting the economy and society of Thailand, new normal living, including working from home with a 100 percent increase, has a direct impact on the Company; for example, the delivery of goods that may be delayed; the project implementation may not be on time due to inability to enter the worksite, etc. However, the Company has a management plan in order to be able to operate, including taking into account the safety of employees' health as the main priority.

Financial Risks

1. Risk Relating to Foreign Exchange Rate Risk

Generally, at a point approximately 1-2 months prior to the start of a project, the Company must estimate the project cost to use in the bidding or proposal process. If imported equipment is needed, this means that the project cost may be affected by fluctuations in foreign exchange rates. As of 31 December 2020, the Company had outstanding balance of trade receivables and trade payable denominated in foreign currency of USD 1 million and USD 1.5 million, respectively, the Company has applied the following strategies for mitigation of any adverse effects:

1. Determine the value of foreign exchange rate risk in the calculation of the total project cost, and
2. Enter into a FX forward contract to cover the whole amount

In 2021, the Company prepared to utilize various financial tools to enhance efficiency in managing risks and keep these at a minimum and therefore to maximize benefits to the Company.

Risk from Industry Regulation and Government Policies

1. Risk of personal data

As the Protection of personal data Act (PDPA) Act on June 1, 2022, the Protection of personal data Act (PDPA) is becoming effective on June 1, 2022, data owners become more aware of their privacy. Every organization that collects or discloses personal data must have an understanding so that there will be no damage in the future. As the Company is highly aware of the risks related to personal data, preparations have been made to ensure that the Company's operations are in accordance with such Act, from the study of the information to the implementation of various matters, including plans for educating employees in the organization.

2. Risk Relating to Changes in financial reporting standards and related practices

The Federation of Accounting Professions will issue a number of revised and new financial reporting standards. These financial reporting standards are aimed at alignment with the corresponding International Financial Reporting Standards. For example, in 2021, the Financial Reporting Standards No.9 "Financial Instruments", the Financial Reporting Standards No.15 "Revenue from Contracts with Customers" and the Financial Reporting Standards No.16 "Lease Agreement, including the regulations or laws such as the Labor Protection Act (No.7) B.E. 2562 (2019), the Land and Buildings Tax Act B.E. 2562 (2019), etc. These requirements or standards may affect the working procedures and systems within the Company, which must be revised or changed to meet the standards and to be in accordance with relevant regulations. In this regard, the finance and accounting department of the Company has closely controlled, monitored and understood the changes in the standards and regulations. There is also a coordination to acquire knowledge and create understanding with external auditors on a regular basis, including all departments related to changes in order to be prepared and make the working procedures and systems work correctly and appropriately

3. Risk Relating to Change in Government Policy

The Information Technology business is considered to be a business in a good growing direction, due to the government policies and the laws, which continuously supports the investment in developing the Information Technology system such as the government policy of Digital Economy that its initial operational plan is to promote the access to a high-speed internet (Broadband) at the villages, create an internet connection to be ASEAN regional hub and Government cloud development (G-Cloud). These policies are beneficial to the entrepreneurs in the industry to have an opportunity to participate in the auction. Therefore, if there are changes in these government policies, they may affect both positively and negatively on the business opportunities of the Company. However, the Company is monitoring and assessing the situation closely and will continued keep the investors up to date.

3. Driving Business for Sustainability

Advanced Information Technology Public Company Limited is a System Integrator or SI of computer system and computer communication, providing services in both the private and the public sector. Our service can be Turn Key Project including the consultation, project planning, system design, implementation, installation, training and maintenance.

(Vision) : AIT is the country's Leading Professional ICT Solution Provider with Stable Growth

(Mission) : "Lifelong Trusted Partner"

To Customers : Is to be number one in the minds customers and provides a professional team who emphasize the customer's benefits and success beyond the features

To Employees : Is to encourage them to be a professional and create the stability of work and family life.

To Shareholders : Is to build confidences and maximize return to shareholders.

To Partners : Is to create trust to business partners to drive business growth opportunities and sustainable success together.

To Society and Community : Is to create the digital services to society and community.

3.1 Sustainability management policy and targets

Sustainability Management Policy and Goals

Advanced Information Technology Public Company Limited ("the Company") always recognizes the importance of business development for sustainability, manages the organization according to the principles of good corporate governance, conducts its business with integrity and ethics, takes into account all groups of stakeholders, as well as social, community, and environmental responsibilities. The Company has established a sustainability management policy that focuses on 3 dimensions, namely economic dimension, social dimension, and environmental dimension, in accordance with business goals and current situation that will lead to sustainable growth together.

Economic dimension

- Good corporate governance and business ethics
- Effective risk management
- Responsible supply chain management

Goal: To create sustainable returns, continue the business to grow under good corporate governance and related laws, and create mutual benefits with all stakeholders. ௧

Social dimension

- Human rights and labor practices
- Supervision and development of human resources
- Creation of value in sales and service and development of new innovations
- Participation and development of communities and society

Goal: To respect fundamental human rights to promote respect for rights and freedoms through non-discrimination, ensure wages are at an appropriate level and regularly review, develop and nurturing personnel for organizational growth, gain confidence and trust in providing project services, as well as promoting community and social access to technology.

Environmental dimension

- Maintenance of water resources
- Efficient use of energy and promotion of renewable energy
- Effective waste management

Goal: Promote the efficient use of resources, systematically manage resources such as reduction and disposal of waste, electronic waste, and waste properly, efficient use of electricity, reduce the concentration of greenhouse gas emissions based on the proportion of both direct and indirect greenhouse gas emissions.

3.2 Management of impact to stakeholders in the business value chain

Business Value Chain



Supporting Activities

- Implementation of procurement process and ordering products based on product list of the project(s).
- Studying, developing and seeking for new products to enhance business opportunities and to increase the efficiency of services provided to customers.
- Personnel development by providing trainings on both Soft Skills and Technical Skills to suit their duty performance.
- Facilitation and provision of spaces for activities that are beneficial to surrounding communities.

Analysis of stakeholders in the business value chain

The Company has considered the sustainable development issues according to their importance level for the proper operation, by determining the vision and mission that represent the importance of the stakeholders, which is part of the regular business operations. The Company has analyzed and defined the criteria for considering the Company's stakeholders, as follows;

1. Define the business process framework by applying the supply chain or value chain to be a guideline for identifying stakeholders and responsible issues that linked to each other.
2. Identify stakeholders and social responsible issues according to the defined business process framework, including considering the effects from each business process, which the Company is able to monitor stakeholders in each process and social responsibility issues in various dimensions.

Table of the Company's stakeholders

Stakeholders	Expectations and Key Issues	Communication Channels for Relationships	Response
Employees	<ul style="list-style-type: none">• To pay compensation and have appropriate benefits.• To provide communication between management and employees.• To give importance to the development of employees' knowledge and abilities by thoroughly giving employees opportunities.• To provide a working environment that is safe for life and property, as well as good health at work• To ensure their stability and career advancement.	<ul style="list-style-type: none">• To survey the market payout regularly every year.• To provide training to develop employees' knowledge and abilities both at home and abroad.• To organize annual activities to inform employees about the direction and goals of the Company• To establish a system or electronic tool that allows employees to access information and news of the Company more quickly.	<ul style="list-style-type: none">• To provide provident funds, life insurance and health insurance, along with providing an annual health check-up.• To improve the office environment to be safe and have good hygiene on a regular basis.• To provide internal and external training according to the plan every year.• Implementing the office environment to be in accordance with the plan, such as ozone sterilization inside the building twice a month, spraying disinfectant twice a month, cutting trees around the building once a month.

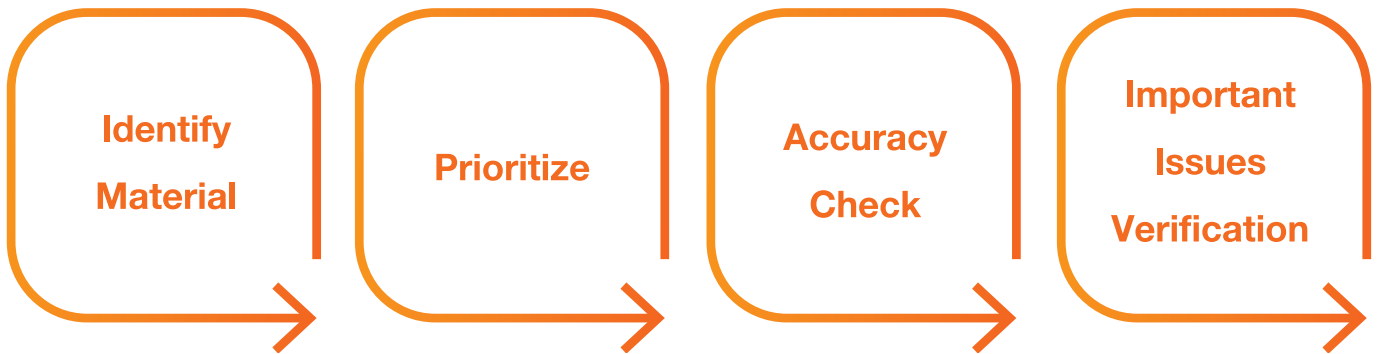
Stakeholders	Expectations and Key Issues	Communication Channels for Relationships	Response
			<ul style="list-style-type: none"> • To organize the annual AIT Business Direction activity to inform employees about the direction and goals of the Company and as a communication channel between management and employees. • To improve and develop the AIT Intranet, AIT App Center, AIT Line Official and update the content to be up-to-date.
Alliance and Business Partners	<ul style="list-style-type: none"> • To engage in its business with transparency and fairness. • To be reliable and trustworthy. • To build good relationship and cooperation. 	<ul style="list-style-type: none"> • To organize activities to maintain good relationship with each other. • To conduct a satisfaction survey and listen to feedback. • Business Ethics Manual 	<ul style="list-style-type: none"> • To organize various activities to build relationships between the Company and business alliances/ partners. • To comply with commercial terms and comply with contracts. • To strictly follow "Policy and Treatment of Business Partners" manual. • To conduct a satisfaction survey at least once a year.
Customers	<ul style="list-style-type: none"> • To create satisfaction, provide good quality products and services at reasonable prices. • To hear and respond to customer needs. 	<ul style="list-style-type: none"> • To sell quality and products that meet the needs of customers as much as possible. 	<ul style="list-style-type: none"> • To provide sales staff and pre-sale staff to understand and give advice appropriately according to customer needs. • To provide a Call Center team and provide 24 hours service

Stakeholders	Expectations and Key Issues	Communication Channels for Relationships	Response
	<ul style="list-style-type: none"> • To adhere to ethics in doing business with customers, such as maintaining customer confidentiality. • To provide quality after-sales service and be able to solve problems for customers in a timely manner. 	<ul style="list-style-type: none"> • To develop a hot-line system, direct line to listen to problems and notify relevant parties to solve problems for customers in a timely manner. • To organize activities to build good relationship with customers. • To conduct a satisfaction survey and listen to feedback. • Business Ethics Manual 	<ul style="list-style-type: none"> • To organize Smart Connect activities at least once a year • To strictly follow “Policy and Treatment of Business Partners” manual. • To conduct a satisfaction survey at least once a year.
Sub-contractors	<ul style="list-style-type: none"> • To engage in its business with transparency and fairness. • To be reliable and trustworthy. • To build good relationship and cooperation. 	<ul style="list-style-type: none"> • To establish criteria for selecting external sub-contractors. • To conduct a satisfaction survey and listen to feedback. 	<ul style="list-style-type: none"> • To regularly review the criteria for selecting external subcontractors, such as technical ability, expertise, experience, financial status, business reputation, complaints and litigation history. • To conduct a satisfaction survey at least once a year.
Competitors	<ul style="list-style-type: none"> • To conduct business with transparency and fairness under the rules of good competition 	<ul style="list-style-type: none"> • Business Ethics Manual 	<ul style="list-style-type: none"> • To strictly follow the “Policy and Treatment of Competitors” manual.
Creditors	<ul style="list-style-type: none"> • To pay interest and repay the principal in a specified period of time. • To provide a systematic repayment of creditors. 	<ul style="list-style-type: none"> • To strengthen relationships in various ways. • To receive suggestions or complaints • Business Ethics Manual 	<ul style="list-style-type: none"> • To apply a Cash Management system to facilitate payment of creditors and be able to manage refunds in a systematic way.

Stakeholders	Expectations and Key Issues	Communication Channels for Relationships	Response
			<ul style="list-style-type: none"> • To strictly follow the “Policy and Treatment of Creditors” manual.
Shareholders and investors	<ul style="list-style-type: none"> • To have a good performance under reasonable risk. • To treat and provide information to shareholders equally. • To conduct business with transparency and fairness. • To provide the company information to be easily accessible and sufficient for investment decisions. 	<ul style="list-style-type: none"> • To organize activities for shareholders, analysts and investors to meet with the management. • To provide information through various channels in a complete, fair, transparent and timely manner. • To receive suggestions or complaints 	<ul style="list-style-type: none"> • To conduct business in accordance with good corporate governance principles. • To pay dividends according to the company's policy. • To organize the annual general meeting of shareholders. • To establish an investor relations department to provide information to shareholders and investors. • To organize Analyst Meeting, Opportunity Day activities regularly.
Local and government regulators and independent organizations	<ul style="list-style-type: none"> • Compliance Securities and Exchange Act • Compliance with government agency regulations • Compliance with relevant independent organization regulations • Cooperation in pushing government policies. 	<ul style="list-style-type: none"> • Rules, regulations and related laws • Business Ethics Manual 	<ul style="list-style-type: none"> • To conduct business with transparency, fairness and compliance to relevant laws and regulations. • To respond to government policies such as digital economy and society policies, Smart City development. • To cooperate in various activities.

Determination of Sustainability Issues

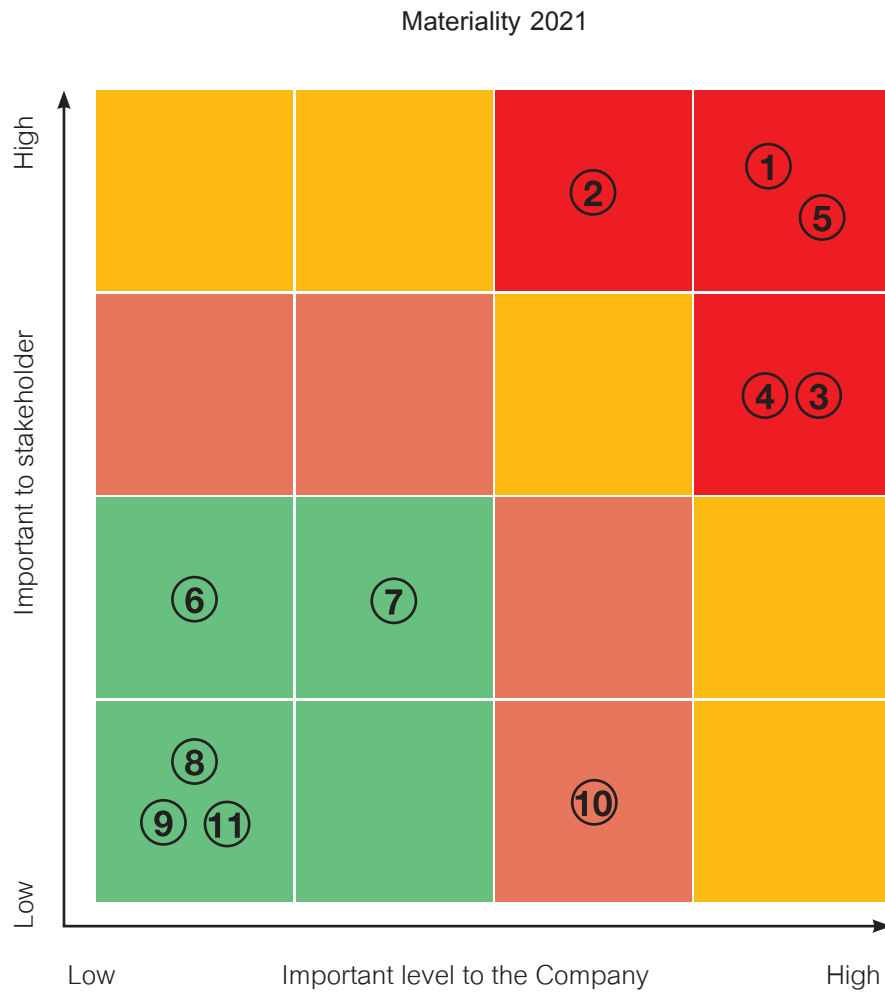
The Company applies the criteria for determining issues that are significant to the business operation and related to the stakeholders, which affected the Company's sustainability, by evaluating contents and creating management guidelines in accordance with these 4 principles, as follow;



1. **Identify Material Issues:** The Company will consider opportunities and challenges, including the sustainability issues related to Information Communication Technology industry as well as the stakeholders' expectations and the business direction. The Company determine the Sustainability Issues as follow;

Economic Dimension	Social Dimension	Environmental Dimension
1. Corporate Governance and Sustainability Strategy	4. Human Rights and Fair Treatment of Labor	8. Energy Management
2. Supply Chain Management	5. Customer responsibility	9. Water Management
3. Cyber security and Protection of personal data	6. Responsibility to the community and society	10. Waste management, Electronic Waste, Waste and End-of-Life Product Management
	7. Providing access to digital and social opportunities	11. Greenhouse Gas Management

2. **Prioritize** : The Company takes the material issue to prioritize its importance, by considering the stakeholders' attention and the impacts that may affect in the business.



Sustainability Material Issues and Impact Boundary

	Key Stakeholders and Impact Boundary				
	Internal	External			
	Employees	Shareholders/ Investors	Customers	Business Partners	Society
High priority					
• Corporate Governance and Sustainability Strategy	X	X	X	X	-
• Supply Chain Management	X	X	X	X	X
• Customer responsibility	X	-	X	-	-
• Cyber security and Protection of personal data	X	-	X	X	-
• Human Rights and Fair Treatment of Labor	X	-	-	-	-

	Key Stakeholders and Impact Boundary				
	Internal	External			
	Employees	Shareholders/ Investors	Customers	Business Partners	Society
Middle priority					
• Waste management, Electronic Waste, Waste and End-of-Life Product Management	X	-	X	X	X
Low priority					
• Responsibility to the community and society	X	-	-	-	X
• Providing access to digital and social opportunities	X	-	X	X	X
• Energy Management	X	-	-	-	X
• Water Management	X	-	-	-	X
• Greenhouse Gas Management	X	-	-	-	X

3. **Accuracy Check** : The Company will verify the accuracy to determine the operational guidelines on the important issues and present relevant information in the Sustainability Development Report. Including disclosing information on the Company website.
4. **Important Issues Verification** : The Company reviews related issues for the information assurance and applying information to indicate the important sustainability issues in the future.

3.3 Sustainability Management in Governance

Good Corporate Governance

⊕ Operation Practice with Fairness

The Company is aware of an importance of conducting business with integrity and has a policy to treat all groups of stakeholders in accordance with the corporate governance code and code of conduct. In addition, the Company has committed to anti-corruption for both internal and external corruption of all forms, direct or indirect, to ensure that the Company has a policy for determining responsibility, guidelines and requirements for appropriate operations, and to ensure that decisions and business practices that may be at risk of corruption are carefully considered and performed. The Company has therefore established a “Anti-Corruption Policy” in written in order to be used as a guideline for operations and business decisions of directors, executives and employees. The Anti-Corruption policy is also published on the Company's website, with the following details:

Definition

Corruption refers to bribery of any form, whether offering, giving, pledging, promising, requests, claims, giving or receiving assets or other benefits that are considered inappropriate for government officials, government agencies, private agencies, or any other person doing business with the Company, either direct or indirect, for the said person to act or refrain from performing their duties in order to obtain or maintain any other improper business interests, unless otherwise allowed by the laws, regulations, announcements, local traditions or trade practices.

Anti-Corruption Policy

Directors, executives, and employees of the Company are prohibited from conducting or accepting or supporting corruption of all forms, both direct and indirect. This also applies to the subsidiaries. Compliance with the anti-corruption policy shall be reviewed on a regular basis, as well as reviews of practices to be in line with changes in business, regulations, announcements and legal requirements.

Duties and responsibilities

1. The Board of Directors has a duty and responsibility to set policies and supervise to provide an efficient anti-corruption system to ensure that the management realizes and gives importance to anti-corruption and cultivate a good corporate culture.

2. The Audit Committee is responsible for reviewing financial and accounting reporting system, internal control system, internal audit system and risk management system to ensure that they meet international standards, concise, appropriate, modern and effective.

3. The President and Chief Executives are responsible for establishing a system and promoting and supporting anti-corruption policy in order to communicate with employees and all relevant parties, including reviewing the suitability of systems and measures to be in line with changes in business, regulations, announcements and legal requirements.

4. Employees shall perform their duties in accordance with this policy. In case of doubt, employee shall ask the supervisor. Any violation of this policy shall be reported to the supervisor or via the specified reporting channels.

Guidelines for Compliance with Anti-Corruption Policy

1. Directors, executives, and employees of the Company shall comply with an anti-corruption policy and business, Code of Conduct guide and shall not be involved in any corruption, direct or indirect.

2. Directors, executives, and employees shall not use their authority assigned by the Company to seek personal benefits or provide benefit to their family, friends or close persons, either direct or indirect, throughout the business process, such as actions by any unrighteous means in order to distribute personal goods or services to the Company or to compete in business, direct or indirect, etc.

3. Executives and employees of the Company shall not neglect or ignore when they see any actions that are considered corruption which may be negatively affected the Company. Such actions shall be reported to the supervisor or responsible person via the specified reporting channels and the employees shall cooperate in the investigation.

4. Executives and employees of the Company shall not call for, accept or receive any other unrighteous benefits from stakeholders, and shall be cautious and avoid entertainment reception by the Company's stakeholders who may gain benefits from performance of employees or executives of the Company.

5. If employees are in doubt, hesitant, or are under pressure to involve in corruption, they can consult with their supervisor, human resource department or a person assigned by the Company to be responsible for monitoring of code of conduct at any time, or employees can make a complaint through the specified reporting channels. The informant or the complainant will be protected fairly and all information is treated as confidential.

6. Executives and employees of the Company shall cooperate in promoting the internal practices of the organization with the department responsible for internal control and internal audit and providing information and monitoring of the operating results if any corruption or corruption information is observed. The informant or the complainant will be protected fairly and all information is treated as confidential.

Terms of Operation

1. This anti-corruption policy shall apply to all aspects of the human resource management process, from recruitment or selection of personnel, promotion, training, performance appraisal, and compensation. Supervisors at all levels shall communicate and create understanding with employees in the business activities under their responsibility and control the operation for more efficiency.

2. Any action under the anti-corruption policy shall adhere to the principles, corporate governance code, code of conduct guide, including the regulations and operating manual of the Company as well as other practices subsequently specified by the Company.

Channels for Reporting Corruption or Clues

The Board of Directors has assigned the Audit Committee to consider and acknowledge clues, complaints, and any action that is suspected to be a corruption within the Company, direct or indirect, through the anti-corruption complaint center as specified in this policy.

The details of clues or complaints shall be sent along with the name, mailing address and telephone number of the complainant to the following channels:

1. Email : AC@ait.co.th
2. Mail: Sealed letter :

To Chairman of the Audit Committee
Advanced Information Technology Public Company Limited
37/2 Suthisarnvinichai Road, Samsennok Sub-district,
Huaykwang District, Bangkok 10310

The persons who can report clues or complaints about corruption are all groups of stakeholders of the Company, namely shareholders, customers, business partners, competitors, creditors, government sector, community, society, executives and employees of the Company. Regardless of the method described above, the complainants will be protected by legal rights or guidelines set forth by the Company.

Complainant or Whistleblower Protection and Confidentiality

The company will protect the whistleblower, complainant, informant, witness or those involved in the complaint. The Company will protect and keep all information and documents that can identify the whistleblower, complainant, informant, witness or related person confidential.

The company will not demote, punish or take any action which negatively affects the employee who deny the corruption in any way, even though such action may result in loss of business opportunity.

Punishment

If the directors, executives and employees of the Company violate, neglect, ignore or intentionally do not comply with the anti-corruption policy, it is considered a disciplinary offense. The company will determine the penalty according to the Company's regulations. If such action is against the law, it can lead to prosecution.

Other Relevant Policies and Manuals

Directors, executives, and employees of the company are responsible for studying and understanding this policy together with other policies and manuals of the Company, including: 1. Good Corporate Governance, 2. Corporate Social Responsibility Policy, 3. Code of Conduct and 4. Company Regulations.

In Addition, The Company has policy to treat partners equally and fairly with integrity, comply with the stakeholders' contract and understand the anti-corruption internally and externally as determined in the Company's "Code of Conduct" manual on "Anti-Corruption" for the directors, executives, and all employees to perform as a guideline. In addition, there are procedures to prevent such matters, as follows;

- Risk management - the Company has the internal audit unit to inspect the operations of all departments according to the risk issues, including the risks of corruption. If found that any departments has insufficient internal control or corruption, the inspection results will be reported to the Audit Committee and senior executives with the guidelines for prevention and internal control improvement
- Commitment to create consciousness and not being a cause of corruption.

⊕ Whistleblowing

The Company has established the "Whistleblowing Policy" to provide the opportunities to the directors, executives, employees and all stakeholders of the Company to report the clues, complaints or suggestions regarding violation of laws, regulations or Code of Conduct, corruption, financial reporting irregularities or deficiencies in the company's internal control system through the following channels:

1. Email: AC@ait.co.th
2. Website: https://www.ait.co.th/sustainability/corporate_governance/whistleblower
3. Mail: Sealed letter

To Chairman of the Audit Committee
Advanced Information Technology Public Company Limited
37/2 Suthisarnvinijchai Road, Samsennok Sub-district,
Huaykwang District, Bangkok 10310

Whistleblower Protection and Confidentiality

The Company also attaches great importance to the privacy and security of whistleblower or complainant, with the option to keep them anonymous if they believe that such disclosure will cause insecurity or damage. However, the disclosure of identity allows the Company to report progress and explain the facts after the investigation.

The company will keep the information of the whistleblower or the complainant and the relevant information as confidential without disclosing any information to the unrelated person unless it is required to be disclosed by the Company's rules or regulations of the law and relevant regulations.

Procedures

1. In case there is sufficient evidence to support a claim or complaint, a full investigation shall be conducted with the aim of making sure whether or not an action in question has been committed. The investigation varies according to the situation which will be conducted under the confidentiality of information. Whistleblower or complainant may be contacted for additional information.

2. The investigation team will inform the progress to the whistleblower or the complainant (in case they disclosed their identity) and report the facts after the conclusion of the investigation through appropriate communication channels and keep all relevant files confidential. If there is an important matter, it will report to the Board of Directors.

Penalties

Anyone who acts intentionally or negligently, does not comply with this policy, including bully, intimidate, discipline or discriminate with an offensive method against the whistleblower/complainant or those involved, it is considered a disciplinary offense. The company will determine the penalty according to the Company's regulations. If such action is against the law, it can lead to prosecution.

Table showing the number of cases/complaints for violation of the Code of Conduct or Corruption

Anti-Corruption	2021	Unit
The number of fraud offenses or ethics violations	0	case
The number of resigned directors due to the Company's corporate governance	0	case

Supply Chain Management

⊕ **Project Risk Management**

The Company's services are mainly project work in the type of sales and installation services. Therefore, project management in order to be able to carry out the project plan from the purchase of raw materials/products to the installation and delivery of goods to the after-sales service process is very important. Therefore, the Company is aware of the impact of various risks that may occur and has reviewed the risk factors and obstacles. In addition, the Project Risk Committee was established specifically to assess project risks and reduce negative factors affecting the project's success, which consists of:

1 person	Senior Executive Vice President – Support Division
1 person	Senior Executive Vice President – Customer Relations and Satisfaction Division
1 person	Executive Vice President – Finance Division
1 person	Executive Vice President – Marketing and Sales Division
2 persons	Executive Vice President – Services Division
2 persons	Executive Vice President – Support Division

Cyber Security and Protection of personal data

⊕ Information system protection and protection of personal data

The Company has a unit that monitors and protects the protection of personal data by acting as a center for protection and monitoring of the protection of personal data of customers, including providing guidelines and policies for the organization to operate under the framework of relevant laws and regulations. In 2021, the Company operated and was in the process of defining measures to protect the personal data of users to explain to users to understand the Company's regulations and practices related to the protection of personal data, defined information management processes to protect and maintain personal data of customers, including restricting access to sensitive data, and learning more about the application of various data protection techniques, as well as defining the process requirements for the process of interconnecting data in the system and communicating with relevant agencies to comply with the requirements. The Company will announce the rules and regulations in 2022 in accordance with the Personal Data Protection Act B.E. 2562, which will come into effect on June 1, 2022, onwards. In addition, in 2022, the Company has a plan to raise awareness and provide knowledge and understanding on the protection of personal information of customers for all employees in the organization, including business partners, as well as establishing a framework for systematically reviewing the protection of personal data.

⊕ Cyber Security

The Company has a Cyber Security Unit responsible for system administration and establishing practices to manage and monitor cybersecurity and raise awareness of the organization's cybersecurity. The Company is committed to protecting systems to be safe from cyber threats by regularly improving and developing systems and infrastructures to be safe according to information security standards, conducting security assessments and audits prior to system launch, while increasing the potential and speed of responding to cyberthreats. In addition, the Company also monitors and responds to cyber threats of the organization and its customers through a central notification system to ensure timely response to incidents, including the preparation and updating of cybersecurity policies and practices on a regular basis.

3.4 Sustainability Management in Social

Community and Society Policy

The Company recognizes the importance of developing and engaging with communities and society, especially our employees, which are essential resources to drive the business to achieve its goals and lead the organization to sustainable growth, along with continual care and development of society and communities in order to promote participation in improving the quality of life for the better by formulating social policies and guidelines as follows:

1. To operate the business in accordance with the principles of good corporate governance and respect human rights and treat workers fairly.
2. To strengthen and develop employees in the organization to have knowledge and abilities leading to the development of innovative sales models and new services to support the company's growth, as well as to oversee the compensation and welfare to be at the level Appropriate, coupled with comparative analysis of businesses in the same industry and organizing the organization within the framework of the law.
3. To consider the needs of the community and encourage employees to participate through various activities to create opportunities for access to information technology and improve the quality of life of the community, such as donating computers, promoting knowledge in the form of electronic, and installation of systems for accessing information technology in remote areas.
4. To build a good relationship with both public and private organizations as well as community leaders at various levels, including all stakeholder groups, to build good relationships and to be able to collaborate in sustainable, and concrete community development.

Human Rights and Operation Practice with Fairness

⊕ Respect to Human Rights

The Company realizes the importance of human rights as the foundation of human resource development which is strongly related to creating value in our business. This includes fair and equitable treatment of labor without discrimination based on race, religion, sex, color, ethnicity and actions against child labor and sexual harassment. The Company recognizes that human resources are more important than business operations in creating value and increasing productivity. Therefore, the Company will improve its working environment and conditions for better quality of life of employees and to provide employees the opportunity to show their potential as well as to further improve their skills. To achieve this, our Company focuses on the following practices;

1. To encourage and support employees to respect in human rights. And also regularly monitor our business to ensure no violation of any human rights.
2. To encourage employees to a monitor the operations comply with the Company human rights regulations.
3. To provide working environment with safety and suitable remuneration to all employees.
4. To develop employees by provide appropriated training programs and promotions in order to increase their skills and abilities.

5. To provide the appropriated benefit to all employees according to their potentials.
6. To provide correct petition procedures to any employee who considers that they were treated unfairly.
7. To provide the proper welfare of all employees, such as annual leave, overtime payment and basic nursing care, for example, as needed
8. To encourage employees to balance their working and personal life as well as apply sufficiency economic philosophies to enhance employees to 'give back' to society and to do good things in accordance with the dharma principles of Buddhism.
9. To disclose necessary information to our employees in order to provide a clear understanding of our business operation and situation.
10. To respect our employee's expression of opinions without any interference. The company also provides the communication channels for employees and stakeholders to receive opinion or suggest.

⊕ Equal Treatment to Labor Force

The Company highly realizes that all employees are the valuable resources of the Company as a major factor to drive the Company business performance in achieving its goals. As a result, the Company's policy is to treat employees with fairness in all respects for opportunities, remuneration, promotion, transfer, and welfare in the following respects;

1. Respect for the human rights in accordance with the fundamental human rights principles. For more details, please see more under the topic of "Respect to Human Rights" according to the topic mentioned above.
2. Define "Compensation and Benefits Policy", regarding to employee motivation, internal impartiality and compensation standards, and job value to the Company. The Company essentially determines corporate compensation, benefit and welfare policy being compatible to position accountability, knowledge, and competence with business operations and is kept up-to-date as compared to leading companies in the same industry

The table shows the number of cases in compliance with labor and human rights laws.

Legal Compliance	2021	Unit
The number of disputes from labor law violations	0	case
The amount of compensation or penalty from labor law violation	0	million THB
The number of complaints in human rights violations within the organization	0	case

⊕ Human Resource Management and Development

• Human Resource management

Human Resources management is emphasis on various dimensions of procedure as follow;



Recruitment and Selection: The Company attaches great importance to and continuously applies proactive approaches in recruiting high-caliber human resources to keep pace with many incoming projects. The Company uses several channels for recruitment and selection, both online and offline, including the annual internship program. In addition, the Company has also participated in the job fairs with educational institutions and organizations, and also participated in the roadshow events at leading universities.

Performance Management: The Company has a policy to evaluate employees' performance fairly, as well as compliance with the policies and strategies of all business lines by applying a system of performance indicators (KPI) that is consistent with the business plan and applied throughout the organization, which is evaluated twice a year for the Company to closely to acknowledge the performance of its employees. It is also a review of the performance of the employees in order to develop their own work. In addition, the Company has introduced a 360 Degree Assessment Program to measure performance and develop the potential of employees from all directions from supervisors, and subordinates. In addition, in 2021, the Company develops a method to measure performance by applying the Smart Goal as an indicator, starting to apply to some departments and expecting to start using it throughout the organization in 2022.

Welfares and Benefits: The Company has set the remuneration, benefit, and welfare scheme by evaluate all positions, responsibilities and performances at all levels of the Company. In addition, the Company essentially determines corporate remuneration, benefit and welfare policy as compatible with the business operation and economics situation including comparative analysis with business in the same industry. The Company ensures that our employees will receive an appropriated remuneration, benefit and welfare package which is competitive among other leading companies in the same industry. In addition, The company provides various benefits to the employees, both welfares required by law such as social security, provident fund, and benefits other than those required by law such as health insurance, life and accident insurance, as well as various types of subsidy such as emergency loans, medical expenses for parents etc.

Provident Fund	The Company provides provident fund to all employees after probation period. Employees who have worked more than 3 years will receive partial benefits from the Company while employees who have worked more than 10 years will receive the whole benefits.
Life insurance	The Company provides life insurance, accident insurance and disability insurance due to illness to all employees by separate levels of employees and managements.
Health insurance	Due to employee sickness, all employees can use health insurance from the Company which covered the treatment at the hospitals for 24 hours.
Annual medical check-up	The Company provides the annual medical check-up for all employees to acknowledge their health and encourage good health. The Company will also provide doctors for consult after the result come out.
Medical expenses	Due to the employee's father, mother, spouses and children sickness, the Company also covered the medical expenses.

Human Resources Management and Development Information: The Company has applied technology to human resource management and development in order to support both HRM & HRD functions for faster, accurate and effective operation with lower cost. The development of Work Flow application for mobile phones facilitates employees with Check In function to support the employees working off-site. This application is used in employee management, manpower and operation analysis, training and development, welfare and service management, recruitment and human resource development, competency assessment and individual development planning. In addition, the Company has utilized this information to support decision making, policy making, human resource management and development of the organization to achieve sustainable success.



Employee Relation and Engagement: The Company has established a policy to create relationships and engagements at all levels within the organization between executives and employees, as well as to promote teamwork, focus on building corporate values and culture for effective coordination and collaboration. As there has not been returning to normal after the COVID-19 pandemic, the Company realized that the safety of employees' health is a priority and adheres to the government's guidelines. In 2021, the Company announced a 100 percent work-from-home, including organizing activities that remain closed in Physical format, but organized more online activities such as **AIT Business Direction 2021 – Virtual Event**, an online event for executives to meet employees to get directions and business plans for the year 2021, **AIT Talk – Virtual Event**, an activity to share ideas and attitudes to create work-life balance, and **VIRTUAL NEW YEAR PARTY**, online social activities during New Year's Eve.

- **Human Resources Development**

The Company continuously encourage and develop the HRD policy of employees at all levels in order to achieve the business's needs as the Company always realized the important of human resources as valuable and key factors leading the Company to achieve the business' goal. Therefore, the Company aspires to develop employees in all careers at all levels by harmonizing all aspects of development tools for improving their skill, knowledge, and capability through corporate culture and value and also code of conduct in accordance with AIT strategy and business direction.

Career Path: The Company establishes a career path policy for all professions at all levels in order to continuously develop their skill, knowledge and competence by taking into account their talents, attitudes and potentials for further development, maximum efficiency and effectiveness.

Employee Training: The Company plans diversify its resource developments. The most important part that the Company relying on is Staff, The Company believes that the directions of sustainable “Human Assets” management are the foundation to the utmost importance in achieving long term success in the same objectives. Therefore, the main objectives of the training are as follows:

1. Added skills, which able to work with higher skills on both solve the problem and creativity including business expertise.
2. Create positive attitudes at work, this training is able to enhance the employees the knowledge and expertise and fulfill employees needs and expectations including provides career path for the future in order to encourage employees for efficiency work for the Company.

At the present, the Company has plan to train the employees at all levels, including internal and external trainings as well as TraiNex training center, where employees enable to train to develop their skills and expertise in order to fully promote knowledge and understanding to work efficiently and effectively, with more professional.

Talent Management Procurement: Developing and maintaining a high-caliber human resources planning of the Company are as follows;

1. Collecting the data regarding to Function Competency in order to select and prioritize the competency of each employee. Besides, the data collection is a One-by-One interview, which divided its categories as follows;
 - Job Competency
 - Technical Competency
 - Job Skills
 - Role Specific Competency
2. Collecting the data and analysis Competency of each employee
3. Summarize all data and prioritize each employee’s Competency to categorize their expertise or adequate skills as well as how to improve their expertise, skills, and training.
4. Collecting all information to develop the employee’s performance under the Company’s core competencies and core values.
5. Organizing the employee developing plan under the Company’s core competencies and core values framework.

Employees Information Table

	Unit	2019	2020	2021
Employees Information				
Total Employees	person	509	570	591
Classified by gender				
• Male	person	356	401	424
• Female	person	153	169	167
Classified by age				
• Over 50 years	person	25	31	34
• 30 – 50 years	person	328	348	343
• Under 30 years	person	156	191	214
The proportion of permanent employees to total employees	percentage	70	63	57
Newly recruited employees	person	198	103	109
The proportion of new employees to total employees	percentage	38.8	18.1	18.4
Number of voluntarily resigned employees	person	52	45	52
The proportion of voluntarily resigned employees to total employees	percentage	10.2	7.9	8.8
Personnel Development				
Number of training hours	hours	11,000	1,075	3,504
Training expenditure	million Baht	9.9	4.7	5.9

Safety and Occupational Health

The Company attaches importance to the safety of life and property of its employees. by providing a safe and hygienic working environment such as ozone drying inside the building, cutting trees, landscaping around the building, etc., along with the provision of protective equipment, control and reduce the risk of accidents and health that may occur during the operation, as well as provide virtual training and drills in the event of an emergency or accident that may occur.

In 2021, there has not been returning to normal after the COVID-19 pandemic, the Company was aware of the safety and concern for the health of its employees and adjusted to working from home 100 percent since May, strictly follow the government's guidelines, prepare a set of "AIT we care" equipment that consists of an oxygen monitor and Antigen Test Kits (ATKs) for



all employees, including encouraging the employees to wash their hands with soap or alcohol gel, wear a mask at all times and social distancing. In addition, the Company also increased building entry and exit measures by requiring employees to fill out electronic forms every time, increased the measures of cleaning both inside and outside the office building, as well as to install screening equipment for employees and outsiders before entering the interior of the building.

Safety and Occupational Health	2021	Unit
Number of death employees	0	person
Number of employees with accident during operation	0	person

Customer Responsibility

The Company attaches great importance to the quality of products and services delivered to customers. Good relationships with business partners can lead better understanding of the characteristics of products and services. The company has been successful in building and maintaining its reputation in the information and communication technology industry in the Thailand for a long time and is widely accepted in the public and private sectors. The company has been involved in various projects in various roles, such as the Prime Contractor, Subcontractor, Consortium, depending on the nature of the project proposed by the Company. In addition, the company has many business partners which are technology leaders known in many fields in order to maximize efficiency and effectiveness and increase competitiveness. For information technology and infrastructure businesses, the key partners include Cisco, HPE, VMware, Oracle, and Veritas. For Cloud business, the key partners include Cisco, HPE, VMware, and F5. For the security business, the key partners include Cisco, Palo Alto, Fortinet, Symantec, and Trend Micro. At the same time, the Company also develops and builds its personnel with the knowledge and ability to serve customers from our partners with certifications from our main partners such as Cisco, HPE, NetApp, F5. , Fortinet, PaloAlto Networks, VMWare, Veritas, Microsoft, Huawei, etc.



- **Response to the Needs and Customer Satisfaction**

The Company gives importance to all groups of stakeholders and encourages participation by giving stakeholders the opportunity to participate with the Company through activities by providing knowledge and updating new technologies in many forms such as training, seminars, booths. However, in 2021, the situation after the COVID-19 epidemic has not returned to normal. Thus, the format of the activities is still focused online, such as organizing an online seminar with VMware for the Company's customers in order to understand the solutions that VMware has to support the needs of customers in the future. For such events, the Company, its partners, and alliances aim to exchange and transfer knowledge directly to customers, which shows that although the situation of the epidemic of COVID-19 has not improved, the Company, its partners, and alliances also organize webinars to provide customers with access to knowledge.



Overall satisfaction 99.39%

In addition, the Company's customer service department conducted a customer satisfaction survey to collect information, issued, analyzed and developed various services to meet customer needs and create maximum benefits. In 2021, the Company received a satisfaction score of 99.48 percent in service speed and 99.30 percent in service efficiency and problem-solving, making the overall satisfaction score at 99.39 percent. This year, it also improves its customer service system to be an automated system called Customer Service Management (CSM) to enable fast and verifiable services in all types of service work, including installation work, customer delivery, and maintenance work. In terms of requesting services, the Company provides more channels to request additional services, including the Web Portal and Line Official Account @AITHelpDesk, to support the needs of current customers, which will continue to use in 2022.

The Company believes in the value of creating continuous satisfaction and confidence to its customers in order to offer services and meet the needs of customers appropriately. In addition to its Head Office in Bangkok, the Company also has service centers located in 7 other provinces to serve the services throughout the country, including Chonburi, Khon Kaen, Chiang Mai, Surat Thani, Phitsanulok, Songkhla, and Nakhon Ratchasima.



Corporate Social Responsibility

The Company realizes the importance of supporting the development of quality of life and prosperity for communities and Thai society. The Company also instills awareness among employees in the organization regarding social, community, and environmental responsibilities through media and internal activities. In the past, activities have been carried out under the scope and guidelines set. As the situation after the COVID-19 virus has not returned to normal, the Company had the opportunity to be a part of helping society through the joint support of money and equipment for Thai people to go through this crisis together. In 2021, the Company made a monetary donation and medical supplies to 4 hospitals, namely Siriraj Hospital, Ramathibodi Hospital, Klang Hospital, and Srithiya Hospital, and donated 15 wheelchairs to Busarakham Sanam Hospital.

Providing Access to Digital and Social Opportunities

The Company believes that in order to successfully do business according to the set goals, it may not depend on the company alone, but also on the stakeholders. Since the Company's main business is directly related to information technology, it gives importance to Thailand's education, which is an important tool in driving quality of life. The Company believes that education is an important foundation for sustainable development of society and the nation and can develop and enhance the well-being of society to a higher level through various information technology knowledge transfer projects, as well as promoting access to technology in the wilderness. In the past year, it created a project called "AIT E-Library", an electronic library project for schools in the wilderness. The Company has continuously implemented this project to promote the body of knowledge in the form of an electronic library and create opportunities to access information technology for Thai children through small provincial schools and lack of personnel. However, due to the COVID-19 situation, including various restrictions, in 2021, although the Company did not carry out the project as planned and when the COVID-19 situation has been improved, the Company will begin to proceed according to the plan, including other activities to create opportunities to access information technology in Thai society as much as possible.

3.5 Sustainability Management in Environment

Environmental Management Policies and Practices

The Company is aware of its duties and responsibilities towards the environment and strives to enhance the efficiency of environmental management. This covers operating activities or providing services of the Company with the policies and guidelines on the environment as follows:

1. To comply with the law regulations and the environmental requirements in the activities of the Company strictly.
2. To cultivate and create awareness among employees at all levels to consider environmental responsibility in order to understand and realize its importance by continually organizing staff training and campaigns through environmental activities conforming to the international standard ISO4001, as well as other relevant standards.
3. To develop and improve the environmental resource management system, continual improvement, and review of work processes to reduce negative environmental impacts, as well as supporting the efficient and effective use of resources.
4. To support procurement of environmentally friendly products and services, including encouraging suppliers, contractors, and external service providers to provide environmentally friendly services.

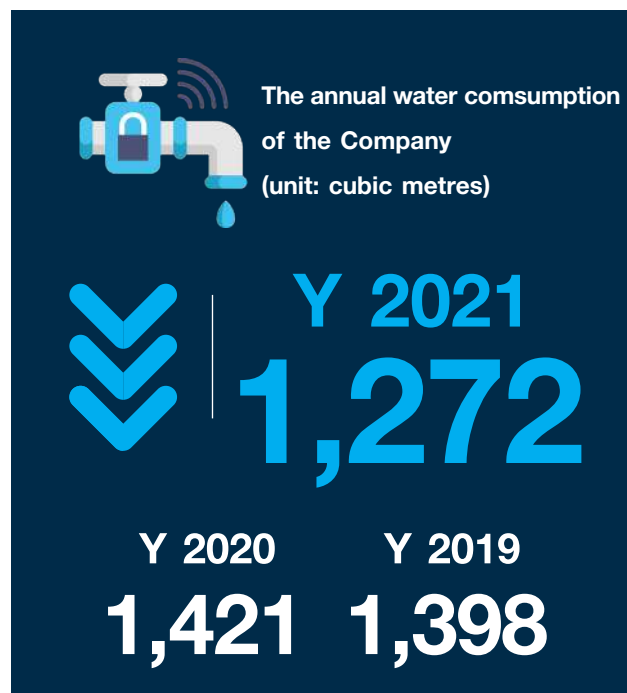
Energy Management

The Company promotes and creates awareness among all employees about using energy efficiently, along with training employees to be aware of it and instilling in all employees the importance and cooperation in energy conservation within the organization, both in terms of reducing using electricity, reducing the use of air conditioners, reducing the use of passenger elevators, and reducing the use of office equipment and various fuels. The Company installed an automatic light system that helps control the turn-off of electricity throughout the organization. In addition to being able to save electricity for the company, it also reduces the use of electricity. Although the Company started a 100% work-from-home policy in May 2021, causing the electricity consumption to be lower than the normal working range, the Company controls and monitors the energy management and is still in the process of setting clear goals to maximize the use of energy.



Water Management

Although the Company's core business does not consume water in its business operations, the Company realizes and takes into account the role of conserving water resources. The Company has a water management plan in the process of setting water usage targets and various plans to increase efficiency and also attaches importance to water-saving and continual monitoring of water usage. The Company ensures that wastewater treatment is carried out in accordance with the effluent standards prescribed by law.



Waste Management, E-waste, and End-of-Life Product Management

Waste management is one of the Company's priorities as waste is considered a problem that affects health and the environment. On the management of waste and general waste inside and outside the building, the Company has continual improvement and development plans to create a safe and hygienic working environment. In addition, electronic waste generated from the Company's main business in the system installation of the project or even use within the organization itself is another thing that the Company never overlooks. The Company has systematic management of electronic waste that is nearing its expiration date or has expired by hiring an electronic waste disposal company directly to take the electronic equipment for disposal. For general waste separation, housekeepers are responsible for separating recyclable waste such as paper and plastic bottles from general waste before sending them to the municipality for further disposal.

Greenhouse Gas Management

The Company realizes and recognizes the importance of greenhouse gas management, which is one of the factors contributing to the current climate change burden. Although the main business of the Company may not have the same impact as industrial plants that directly emit greenhouse gas emissions, some of the Company's business activities are likely to contain greenhouse gas emissions, such as the use of electricity inside the building, the use of air conditioners, and the use of fuel from cargo transportation. At present, although the Company has not yet performed a measurement of the amount of greenhouse gas emissions from business operations that have been certified by the relevant agencies, The Company studies such matters and is in the process of setting goals and work plans to make them clear and concrete, including collecting various data in order to manage energy and greenhouse gases more efficiently.

4. Management Discussion and Analysis

Financial Statement of Advanced Information Technology Public Company limited

Statement of Financial Position

For the year ended 31 December 2021

(Unit: Thousand THB)

Statement of Financial Position	2021	%	2020	%	2019	%
Assets						
Current Assets						
Cash and cash equivalents	378,503	6.58%	204,475	3.18%	190,182	3.32%
Other current financial assets	719,999	12.52%	-	0.00%	-	0.00%
Trade and other receivables	2,070,826	36.00%	2,633,925	40.97%	2,268,610	39.60%
Contract assets	913,455	15.88%	1,303,894	20.17%	1,705,039	29.77%
Short-term loan to related party	-	0.00%	3,000	0.05%	-	0.00%
Inventories	863,561	15.01%	1,575,928	24.48%	745,931	13.20%
Advances for goods and services	-	0.00%	-	0.12%	156,426	2.73%
Other current assets	168,566	2.93%	130,588	2.03%	150,809	2.63%
Assets held for sale	37,848	0.66%	-	0.00%	-	0.00%
Total current assets	5,152,758	89.58%	5,851,810	91.00%	5,216,997	91.97%
Non-current assets						
Other non-current financial assets	82,248	1.43%	139,585	2.17%	-	0.00%
Investment in joint ventures	-	0.00%	30,707	0.48%	38,026	0.67%
Investment in related parties	-	0.00%	-	0.00%	84,990	1.48%
Property, plant, and equipment	94,269	1.64%	93,036	1.45%	101,898	1.78%
Right-of-use assets	23,373	0.41%	24,696	0.38%	-	0.00%
Equipment for lease	197,495	3.43%	88,675	1.38%	120,565	2.10%
With holding tax deducted to sources	-	-	-	-	12,767	0.22%
Intangible assets	34,122	0.59%	34,934	0.54%	36,190	0.63%
Deferred tax assets	103,288	1.80%	87,804	1.39%	67,863	1.19%
Others non-current assets	64,559	1.12%	77,937	1.21%	49,316	1.08%
Total non-current assets	599,356	10.42%	577,374	9.00%	511,616	8.93%
Total assets	5,752,114	100.00%	6,429,184	100.00%	5,728,613	100.00%
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from finance institutions	-	0.00%	250,000	3.89%	400,000	6.98%
Trade and other payables	790,767	13.75%	1,341,006	20.83%	738,499	12.89%
Unbilled payables	896,107	15.58%	830,353	12.92%	713,542	12.46%

Financial Statement of Advanced Information Technology Public Company limited

Statement of Financial Position (Continued)

(Unit: Thousand THB)

Statement of Financial Position	2021	%	2020	%	2019	%
Current portion of liabilities under financial arrangement agreements	96,177	1.67%	143,218	2.23%	42,587	0.74%
Current portion of lease liabilities	11,312	0.20%	10,532	0.16%	-	0.00%
Income tax payable	29,274	0.51%	37,462	0.61%	32,405	0.57%
Contract liabilities	405,901	7.06%	351,066	5.46%	544,484	9.50%
Provision for penalty on project delay	77,100	1.34%	77,503	1.21%	115,549	2.02%
Other current financial liabilities	123	0.00%	3,117	0.05%	673	0.02%
Other current liabilities	133,336	2.32%	133,727	2.08%	94,310	1.64%
Total current liabilities	2,440,098	42.42%	3,177,984	49.44%	2,682,048	46.82%
Non-current liabilities						
Liabilities under financial arrangement agreements	117,981	2.05%	171,915	2.67%	62,918	1.10%
Lease liabilities - net of current portion	11,516	0.20%	14,492	0.22%	-	0.00%
Provision for long – term employee benefits	121,279	2.11%	139,571	2.17%	97,769	1.70%
Total non-current liabilities	250,777	4.36%	325,978	5.06%	160,687	2.80%
Total liabilities	2,690,875	46.78%	3,503,962	54.50%	2,842,735	49.82%
Shareholders' equity						
Issued and fully paid-up share capital	1,031,604	17.93%	1,031,604	17.93%	1,031,604	18.01%
Share premium account	303,437	5.28%	303,437	5.28%	303,437	5.30%
Retained earnings						
Appropriated-statutory reserve	128,778	2.24%	103,160	1.60%	103,160	1.80%
Unappropriated	1,594,854	27.73%	1,484,454	23.09%	1,445,111	25.23%
Other components of shareholders' equity	2,566	0.04%	2,566	0.04%	2,566	0.04%
Total shareholders' equity	3,061,239	53.22%	2,925,222	45.50%	2,855,878	50.38%
Total liabilities and shareholders' equity	5,752,114	100.00%	6,429,184	100.00%	5,728,613	100.00%

Financial Statement of Advanced Information Technology Public Company limited

Statement of Comprehensive Income

For the year ended 31 December 2021

(Unit: Thousand THB)

Statement of Comprehensive Income	2021	%	2020	%	2019	%
Revenues						
Sales and service income	6,765,974	96.18%	6,529,653	97.01%	6,903,424	97.59%
Rental income from equipment for lease	179,383	2.55%	131,232	1.95%	118,904	1.68%
Other income	89,390	1.27%	70,083	1.04%	51,387	0.73%
Total revenues	7,034,747	100.00%	6,730,968	100.00%	7,073,715	100.00%
Expenses						
Cost of sales and service	5,582,167	79.35%	5,414,923	80.45%	5,882,791	83.16%
Cost of equipment for lease	95,320	1.36%	90,198	1.34%	59,140	0.84%
Selling and distribution expenses	267,510	3.80%	264,782	3.93%	215,309	3.04%
Administrative expenses	324,273	4.61%	338,531	5.03%	332,371	4.70%
Impairment loss on financial assets	14,667	0.21%	107,841	1.60%	42,999	0.61%
Fair value loss on FVTPL equity instrument	69,000	0.98%	-	0.00%	-	0.00%
Total expenses	6,352,936	90.31%	6,216,275	92.35%	6,532,610	92.35%
Operating profit	681,811	9.69%	514,694	7.65%	544,068	7.65%
Share of loss from investments in joint ventures	(5,860)	(0.08)%	(7,318)	(0.11)%	(28,549)	(0.40)%
Profit before finance cost and income tax expenses	675,951	9.61%	507,376	7.54%	515,519	7.25%
Finance income	911	0.01%	26,265	0.39%	2,963	0.04%
Finance cost	(11,546)	(0.16)%	(21,123)	(0.31)%	(8,940)	(0.13)%
Profit before income tax expenses	665,316	9.46%	512,517	7.62%	506,579	7.16%
Income tax expenses	(138,191)	(1.96)%	(118,246)	(1.76)%	(114,486)	(1.62)%
Profit for the year	527,125	7.49%	394,271	5.86%	392,093	5.54%
Other comprehensive income:						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>						
- Share of other comprehensive income from investments in joint venture	-		-		(5,105)	
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>						
- Actuarial gain (loss) - net of income tax	11,209		(14,497)		4,328	
Other comprehensive income for the year	11,209		(14,497)		(776)	
Total comprehensive income for the year	538,334	7.64%	379,774	5.64%	391,316	5.53%
Basic earnings per share	0.51		0.38		0.38	

Financial Statement of Advanced Information Technology Public Company limited

Statement of Cash Flow

For the year ended 31 December 2021

(Unit: Thousand THB)

Statement of Cash Flow	2021	2020	2019
Cash flow from operating activities			
Profit before tax	665,316	512,517	506,579
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities			
Depreciation and amortization	107,180	99,018	86,682
Allowance for doubtful accounts	-	-	42,742
Impairment loss on financial assets	14,667	107,841	-
Share of loss from investments in joint ventures	5,860	7,318	28,548
Provision for penalty on project delay	-	1,433	39,504
Loss on write-off withholding tax deducted at source	-	2,042	-
Loss (gain) on sales and write-off of building improvement and equipment	(11)	(135)	3
Loss on write-off of equipment for lease	-	(173)	-
Provision for long-term employee benefits	13,354	26,665	30,115
Unrealized loss (gain) on exchange	(174)	(12,859)	15,009
Loss on fair value adjustments of financial instruments	66,007	2,444	1,078
Finance cost	11,546	21,123	8,940
Profit from operating activities before changes in operating assets and liabilities	883,745	767,234	759,200
Operating assets (increase) decrease			
Trade and other receivables	559,115	(411,225)	(804,396)
Contract assets	382,995	352,468	(1,164,606)
Inventories	712,367	(829,996)	(367,654)
Advances for goods and services	-	156,366	(156,426)
Other current assets	(37,978)	20,281	34,914
Other non-current assets	13,377	(28,620)	(16,241)

Financial Statement of Advanced Information Technology Public Company limited

Statement of Cash Flow (Continued)

(Unit: Thousand THB)

Statement of Cash Flow (Continued)	2021	2020	2019
Operating liabilities increase (decrease)			
Trade and other payables	(556,779)	599,581	86,899
Unbilled payables	65,754	116,811	229,541
Contract liabilities	54,835	(193,417)	311,372
Cash paid for penalty on project delay	(403)	(39,479)	(14,715)
Other current liabilities	(390)	39,327	34,982
Cash paid for long-term employee benefits	(17,634)	(2,985)	(9,985)
Cash from (used in) operating activities	2,059,002	546,346	(1,077,115)
Interest paid	(11,664)	(21,448)	(8,497)
Refundable withholding tax deducted at sources	-	10,725	-
Income tax paid	(164,665)	(129,506)	(100,000)
Net cash from (used in) operating activities	1,882,672	406,117	(1,185,612)
Cash flows from investing activities			
Purchase of unit trust in open-end mutual funds – debt instruments	(720,000)	-	-
Purchase of financial instruments	(11,664)	(54,594)	-
Increase in short-term loan to related party	(10,000)	(3,000)	-
Proceeds from sales of equipment	30	144	-
Proceeds from sales of equipment for lease	-	174	-
Cash payment for purchase of building improvement and equipment	(26,181)	(16,352)	(17,459)
Cash payment for purchase of equipment for lease	(169,138)	(23,018)	(74,004)
Cash payment for purchase computer software	(4,921)	(4,643)	(3,991)
Net cash used in investing activities	(941,875)	(101,289)	(95,454)
Cash flows from financing activities			
Increase (decrease) in short-term loans from financial institutions	(250,000)	(150,000)	400,000
Increase (decrease) in liabilities under finance arrangement agreements	(100,975)	209,628	32,421
Cash payment for lease liabilities	(13,477)	(9,823)	-
Dividend paid	(402,317)	(340,341)	(226,928)
Net cash from (used in) financing activities	(766,769)	(290,536)	205,493
Net increase (decrease) in cash and cash equivalents	174,028	14,292	(1,075,573)
Cash and cash equivalents at beginning of year	204,474	190,182	1,265,755
Cash and cash equivalents at end of year	378,503	204,474	190,182

Overview

Summary of Operations Overview

In 2021, the performance of Advanced Information Technology Public Company Limited was the Company's turnover and recognition of profit (loss) from the investment in joint ventures. The main revenue of the Company was from being a system integrator which integrated the systems and equipment related to information and communication technology and applied them to meet the needs of each organization or known as Solution. The types of revenue can be categorized as follows:

1. Sales such as revenue from sales of equipment, software and Turnkey projects or projects that were developed or completed in good working condition and then handed over it to its customer.
2. Services such as revenue from consultation, design, installation, training, as well as equipment maintenance.
3. System and equipment for lease such as revenue from lease of system license and lease of computer equipment.

As most of the Company's revenues are from large customers such as public agencies, state enterprises, and large private companies, political changes, and government expenditure budgets have a significant effect on operating results. As seen from the results of 2020-2021, most businesses have to face the epidemic situation of COVID-19, causing many businesses to close or reduce their business size or a significant drop in operating results in both sales and net profits. However, the Company still has revenues and net profits for 2020-2021, with a slight decline from 2019, which was the year with the highest revenue since the Company's establishment. This is because, in 2021, the Company has the revenue from large projects, including projects that are still ongoing from the year 2019, projects that have been auctioned in 2020 that can be delivered in 2021, and projects that can be auctioned in 2021. The public agencies and state enterprises have budget expenditures to stimulate the economy, which has slowed down from the COVID-19 outbreak; thus, the projects that the Company has participated in bidding have not decreased, but there may be a delay in project implementation according to the requirements of communicable disease control measures that each agency has enforced. As a result, the operating performance in the revenue segment of 2021 increased slightly from 2020, while in 2020, there was a slight decrease from 2019, which was the year with the highest revenue since its establishment. Meanwhile, net profit in 2021 has been higher from 2020 and 2019 due to higher gross margins of projects delivered, as shown in the table below:

Items	2021	2020	2019
Total revenue (MB)	7,034.75	6,730.97	7,073.72
Increase (decrease) of changes in revenue from prior year	303.78	(342.75)	2,845.43
Increase (decrease) of percentage changes in revenue from prior year	4.51%	(4.85)%	67.30%
Profit Attributable to Equity Holders of the Company (MB)	527.12	394.27	392.09
Increase (decrease) of changes in net profit from prior year	132.85	2.18	155.26
Increase (decrease) of percentage changes in net profit from prior year	33.70%	0.56%	65.56%

In 2021, the overall economy began to recover in Q3–2021 due to the following factors: 1) the gradual relaxation of COVID-19 epidemic control measures and more progress in vaccination; 2) the results of outstanding demand from the previous period; 3) government measures to support continual purchasing power. Government spending also continually plays an important role in supporting the economy, and it expanded compared to 2020 due to the mitigation of the COVID-19 epidemic, especially the 3rd wave outbreak in Q2–2021, which affects a wide range of economic activities, especially in the tourism and hospitality sectors. There are more intensive measures to control communicable diseases. These control measures are considered to be less rigorous compared to the beginning of 2020, with more easing of disease control measures until being able to reopen the country to foreign tourists in the 4th quarter. However, amid the fragile economy, the Company still has good operating results with satisfactory revenues and profits that are higher than expected, increasing from 2020. In addition, it has revenue close to the revenue of 2019, which is the year with the highest operating results since the Company's inception. In 2021, most of the Company's revenue are from large-scale projects such as the Trading and Installation Project for the centralized management infrastructure of information and communication technology of the Provincial Electricity Authority, the Project of information and communication technology Installation of the New Parliament Phase 1 and Phase 2, the Purchasing and Installation Project of Cloud system to support the service of the central government cloud of the National Telecommunications Public Company Limited, the project of selling computer network equipment for supporting Cloud for Critical Information Infrastructure services and the Project of selling computer servers and equipment to increase the efficiency of information systems of Social Security Office, the Project for the maintenance of systems and equipment of the communication network of the National Telecommunications Public Company Limited, the Project for maintenance and maintenance of the network system of Thai Airway International Public Company Limited and the D-ticket Project of State Railway of Thailand , etc.

In 2020, the COVID-19 pandemic has affected a wide range of economic activities, especially the tourism and hospitality sectors. Especially in the first half of 2020, due to the strict communicable disease control measures adopted by the government, there were no infection within the country in the second half of the year. In the second half of the year, the economy started to recover due to the easement of communicable disease control measures, as well as stimulation from fiscal and monetary measures issued by the government sector. However, by the end of 2020, Thai economy has started to suffer from the second wave of COVID-19 pandemic, and communicable disease control measures have been used again but the measures were considered less restrictive compared to at the beginning of 2020, which had a serious impact on the economy. However, amid the socio-economic conditions impacted by the COVID-19 pandemic, in 2020, the Company was still able to generate satisfactory revenues and profits despite its earnings drop from 2019, where the Company has achieved high turnover since its incorporation. This is because the Company had revenues from ongoing large-scale projects from 2019 and the government expenditure budget for 2020. In 2020, most of the Company's revenue were from large-scale projects such as the New Parliament Project in Information and Communication Technology, the Purchasing and Installation of Cloud Project to support the service of the central government cloud of CAT Telecom Plc., Development of Ticketing and Booking System (D-Ticket) Project of the State Railway of Thailand, the High-Speed Internet Service Project in Remote Areas and the Communication network equipment purchase Project of the Government Savings Bank, etc.

In 2019, the overall economy has slowed down, but the Company had the highest total revenue since its incorporation. This is because the Company has entered into contracts in many large-scale projects with the government sector, in which the auction of such projects had been postponed in the previous years. In 2019, the Company handed over a large-scale project with a contract value over 1,000 million Baht, which was the largest project the Company, has ever worked for. The revenue from large-scale projects the Company handed over included the New Parliament Project in Information and Communication Technology, the High-Speed Internet Service Project in Remote Area and the Core and Access Switch for Core Network Replacement and SDN Project.

The net profit of 2021 increased at a higher rate than the change in revenue because 1) Projects recognized in revenue in 2021 had high gross profits based on the nature of the contract work projects. This is different from projects in 2019 which are hardware sales projects with lower gross margins. In addition, in 2019, the penalties on projects were recorded as part of the cost of goods sold. 2) High revenues in 2021 can cover more fixed expenses. 3) Impairment loss on financial assets and Fair value loss on FVTPL equity instrument recorded in 2021 totaling 83.67 million baht, less than those recorded in 2020, which is 107.84 million baht.

In 2020, the net profit margin increased from 2019. This is because many new large-scale projects in 2020 had relatively high gross profit margins, although there was revenue recognition from ongoing large-scale projects from 2019 with relatively low gross profit margins. It is also a result of the accrued interest receivable the Company received from the large receivables in an amount of 25.52 million Baht and share of loss from investment in the joint ventures which decreased by 21.23 million Baht. As a result, the net profit changed in an opposite direction to the change in revenue.

In this regard, the operating results for the year 2021 of the Company in the consolidated financial statements increased by 303.78 million baht from the year 2020, or an increase of 4.51%, while the net profit margin increased 33.70%. The work for the year 2020 of the company in the consolidated financial statements has a decrease of 342.75 million baht from the year 2019 or 4.85%, but the net profit of the year 2020 has increased by 2.18 million baht from the year 2019 or an increase of 0.56%.

Comparison and Estimation

In 2021, the Company had estimated revenue of 6,500 million baht and compared to the actual operating results, which have total revenue of 7,034.75 million baht. It can be seen that the actual operating results are higher than the projection that has been set as a result of revenue recognition of large-scale projects continued from 2019 and 2020 and the delivery of new projects in 2021. The government expenditure budgets have continued to expand to support the overall economy affected by COVID-19. The number of projects for competitive bidding in the market has not decreased, and the Company has been able to bid for many large projects.

In 2021, the Company had estimated revenue of 6,000 million baht and compared to the actual performance, in which the Company's total revenue was 6,730.97 million Baht, it can be seen that the actual performance is higher than the estimated revenue obtained from the revenue recognition of the ongoing large-scale projects from the year 2019 and the expenditure budget that was approved prior to the COVID-19 pandemic. Therefore, the number of projects available for competitive auction did not decrease and the Company was able to win the auction for many large-scale projects.

In 2019, the Company revised its estimated revenue from 5,000 million Baht at the beginning of the year to 7,000 million Baht at the middle of the year. Compared to the actual performance, in which the Company's total revenue was 7,076.68 million Baht, it can be seen that the actual performance was closed to the estimated value due to many large-scale communication technology projects that had been delayed from the previous year tenders or the projects with the delayed investment by government from previous years and started the investment and auction in 2019

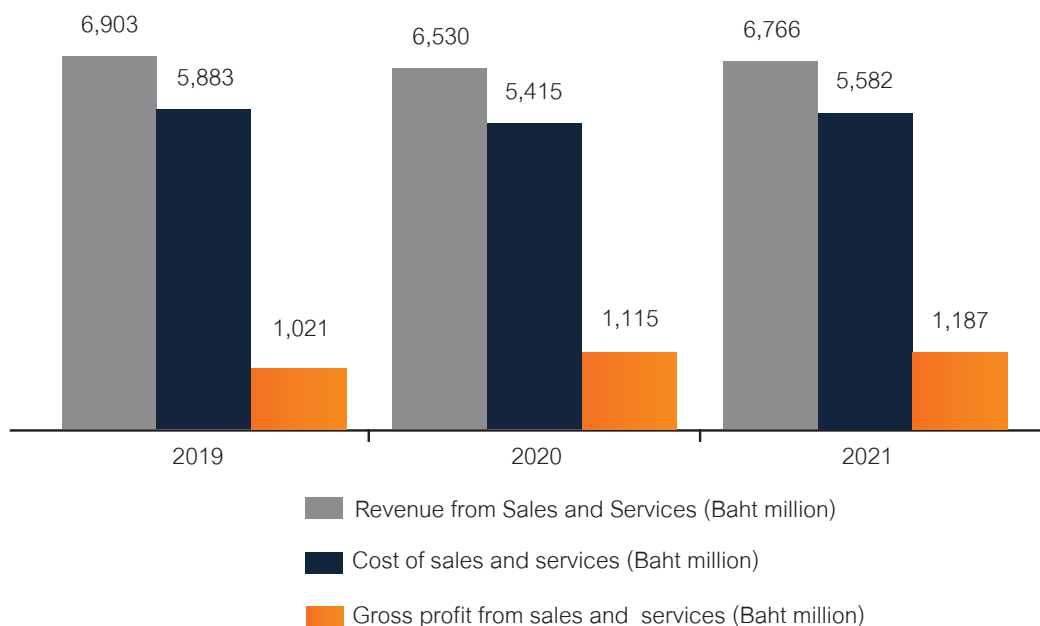
Performance and Profitability

The main revenue of the Company was from the projects which the Company won the auction from government agencies, state enterprises, government sector and large private companies. Therefore, changes in revenue can be divided into:

- Revenue from sales and services, consisting of revenue from sales of systems or equipment, construction of buildings and facilities for installing computer and telecommunication equipment as well as after-sales maintenance services within the same project.
- Revenue from the systems and computer equipment for lease including maintenance during the lease term.

Revenue and Cost from Sales, Services, and Construction Contracts

The analysis of changes in revenue and cost can be shown as below:



The Chart of Revenue, Cost, and Gross Profit from Sales and Services

From the above chart, it can be seen that the operating results of 2021, revenue from sales and services of the Company increased from 2020, but decreased when compared to 2019. This is mainly due to the fact that in 2021, the Company received large projects and delivered them within 2021, which, although not as large as the projects in 2019, the Company was able to operate and recognize revenue from projects that continue from 2019, resulting in an increase in the revenue of 2021 from 2020 amounting to 236.32 million baht or an increase of 3.62 percent.

In 2020, revenue from sales and services in 2020 decreased compared to that in 2019, but increased compared to that in 2018. The main reason is that in 2020 the Company has not been working on large-scale projects as in 2019. However, the Company has performed and recognized revenue from the ongoing projects from the year 2019. In addition, the Company has worked on higher number of large-scale projects. This is because the government budget and spending were approved prior to the COVIE-19 pandemic. As a result, revenues of the year 2020 decreased by 373.77 million Baht or representing a decrease of 5.41%

In 2019, revenue from the Company's sales and services increased significantly from those in 2018 and 2017. This is because the Company has entered into contracts in many large-scale projects with the government sector, in which the auction of such projects had been postponed in the previous years due to many large-scale communication technology projects that had been delayed from the previous year tender or the projects with the delayed investment by government from previous years. The revenue from sales and services in 2019 increased from that in 2018 by 2,860.86 million Baht or 70.77%.

The Comparison Table of Revenue, Size, and Number of Projects from Sales and Services

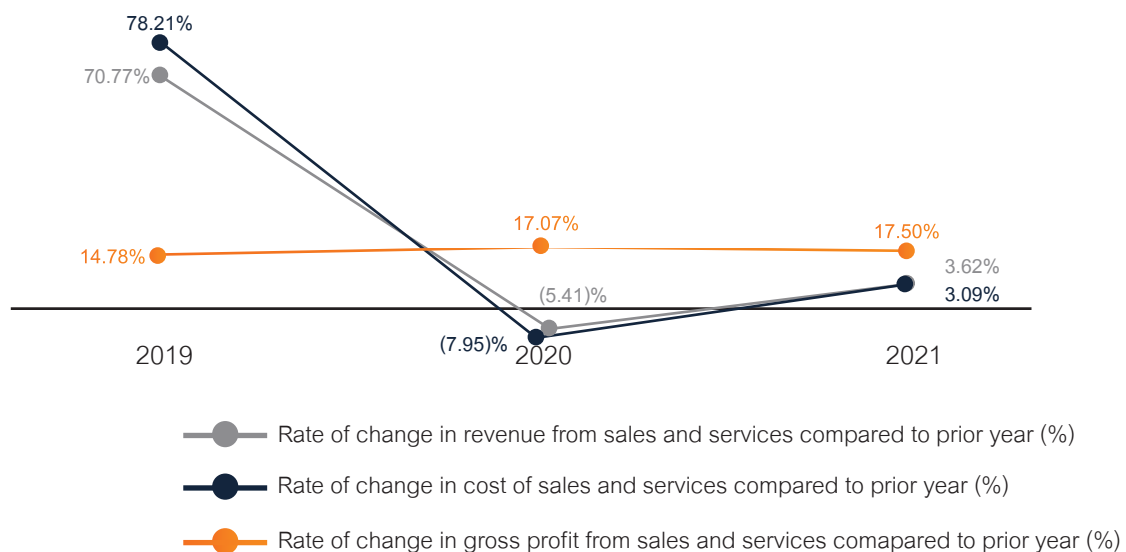
	2021		2020		2019	
Range of Revenue, recognized by projects	No. of Projects	Revenue (MB)	No. of Projects	Revenue (MB)	No. of Projects	Revenue (MB)
More than 1,000 million baht	-	-	-	-	1	1,827
500 – 1,000 million baht	2	1,339	1	549	1	618
100 – 500 million baht	6	1,201	12	1,992	5	776
50 – 100 million baht	16	1,161	16	1,089	17	1,200
20 – 50 million baht	41	1,411	33	1,098	29	917
10 – 20 million baht	38	551	46	651	36	512
Less than 10 million baht	1,010	1,103	1,348	1,151	929	1,015
Income from adjustment in accordance with financial reporting standards TFRS 15	-	-	-	-	-	38
Total	1,113	6,766	1,456	6,530	1,018	6,903

According to the revenue, comparison table showing the sizes and number of projects from sales and services in 2021, it was found that the Company has a total of 1,133 projects with revenue recognition, where the number of projects has decreased compared to 2020, mainly a decrease in the number of projects of less than 10 million baht, but the revenue decreases from the revenue recognition from projects in the period of less than 10 million baht in 2020, and it was still similar in 2021. That reflects that the revenue per project is higher. If considering the increase in revenue in 2021 compared to in 2020, most of the projects are from 500 – 1,000 million baht and projects from 20 – 50 million baht. Also, the number that decreased from 2020 was the project work in the range of 100 – 500 million baht. As for the revenue recognition from projects in other periods, there is not much difference compared to 2020.

In 2020, the Company recognized the revenue from 1,456 projects and the number of projects significantly increased compared to those in 2019. The increased revenue was from the revenue recognition of the projects with the value ranged between 100-500 million Baht and the projects with the contract value less than 10 million Baht decreased from that in 2019 because such a large project has already delivered in 2019, in the amount of 1,826.59 million Baht. In addition, there were delays in building construction works of such large-scale projects in 2020, therefore the Company was unable to perform the installation of the information technology system. Furthermore, the impact of the COVID-19 pandemic situation made it impossible to perform the works to the Company's fullest capability, there are 12 projects with revenues ranging from 100 to 500 million baht, although sales and services revenue accounts for 30.51 percent of revenues from sales and services. In terms of project income recognition in other periods, there isn't much of a difference from 2019.

In 2019, the Company recognized the revenue from 1,018 projects and the number of projects increased compared to that in 2018. An increase in revenue was from the large-scale projects with the contract value over 500 million Baht, which was the highest revenue recognition of the Company since its incorporation. According to the comparison of revenue proportion, the total revenue from 2 projects with the contract value over 500 million Baht was 2,444.47 million Baht, accounting for 35.41% of total revenue from sales and services recognized in the year 2019. In addition, the projects with recognized revenue between 50-100 million Baht in 2019 decreased compared to that in 2018 and the revenue from the projects with the recognized revenue between 20-50 million Baht increased compared to that in 2018, despite the similar number of projects. While the number and revenue from the projects with recognized revenue of 100 – 500 Baht decreased compared to that in 2018. This is because the Company engaged in the large-scale projects with the contract value over 500 million Baht instead.

Due to the relatively high competition in both technology and price, coupled with the limited number of projects in the market, most of the projects come from government and state enterprises due to private investment resulting from the economic contraction, and COVID-19 increased steadily to 14.78%, 17.07% and 17.50% in 2019, 2020 and 2021, respectively, due to higher gross margin revenue recognition of large-scale projects by being contract work as seen in the diagram below.



The Chart of Changes in Revenue and Cost of Sales, Services, and Construction Contracts

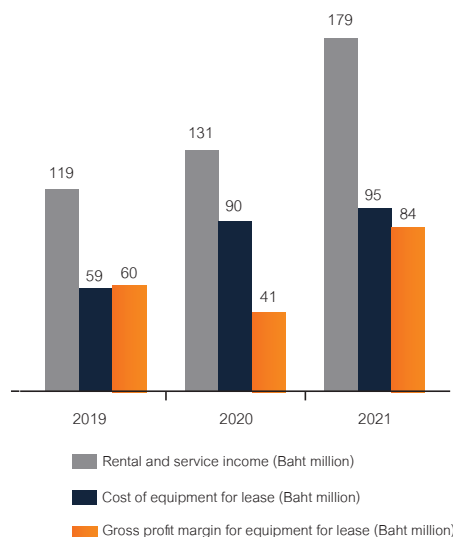
From the revenue, cost, and gross profit diagram, it was found that the Company's cost of sales and services in 2021 increased 2020 by 167.24 million baht, or increased by 3.09%, while the rate of increase in revenue in 2021 was equal to 3.62%, which indicates that the rate of cost increase is slightly lower than the rate of increase in revenue or may be considered similar. This indicates that the rate of increase in costs mainly follows an increase in revenue, and some projects realized revenue in 2021 with higher profits from 2020.

In 2020, the Company's costs of sales and services in 2020 decreased by 467.87 million Baht or representing a decrease of 7.95% compared to that in 2019 while the rate of decrease in revenue in 2020 was 5.40%. This indicates that the rate of increase in costs was higher compared to the rate of increase in revenue. This is because the company has the large project by being contract work with a higher gross margin.

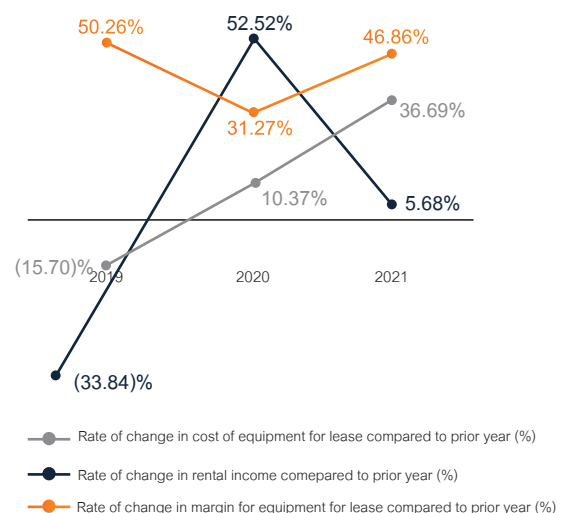
In 2019, the Company's costs of sales and services increased by 2,581.61 million Baht or 78.22% compared to that in 2018, while the rate of increase in revenue in 2019 was 70.78%. This indicates that the rate of increase in costs was higher than the rate of increase in revenue because the large project delivered is the sale of equipment only. In addition, the competition in the market is quite high. The Company had a record of the provision for penalty from delay in hand over of some projects which was included in the cost of sales.

Revenue and Cost of System and Computer Equipment for Lease

The revenue from system and computer equipment for lease is the revenue from leasing telecommunication and computer equipment, in which the customers of the Company were state enterprises, government agencies and financial institutions. The performance of leasing system and computer equipment can be summarized as the financial highlights as follows:



The Chart of Revenue, Cost, and Gross Profit of System and Computer Equipment for Lease



The Chart of Changes in Revenue, Cost, and Gross Profit of System and Computer Equipment for Lease

From the chart above, lease revenue in 2021 increased by 36.69% due to new equipment lease projects coming in this year. Meanwhile, the rate of increase in equipment lease costs in 2021 has declined as some equipment lease projects have extended their contract periods by using the same equipment. In addition, the average gross profit margin of newly acquired lease projects is higher. As a result, the gross profit margin of 2021 for equipment lease increased to 46.86%.

The revenue from lease in 2020 increased by 10.37% due to new lease agreements of equipment and license the Company entered into. However, the increase rate in equipment rental costs decreased by 52.52%. This resulted in a decrease of 31.27% in gross profit margin of equipment for lease in 2020. This is because some equipment lease projects have been renewed with shorter agreement terms. As a result, the equipment life estimates have to be shortened, resulting in a decrease in the gross profit of rental equipment in 2020.

The revenue from lease in 2019 decreased due to the expiration of the equipment lease agreements and leasehold rights. In addition, the gross profit margin of equipment leases in 2020 increased by 50.26% compared to that in 2018 which showed the gross profit margin of 36.64%. This is because in some equipment lease projects had been fully depreciated but the projects have been renewed. This resulted in higher gross profit margin. In addition, there was an increase in investment in equipment lease projects in 2019, which some projects had been delivered and will result in continuous lease revenue in the future.

Other Revenue

Other revenue is the revenue related to the core business of the Company, which is shown in other income. Most of other revenue mainly came from sales promotion derived from the orders of foreign sellers according to the promotion conditions for each type of products and services, reversal of doubtful accounts and reversal of provision of losses from lawsuit recorded in the previous years.

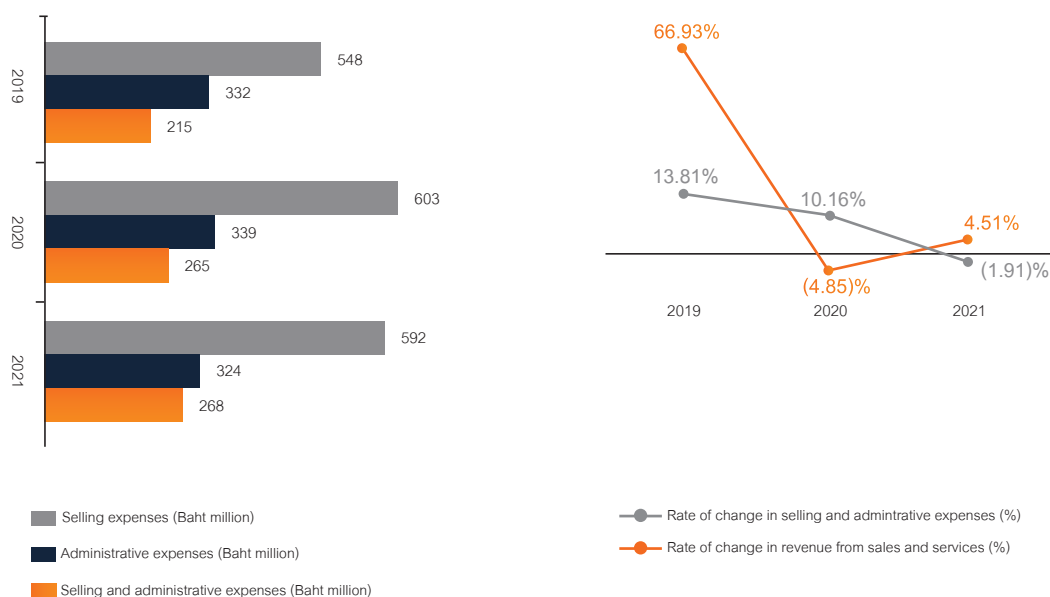
In 2021, other revenue amounted to 89.39 million baht, an increase from 2020, which was 19.31 million baht, or an increase of 27.55%. Most of the other revenue in 2021 comes from promotional income from the suppliers who can achieve sales goals of each item with specified conditions in the amount of 73.79 million baht, an increase of 13.79 million baht from 2020 due to the increase in the volume of purchases of products that qualify for the promotion and profit from foreign exchange of 13.92 million baht, etc.

In 2020, other revenue of the Company was 70.08 million Baht and was significantly increased by 36.37% compared to that in 2019 which was 18.69 million Baht. This is because in 2020, the Company obtained the revenue from reaching the sale promotion targets of the main suppliers. The revenue from sale promotion in 2020 increased by 17.82 million Baht compared to that in 2019. Most of other revenue mainly came from sales promotion (60.00 million Baht) and the delay penalties charged from the suppliers was 4.68 million Baht, etc

In 2019, other revenue was 51.39 million Baht which was close to that in 2018 (54.02 million Baht). This is mainly due to the gain from temporary adjustment of investment value, because there were large-scale projects that required a lot of funds during 2019. Therefore, the investment must be temporarily adjusted by transforming into cash and cash equivalents. At the same time, there were also foreign exchange losses. However, the Company had higher sales promotion revenue from the main suppliers as the purchase volume increased. Other revenue mainly consisted of sales promotion of 42.18 million Baht and interest income of 10.55 million Baht.

Selling and Administrative Expenses

The selling and administrative expenses of the year 2019–2021, can be shown in the following comparison:



Comparison Chart in Selling and administrative expenses

Comparison Chart of Changes in Revenues from Sales and Services and Rate of Changes in Selling and Administration Expenses

In general, selling and administrative expenses continue to increase or decrease in line with the increase or decrease in revenue. However, in 2021, the Company's total revenue has increased. Meanwhile, selling and administrative expenses slightly decreased from 2020. In 2021, selling and administrative expenses amounted to 591.13 million baht, a decrease of 12.18 million baht or a 2.02% decrease as in 2021, the situation of the COVID-19 epidemic is more severe than 2020, causing The ways of working to change and the Company also established a work-from-home policy for employees, resulting in reduced operating expenses for many items. For example, employee training has been changed to online training which has reduced costs, coupled with reduced contact with customers, resulting in lower selling costs such as customer testimonials, etc.

The selling and administrative expenses of the Company was 711.15 million Baht, increased by 120.48 million Baht or 20.40%, while the total revenue of the Company in 2020 decreased by 4.85%, this inconsistent shift in direction due to an increase in employee expenses, including salaries and commissions, amounting to 56.82 million baht. Administrative expenses of the joint ventures increased by 5.99 million Baht minus some decreased expenses, such as selling expenses and customer receptions due to the COVID-19 pandemic.

In 2019, selling and administrative expenses of the Company was 547.68 million Baht, increased by 63.80 million Baht or 13.18%, while total revenue in 2019 increased by 66.93%. These changes were in the same direction but at very different rates because a part of selling and administrative expenses was fixed cost which did not increase as revenue increased. Therefore, higher change in revenue could cover the fixed selling and administrative expenses, resulting in lower rate of fixed cost and the increased rate of selling and administrative expenses was less than the increased rate of revenue.

Other important expenses

In 2021, the Company recorded a net impairment loss of financial assets of 14.67 million baht from debtors expected to collect late, which decreased from the record in 2020, which was 107.84 million baht, representing a decrease of 93.17 million baht or a decrease of 86.40 percent. In addition, in 2021, a Fair value loss on FVTPL equity instrument amounted to 69.00 million baht due to investments in Campana Group Pte. Ltd. with a fair value that has decreased from operating results.

In 2020, the Company recorded an impairment loss of financial assets of 107.84 million baht, an increase of 64.84 million baht or 150.80 percent from 2019, which was 43.00 million baht, which came from account receivables with long payment periods and waiting for the acceptance process to be completed and from accrued income to invoicing address.

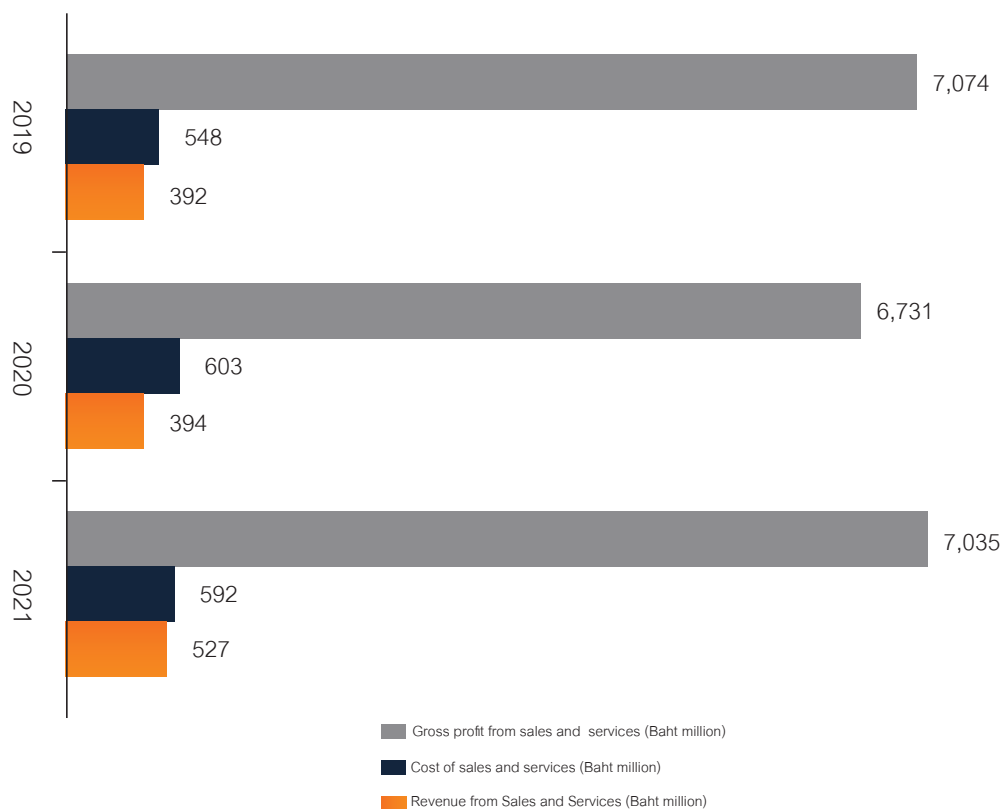
In 2019, the Company recorded an impairment loss on financial assets of 43.00 million baht, an increase of 29.69 million baht or 223.07 percent from 2018, which was 13.31 million baht.

Financial (revenue) expenses

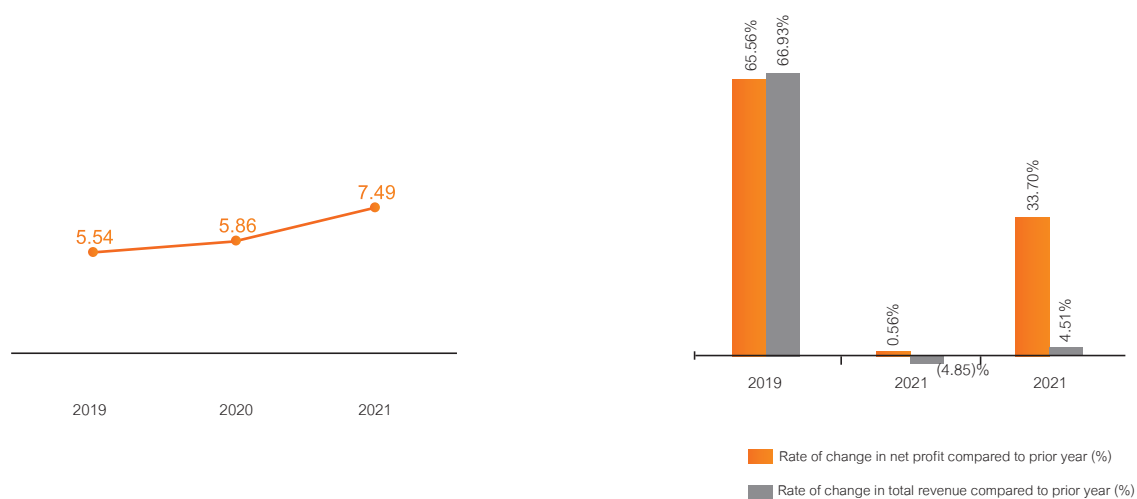
In 2021, the Company had net financial expenses from financial revenue of 10.64 million baht because during 2021, it had to use quite a lot of funds for project operations, and there was a delay in collecting payments from debtors. Therefore, it has to use funding sources from financial institutions, resulting in financial expenses incurred. In 2020, the Company's financial revenue was higher than financial expenses of 5.14 million baht, which is 26.26 million baht in financial income, partly due to interest payment, late payment from a large debtor amounting to 25.52 million baht, and financial expenses arising from funding of 21.12 million baht from financial institutions.

Net Profit and Net Profit Margin

Normally, the change in net profit is usually directly proportional to and at the same rate as the change in the revenue, as shown in the diagram below. However, the increase or decrease in some expenses was not in the same direction with the revenue, therefore the rates of changes in revenue and net profit were not at the same rate. Changes in revenue and net profit during 2019–2021 can be summarized as follows:



Comparison Chart in Net Profit, Selling and Administrative Expenses, and Revenue



The Chart of Net profit margin

The Chart of Changed Rate in Net Profit compared to the changed in Total Revenue in the Previous Year

In 2021, the Company's net profit increased from 2020 by 132.85 million baht or 33.70 percent while total revenue increased by 4.51% due to several factors as follows:

1. Larger projects and higher gross margins, resulting in a gross margin increase from 17.35 percent in 2020 to 18.25 percent in 2021.
2. Other income increased by 19.31 million baht from increased sales promotion income.
3. Expected credit losses in the amount of 2021 to reduce from 2020 by 93.17 million baht.
4. Loss from equity instruments that are determined to be measured at fair value through increased profit or loss of 69.00 million baht.
5. Corporate income tax increased by 19.95 million baht as a result of higher profitability, all of which increased the net profit margin of 2021 to 7.48% from 2020, which was 5.86%.

In 2020, the Company's net profit slightly increased by 2.30 million Baht or 0.59% compared to that in 2019, while the total revenue decreased by 4.85 due to several factors, including:

1. The Company acquired large-scale projects with higher gross profit margins which resulted in an increase in gross profit margin from 14.78 in 2019 to 17.20% in 2020.
2. Other revenues increased by 18.69 million Baht derived from increased sales promotion revenue.
3. Selling and administrative expenses in 2020 increased compared to those in 2019 which was mainly due to the record of anticipated credit loss allowance (Allowance for Doubtful Accounts) in an amount of 100.66 million Baht.
4. The Company received an accrued interest receivable from large receivable in an amount of 25.52 million Baht.
5. Share of loss from investment in the joint ventures decreased by 21.23 million Baht.

All of these factors made the net profit margin for the year 2020 increased to 5.86% compared to that in 2019, which was 5.54%.

In 2019, the Company's net profit increased by 155.26 million Baht or 65.56% compared to that of 2018 due to increase in revenue, which increased at the same rate of increase in total revenue which was 67.03%. It was found that in 2019, the Company worked for the large-scale projects with lower gross margin compared to those in 2018. However, some administrative expenses were fixed cost which did not increase as the revenue increased. Therefore, the rate of increase in selling and administrative expenses was lower and could compensate for the lower gross profit margin. As a result, the rate of change in net profit increased at a similar rate to the rate of change in total revenue

Analysis of the Financial Ratios

The financial analysis reflects the operating result, which can be seen from the financial data, as follows;

Financial Ratio (Unit: Percent)	2021	2020	2019
Profitability Ratio			
Gross Profit Margin	18.25	17.35	15.39
Operating Profit Margin	8.46	6.96	6.61
Cash Profit Ratio	320.47	87.61	(255.45)
Net profit margin	7.49	5.86	5.54
Efficiency Ratio			
Return on Equity	17.61	13.57	13.93
Return on Assets	8.65	6.49	7.84
Return on Fixed Assets	267.93	244.10	223.00
Asset Turnover Rate	1.16	1.11	1.41

According to the above ratio financial ratios have changed significantly can be described as follows

- During 2019 - 2021, the gross profit margin of the Company tended to increase continuously as in 2019, most projects with relatively low gross margins were obtained as a result of high competition according to market conditions with relatively few projects, coupled with some projects that focused on selling hardware devices, which had low gross margins and had to reserve for late work penalties for the projects in progress, which were included in the cost of sales and services. Subsequently, in 2020, the Company acquired new projects, mostly contract work, with higher gross margins than hardware device sales alone. However, the higher gross profit margin of the Company also resulted in a higher operating profit margin.

- The cash-to-profit ratio for 2020 and 2021 was positive. It represented the profits of 2020 and 2021 that can be converted back to cash in circulation in the Company, especially in 2021, which has a very high cash-to-profit ratio as in 2021. In addition to the Company's good performance, it could also collect receivables brought forward from 2020, including the delivery of projects at the end of the year. In 2019, there was a negative ratio as the large projects in progress are awaiting periodic deliveries which invested in equipment and service fees during installation. As a result, a large amount of money was required and the cash balance was spent more than the cash received.

- The net profit margin of 2021 is higher than that of 2019 and 2020 due to the increase in SG&A expenses in 2020, mainly from the expected credit loss allowance of 107.84 million baht, an expense that was not directly related to the increase in revenue. In 2019, the gross profit margin was lower as the Company had a large project with high competition and a hardware device sale project, resulting in a low gross margin. In addition, in 2019, there was an expected credit loss allowance of 43.00 million baht while the projects in 2021 had a higher gross margin. In addition, there was an allowance for expected credit losses of Bt14.67 million and a loss on equity instruments that were determined to be measured at fair value through profit or loss, totaling 69.00 million baht, still less than the expected 2020 allowance for credit losses.

- The return on equity had a change in direction of increasing or decreasing. According to the operating results of the company's net profits changed each year. The same was true for the change in the return on assets and fixed assets, which was, the return on equity in 2021 increases from 2019 and 2020 in line with the high net profit in 2021 due to the increase in revenue and projects with recognized revenues had higher profit margins.

- The asset turnover ratio increases or decreases according to income each year, that was, the total revenue of 2019 and 2021 was higher than the total income of 2020, causing the asset turnover rate of 2019 and 2021 to be higher than that of 2020.

Asset Management Capabilities

Trade Accounts Receivable

Most of the Company's overdue trade accounts receivable were government agencies, government organizations and state enterprises which had specific procedures and required longer time in the processes. The Company's executives expected to receive full payment and the anticipated credit loss allowance (allowance for doubtful accounts) was expected to be sufficient in order to reserve for overdue accounts receivable from private enterprises. The Company recorded the anticipated credit loss allowance on each account receivable, taking into account the past collection experience, outstanding receivables aging, and the expected economic conditions of the vulnerable customers with similar credit risk.

Trade accounts receivable and other receivables of 2021 decreased from 2020, amounting to 563.10 million baht or decreased by 21.38%. As at the end of 2021, the Company was able to collect large amounts of receivables from large projects.

In analyzing the account receivables classified by receivable aging, can be shown as the table below;

Account Receivable classified by aging	Unit : Thousand THB			Increase (Decrease)	
	2021	2020	2019	2021 VS 2020	2021 VS 2019
Trade Accounts Receivable – related Parties					
Over 12 months past due	-	-	130,436	-	(130,436)
Total Trade Accounts Receivable – related Parties	-	-	130,436	-	(130,436)
Less: Allowance for expected credit losses	-	-	(9,117)	-	(9,117)
Total Trade Accounts Receivable – related Parties, net	-	-	121,319	-	(121,319)
Trade Accounts Receivable – unrelated Parties					
Not yet due	838,472	754,518	1,249,345	83,954	(494,827)
Under 3 months past due	642,077	1,141,303	451,812	(499,226)	689,491
3-6 months past due	200,728	359,618	339,716	(158,890)	19,902
6-12 months past due	370,915	383,831	45,288	(12,916)	338,543
Over 12 months past due	113,453	91,385	91,291	22,068	94
Total Trade Accounts Receivable – unrelated Parties	2,165,645	2,730,655	2,177,452	(565,010)	553,203
Less: Allowance for expected credit losses	(96,626)	(96,730)	(74,348)	2,896	22,382

Account Receivable classified by aging	Unit : Thousand THB			Increase (Decrease)	
	2021	2020	2019	2021 VS 2020	2021 VS 2019
Total Trade Accounts Receivable – unrelated Parties, net	2,066,010	2,633,925	2,103,104	(567,906)	530,821
Other Receivable	47,849	38,715	44,187	9,134	(5,472)
Less: Allowance for expected credit losses	(43,042)	(38,715)	-	4,327	38,715
Total other receivables - net	4,807	-	44,187	4,807	(44,187)
Trade Accounts Receivable and Other Receivable	2,070,826	2,633,925	2,268,610	(563,099)	365,315

From the above table, it can be seen that in 2021, trade accounts receivable - unrelated parties decreased from 2020, mainly due to the decrease in receivables overdue up to 6 months as a result of the public agencies and state enterprises have completed the payment process, allowing the Company to collect large amounts of money from large debtors at the end of the year. However, the receivables are not due to increase due to the handover of several large projects in late 2021, such as the Project of information and communication technology Installation of the New Parliament Phase 2, the representative network equipment replacement and network optimization project of King Chulalongkorn Memorial Hospital, the Data Warehouse Growth project of Krungthai Computer Services Co., Ltd., and the Access Node sale project to a large private company, etc.

In 2020, the trade accounts receivable from unrelated parties increased by 530.82 million Baht or 25.24% mainly due to the accounts receivable with less than 3 months overdue. These accounts receivable were from projects that have just been handed over in 2020 such as Network Hardware Trading Project of the Government Savings Bank, Remote Communication Network System Development Project for Nationwide Branches of the Bank for Agriculture and Agricultural Cooperatives and many other projects of Krung Thai Computer Service, National Telecom Public Company Limited and the Secretariat of the House of Representatives, etc. In addition, there were also the accounts receivable with more than 6 – 12 months overdue which were the accounts receivable from some projects that have been handed over in 2019. The long-overdue accounts receivable included Information and Communication Technology Project at the New Parliament Building of the Secretariat of the House of Representatives and Remote Communication Network System Development Project for Nationwide Branches of the Bank for Agriculture and Agricultural Cooperatives, etc. This is mainly due to the delay in payment due to the long inspection process according to the customer's internal processes. In addition, some projects have amended the contract term, which took a longer period, thus during the year 2020, the Company has increased the anticipated credit loss allowance for the trade accounts receivable by 22.38 million Baht.

In addition, in 2020 the Company has also reserved the anticipated credit loss allowance for other receivables arising from advance payment of products prepaid items awaiting return from the supplier. This is due to cancellation of such projects, which were still in the process of refund and was expected to take a long time. Receivables in interrelated businesses decreased by 100%, because at the end of 2020 the Company received full payment from receivables and reversed the allowance for anticipated credit losses that were previously recorded.

In 2019, trade accounts receivable - unrelated parties in the portion of accounts receivable that are not yet due amounted to 1,249.35 million baht, mostly from the New Parliament Building of the Secretariat of the House of Representatives and the Computer Hardware Trading and Network Development Project of the Office of the Permanent Secretary for Higher Education, Science, Research and Innovation. Those are the delivery of the work at the end of the year.

Inventory

Most of the inventories shown in the financial statement were the inventory awaiting handing over of projects which have not been completed in accordance with the terms of handling over under the contract. According to the Company's purchase policy, an order will be placed only after receiving the purchase order or contract from the customer. As a result, there is no defect in the backlog of the warehouse and obsolete products, although the Company's core activities are technology business which poses high risk regarding product obsolescence.

Inventories of 2021 were equal to 868.27 million baht, a decrease of 707.66 million baht, or a 44.90% decrease from 2020, which was 1,575.93 million baht because, during 2021, the completed projects were delivered according to the work period and recognized revenue. The important work in progress at the end of 2021 is the Project of information and communication technology Installation of the New Parliament Phase 2, the Hybrid CSOC project (procurement of computer equipment, personnel, work process improvements, including the improvement of operational locations to cope with and prevent cyber security) of Krungthai Computer Services Co., Ltd., the D-Ticket project of the State Railway of Thailand, the project to purchase equipment, the communication network of Software Define Network and DNS Server for Internet/Intranet Zone of the Government Savings Bank, and the Land Information Center building construction project of the Department of Lands, which is still in the process of operation cannot be delivered. However, as the work-in-process carried over from the previous year was delivered more than the work-in-process that was left at the end of the year, the inventories of 2021 decreased compared to those of 2020.

The inventory in 2020 was 1,575.93 million Baht which increased by 830.00 million Baht or 111.27% compared to that in 2019 which was 745.93 million Baht. This is because in 2020, the Company has invested in several large-scale projects such as Cloud Procurement and Installation Project of CAT Telecom Public Company Limited, the New Parliament Project in Information and Communication Technology for both Phase I and Phase II, the Sales and Installation and Centralized Management of Information and Communication Technology Infrastructure of the Provincial Electricity Authority, the D-Ticket Project of the State Railway of Thailand and the Installation of Underground Cable Conduit, Mae Sai District, Chiang Rai Province, etc. These projects are still in operation and have not been completed according to the milestone. Therefore, these projects cannot be handed over, resulting in an increase in inventory in 2020 compared to that in 2019.

Investment

As at 31 December 2021, the Company has invested in joint ventures and related companies are as follows;

Investment in joint ventures

The Company has invested in 2 joint ventures which are:

- 1) Loxley & AIT Holding Company Limited, a joint venture between the Company and Loxley Public Company Limited. Each party holds 50% of shares with a registered capital of 100.00 million Baht, accounting for 100.00% of the paid-up capital.
- 2) Genesis Data Center Company Limited, a joint venture between 3 companies: WHA Infonite Holding Company Limited and Interlink Telecom Public Company Limited. Each party holds 33.33% of shares with a registered capital of 70.00 million Baht, accounting for 100.00% of the paid-up capital.

In 2021, investments in joint ventures decreased by 30.71 million baht from 2020 or decreased by 100% percent as at the end of 2021 the Company was in the process of selling all investments in Genesis Data Center Co., Ltd. and presented such the assets held for sale in 2021, an increase of 37.85 million baht from 2020 or an increase of 100%.

Other Non-Current Financial Assets (Investments in Related Party)

In 2020, Campana Group Pte. Ltd., has increased its capital to 278,920 shares. However, the Company has increased the capital in an amount of 1.8 million USD (14,400 shares at a par value of 125 USD per share). As a result, the Company holds 5.20% of the registered capital of that company.

In 2021, the Company invested in debt instruments measured at amortized cost. It is an investment in convertible debentures issued by Campana Group Pte. Ltd., a related Company (with common directors) in the amount of USD 0.32 million with an interest rate of 9.125% per annum.

Other non-current financial assets decreased by 57.34 MB, representing a decrease of 41.08%. This is because Campana Group Pte. Ltd., which was in the beginning of the business, had a loss. In addition, the Campana's project was delayed longer than expected, resulting in 2021, the fair value loss on FVTPL equity instrument was recorded at 69.0 MB.

Investment Expenditure in Systems or Equipment for Lease

List of Investment Expenditure	2021	2020	2019
Investment expenditure in equipment for lease (million THB)	169.20	23.02	74.00

From the table showing investment expenditure on equipment lease, the Company invested in more systems or equipment for lease in 2021. It has invested more in equipment for lease to large state enterprises, depending on the procurement policy of the customers who wish to lease the equipment rather than purchase it. However, the continued investment in the equipment lease project helps keep the Company's annual revenue unchanged significantly. In 2020, some equipment lease projects from the previous year were renewed without too much additional investments in equipment, thus reducing investment expenditures in equipment for lease in 2020.

Equipment for lease in 2021 was 197.50 million baht, representing an increase of 108.83 million baht from 2020, which was 88.67 million baht due to additional investment in equipment from equipment lease projects net with the depreciation of equipment for lease during the year. Equipment for lease in 2020 decreased by 31.89 million baht from 2019, which was 120.56 million baht due to depreciation of equipment lease for 2020.

Other Elements in the Financial Statement with the Significant Changes

As at December 31, 2021, the Company's financial position has significantly changed from the financial position as at December 31, 2020. The comparison is shown in the following table which can be explained as follows:

Assets

Assets Items which has significant changes	Outstanding		Changes	
	2021	2020	2021 VS 2020	
	(million THB)		(million THB)	%
Cash and cash equivalents	378.50	204.47	174.03	85.11
Other current financial assets	720.00	-	720.00	100.00
Contract assets	913.46	1,303.89	(390.43)	(29.94)
Inventories	863.56	1,575.93	(712.37)	(45.20)
Other current assets	168.57	130.59	37.98	29.08
Deferred tax assets	103.29	87.80	15.49	17.64
Other non-current assets	64.56	77.94	(13.38)	(17.17)
Total assets	5,752.11	6,429.18	(677.07)	(10.53)

Cash and cash equivalents increased by 174.03 million baht or equivalent to an increase of 85.11% and other current financial assets (investments in investment units in open-end fixed-income funds) increased by 720.00 million baht, or an increase of 100.00 percent as at the end of 2021, the Company was able to collect a large number of receivables and part of it went to buy investment units in open-end fixed-income funds.

Contract assets (unbilled revenue) decreased 390.43 million baht or by 29.94% as of the end of 2021, invoices were issued for completed projects and delivery of work. As a result, the assets arising from the contract (unbilled revenue) decreased.

Inventories decreased by 712.37 million baht or accounted for a reduction of 45.20% as at the end of 2021, many large projects were delivered. Meanwhile, new large-scale projects were still in a slowdown, resulting in lower inventories.

Other current assets increased by 37.98 million baht or equivalent to an increase of 29.08% due to advance expenses and maintenance expenses paid in advance for the service period covered within one year, with the increase in maintenance projects

Deferred tax assets increased by Baht 15.49 million, or an increase of 17.64%, mainly due to the recording of deferred tax assets from impairment losses of financial assets (allowance for doubtful accounts) and equity losses required to be measured at fair value through profit or loss.

Other non-current assets decreased by 13.38 million baht or equivalent to a decrease of 17.17%, mainly, as project maintenance payments, which were prepaid and cover insurance periods of more than one year, reduced as they were reflected in other current assets.

Liabilities

Liabilities Items which has significant changes	Outstanding		Changes	
	2021	2020	2021 VS 2020	
	(million THB)		(million THB)	%
Short-term loans from finance institutions	-	250.00	(250.00)	(100.00)
Trade and other payables	790.77	1,341.01	(550.24)	(41.03)
Current portion of liabilities under financial arrangement agreements	96.18	143.22	(47.04)	(32.84)
Contract liabilities	405.90	351.07	54.83	15.62
Liabilities under financial arrangement agreements - net of current portion	117.98	171.92	(53.94)	(31.38)
Provision for long-term employee benefits	121.28	139.57	(18.29)	(13.10)
Total liabilities	2,690.87	3,503.96	(812.09)	(23.21)

Short-term loans from finance institutions decreased by 250.00 million baht or decreased by 100% as at the end of 2021, the Company was able to collect money from many large receivables and therefore repaid loans from financial institutions.

Trade and other payables decreased by 550.24 million baht, or a 41.03% decrease as at the end of 2021, the company did not have a large project that required a lot of investment compared to the end of 2020 that had a large project, which was in the process of making purchases of goods and services at the said event which had not yet been due for payment.

Liabilities under financial arrangement agreements (both the portion due within one year and net of the portion due within one year) decreased by 100.97 million baht as in 2021, the Company repaid the said debt which entered into additional financial management agreements in 2020.

Contract liabilities increased by 54.83 million baht or representing an increase of 15.62% as in 2021 received advance payments from customers, resulting in an increase in the advance income from customers.

Provisions for long-term employee benefits decreased by 18.29 million baht or equivalent to a decrease of 13.10% as during 2021 employees resigned and retired according to the Company's regulations.

Shareholders' Equity

The Company's total shareholders' equity 2021 increased from 2020 by 136.02 million baht or 4.65%. The increase was all from net profit for 2021 net with dividends paid during 2021. This is the same reason as the increase in shareholders' equity in 2020, an increase of 39.34 million baht or 1.36% from 2019. The increase was all from net profit for 2020 net of dividends paid in during 2020.

In addition, the company has statutory reserved money as of December 31, 2021 which increases from 2020, representing an increase of 25.6 MB or 24.9%. Due to the transfer of unappropriated retained earnings to statutory reserve according to the provisions of the Public Limited Companies Act B.E. 2535 which must allocate the profit for the year as a reserve of not less than 5% of the net profit.

Capital Structure

The appropriateness of the capital structure can be determined by the financial policy ratio analysis, as shown in the table below;

Financial Policy Ratio	Financial statements in which equity method is applied	Consolidated Financial Statement	
	2021	2020	2019
Debt to Equity Ratio (Times)	0.88	1.20	0.99

From the debt to equity ratio of 2019 and 2021, it was found that the debt to equity ratio was 0.99 and 0.88, respectively, showing that the Company used capital from shareholders rather than external sources, reflecting the stability of the Company in terms of capital structure. However, in 2020, as the Company received a lot of large projects that required a large number of funds to operate, especially projects with government and state enterprises that required a long period of time in the acceptance process to process payments which were in the form of work in progress assets arising from contracts and trade accounts receivable. Interest-bearing funding sources consist of loans from financial institutions and interest-bearing finance lease loans and non-interest-bearing funding sources such as trade accounts payable accrued expenses and other liabilities, etc.

Financial Policy Ratio	Separated Financial Statement		
	2021	2020	2019
Dividend Payout Ratio (%)	89.80	77.06	93.14

The dividend payout ratio is calculated from the separate financial statements because it is considered the performance of the Company in terms of net profit. It can be seen that in the past, the Company has always been profitable and paid dividend continuously, in which the actual dividend payout ratio was higher than the Company's dividend policy which was set at 40% minimum.

Liquidity Analysis

For the liquidity ratio from the consolidated financial statements can be shown as follows:

Ratio	2021	2020	2019
Liquidity Ratio (Times)	2.11	1.84	1.95
Quick Ratio (Times)	1.67	1.30	1.55
Cash Flow Ratio (Times)	0.67	0.14	(0.58)
Accounts Receivable Turnover (Times)	2.01	1.68	2.33
Average Collection Period (Days)	179	214	155
Inventory Turnover Rate (Times)	4.65	4.74	11.72
Average Inventory Period (Days)	77	76	31
Payable Turnover (Times)	2.89	2.88	4.27
Average Payment Period (Days)	125	125	84
Cash Conversion Cycle (Days)	131	165	102

From the liquidity ratio of the table above, it was found that liquidity ratio in 2021 1) The Liquidity Ratio, the Quick Ratio and the cash flow ratio increased from 2019 and 2020 as the end of 2021, the Company was able to collect money from large receivables, together with large projects that required less investment, resulting in a decrease in account payable; 2) The Accounts Receivable Turnover was higher than that of 2020 but decreased from 2019 as projects in 2021 took a shorter delivery period than in 2020. Projects with recognized revenue in 2020 required a time-consuming process of equipment acceptance, which resulted in a longer debt collection period; 3) the Average Payment Period of 2021 was closed to that of 2020, but more than that of 2019, as many projects operating during the years 2020-2021 were the same or continuous projects, keeping the conditions unchanged such as credit terms, payment terms, etc., making the financial ratios similar. However, in 2019, there were relatively high purchases of goods according to income, but there were shorter payment terms, resulting in low trade accounts payable in 2019 and repayment periods debt was shorter. However, overall in 2021, it was found that the period of cash rotation from selling until receiving money back was shorter from 2020 but more than 2019.

As for the liquidity ratio in 2020: 1) The quick ratio slightly decreased compared to that in 2019 due to an increase in current liabilities as a result of large-scale projects acquisition and the projects in progress, as evidenced by the increase in inventories. Most of the increased liabilities came from trade accounts payable and liabilities under financial management contracts, resulting in decrease in the liquidity ratio to 1.84, but the liquidity ratio was still high; 2) The trade receivables turnover in 2020 was similar to that in 2018, but lower than that in 2019. This is because the high balance of trade accounts receivable and contract assets (unbilled receivables) due to the large-scale projects of government agencies and state enterprises which took a long period of equipment inspection, resulting in a longer debt collection period; 3) The repayment period in 2020 was longer than that in 2019. This is because at the end of 2020 there was an expedited delivery of goods and operations in order to complete the works according to the contracts, resulting in a very high year-end trade payable. In addition, several projects received a credit term that was longer than usual. As a result, the repayment period was longer. However, in overall, the period of cash turnover from sale to receipt of payment was longer, mainly due to the relatively long collection period from the receivables.

As for the liquidity ratio in 2019: 1) The quick ratio decreased compared to that in 2018 due to an increase in current liabilities as a result of many large-scale projects which required more investment and a lot of funds from financial institutions, accounts payable and other related liabilities. Therefore, the liquidity ratio decreased to 1.95, but it was still considered to be at a high level; 2) The accounts receivable turnover in 2019 is 2.33, which is considered quite high. In 2019, the Company is considered a year with high revenues for delivering work and most customers are government agencies and state enterprises which has a process to check for equipment that takes a long time 3) The repayment period of 2019 was shorter from the previous year. This is because many suppliers of large-scale projects were new suppliers or the suppliers with infrequent transactions in the past. Therefore, the credit terms were shorter. However, an average repayment period was between 60-90 days, which considered a long credit term.

Interest Payment Ability

The debt repayment capacity in the consolidated financial statements is determined by the financial ratios below;

Financial Policy Ratio	Financial statements in which equity method is applied	Consolidated Financial Statement	
	2021	2020	2019
Interest Coverage Ratio (Times)	191.36	32.46	(106.67)

The interest coverage ratio reflects the Company's performance, which was determined from operating cash flow before interest and income tax, whether they were able to pay interest or not; it could be seen that in 2020 – 2021, the Company had positive operating cash flow and higher in 2021, showing that the Company had sufficient cash flow to pay off interest debt as the Company had a net profit from operations and could convert a lot of cash flow. In addition, interest expense in 2021 was greatly reduced from 2020, resulting in a very high-interest coverage ratio.

The interest coverage ratio in 2020 was lower than in 2021. In 2020, the Company had undertaken a number of large projects with high workloads and more than one year of work that require substantial capital and it took a long period of time to inspect the work before it reached the checkout process as it was a state enterprise customer or public agency, causing the interest expense on the loan to increase. However, it still had a positive interest coverage ratio as of its operating cash flow while in 2019, it had a negative interest coverage ratio due to its operating cash flow.

Debt Commitment

The Company has debt commitment and estimates of contingent liabilities, which can be divided, into 4 parts;

1. Capital commitments

As of December 31, 2021, the Company and its subsidiaries had no capital expenditure commitments of 16.71 million baht for office supplies and intangible assets (software).

2. Long-term lease commitments

In 2020, the Company has adopted the Thai Financial Reporting Standards No. 16 for the first time. The Company recognized the lease liabilities for leases that were previously classified as operating leases at the present value of the remaining lease payments discounted by the Company's incremental borrowing rate at the date the Standard Financial reporting No.16 was first adopted. Equipment leases where most of the risks and returns of ownership were transferred to the lessee were financial leases. Finance leases were recorded as capital expenditures at the fair value of the leased assets or the net present value of the lease payments, whichever was lower. The lease obligations less financial expenses were recorded as long-term liabilities, while interest expenses were recorded as profit or loss over the lease term. Assets acquired under finance leases were depreciated over the useful life of the leased assets or the lease term, whichever was lower.

For leases that were previously classified as finance leases, the Company recognized the book values of assets and liabilities under the lease agreements at their original book values prior to the date the Standard Financial reporting No. 16 was first adopted.

The Company uses a single-entry bookkeeping method for recognition and measurement the values of all leases except for short-term leases and leases where the underlying assets are of low value as at the effective date of the lease agreement. The Company recorded the right-of-use assets, which represent the right to use the underlying assets and lease liabilities under lease payments.

3. Sales and Service Obligations under Contracts

The Company has entered into sales contracts which have not yet been delivered or rendered, and equipment lease agreements for future service and maintenance service under the conditions specified in the agreement, which were off-balance sheet items as at December 31, 2021

(Unit : Million THB)	
Type of Contract	Amount
Sales and services to customers which have not yet delivered or rendered	5,138
Leasing of electronic equipment, fees that must be serviced in the future.	391

4. Guarantees

4.1 Bank guarantees

As at December 31, 2021, there were outstanding bank guarantees of 2,007 million Baht issued on behalf of the Company and the Consortium, in connection with certain performance obligations in the normal course of business of the Company which were off-balance sheet items.

(Unit : Million THB)	
Type of Guarantees	Amount
Guarantee of performance according to the contract	2,005
Guarantee payment to creditors	2

4.2 Underwriting

The Company and other companies have provided a written undertaking to a bank to guarantee a long-term loan of Genesis Data Center Company Limited which is a joint venture of the Company. The Company's guarantee is limited to 87 million Baht.

Factors affecting the future performance

As the Company has realized the importance of business risks under changes of internal and external factors that affect the Company's operating results in managing the business in order to achieve goals with efficiency and effectiveness, it conducts the risk management as follows:

Risks due to the stability of the state and government policies

Since most of the high-value technology projects are from the public sector and most of the Company's customers were public agencies, state organizations, and state enterprises, political stability is an important factor for the stability of the government. In addition, economic factors are one of the driving forces for the government to formulate economic policies and government expenditures to suit the economic conditions in different periods. The Company observes and makes an effort to adjust to such uncontrollable external factors.

Risk of The rapid change in communication and information technology

The rapid change in communication technology and information technology is considered the main risk factor affecting the industry group and the Company's business operations. It is also an important factor in the Company's operational planning. The Company has been following the trends of new technologies and develops knowledge of personnel to support and be able to adapt to new innovations of technology in a timely manner.

Risk from fluctuations in interest rates and foreign exchange rates

The currency risk factor is also very important as in the past, the Thai baht fluctuated quite rapidly. However, the Company was able to mitigate its currency fluctuation risk by using various financial instruments from financial institutions. The Company also adjusted and found tools to cope with the above risk factors.

Risk of The Personnel

The Company has realized and given importance to personnel. This is considered the main factor in driving business to success. Risk due to shortage of qualified personnel is another major risk of the Company. The Company attaches importance to personnel management, from the recruitment and selection for good personnel with suitable qualifications for the Company, ongoing training, and development of employees to increase their knowledge and skills in various fields necessary for the performance of morale-building, as well as compensation and benefits appropriate and fair.

Risk of the Company's project operation failure to meet the estimates

The Company is aware of the risk management from the Company's projects with the bidding has not been completed according to the plan that has been set especially projects that are at risk of difficulty in completing their tasks within a time frame, budget, and personnel constraints, as well as the technological complexity. It has been approved by the management with a unit to review and consider the feasibility of the project, accuracy of project costs, as well as work planning and project completion, which is supervised by the Project Management Department in order to complete the project on time with efficient and effective work within the planned budget.

Risk of various accidents and outbreaks of serious diseases

The COVID-19 outbreak is a condition that occurred at the beginning of 2020 and has continued throughout 2021 and 2022, with a widespread negative economic and social impact around the world. The hospitality and tourism sectors were also directly affected. Most of the projects of the Company were from public agencies. In spite of the serious outbreak of communicable disease, it was still able to achieve the expected operating results.



5. General Information and Other Significant Information

5.1 General Information about the Company

Details about Company's Securities

Issuer	: Advanced Information Technology Public Company Limited
Ticker	: AIT
First Listing Date	: 30 July 2003
Market Capitalization	: 8,201,255,655.75 Baht (as of 6 January 2022)
Authorized Capital	: 1,547,406,727 Baht
Paid-up Capital	: 1,031,604,485 Baht
Number of Shareholders	: 6,285 (as of 24 November 2021)
% Free float	: 71.98% (as 1 March 2021)
Type of Business	: Relating to information and communications technology, including the maintenance and development of IT systems
Head Office	: 37/2 Suthisarnvinijchai Road, Samsennok, Huaykwang, Bangkok 10310
Services centers	: Chonburi, Khonkaen, Chiangmai, Suratthani, Phitsunulok, Songkhla and Nakhon Ratchasima
Company's Registration	: 0107546000067
Tel	: 0-2275-9400
Fax	: 0-2275-9100 - 0-2275-9200
Web site	: www.ait.co.th

Auditors

1. Manee Rattanabunnakit CPA License Number 5313 and/or
2. Termphong Opanaphan CPA License Number 4501 and/or
3. Sumalee Reewarabandith CPA License Number 3970

EY Office Limited

33rd Floor, Lake Ratchada Office Complex, 193/136-137, Ratchadaphisek Road, Klongtoey, Bangkok 10110
Tel: (66) 2264-9090
Fax: (66) 264-0789-90

Securities Registration

Thailand Securities Depository Company Limited

93 Ratchadaphisek Road, Dindang, Bangkok 10400
Tel: (66) 2009-9000 Fax: (66) 2009-9991 SET Contact center: (66) 2009-9000
Website: <http://www.set.or.th/tsd> E-mail: SETContactCenter@set.or.th

5.2 General Information on the Company

Company	Type of Business	Registered Capital	Par Value per Share	Paid-up Capital	% Share holding
Advanced Information Technology Public Company Limited 37/2 Suthisarnvinijchai Road, Samsennok, Huaykwang, Bangkok, 10310	Relating to information and communications technology, including the maintenance and development of IT systems	1,547,406,727 Baht	1 Baht	1,031,604,485 Baht	-
Join venture					
Loxley & AIT Holding Co., Ltd. 2 SoiPhahonyothin 19, Phahonyothin Road, Jatujak Bangkok	Investment in Lump sum turnkey contracts for the installation of elecommunication works, electricity plants and sales of related equipment	200,000,000 Baht	100 Baht	200,000,000 Baht	50%
Genesis Data Center Co.,Ltd. 111/11-12 , Moo 11 Bang Chalong Bang Phli Samut Prakan 10540	Provide Data Center services such as server space rental and backup service	210,000,000 Baht	100 Baht	210,000,000 Baht	33.33%
Joint operation					
AWD Joint Venture 37/2 Suthisarnvinijchai Road, Samsennok, Huaykwang, Bangkok, 10310	Shifting cable conduits Underground throughout Bangkok area 2	-	-	-	50%
SK Joint Venture	Construction of an information center building	-	-	-	45%
Non-listed equity instruments					
CAMPANA GROUP PTE. LTD. 51 Changi Business Park Central2, #04-11, The Signature, Singapore 486066	Operator in the submarine optical fiber network	N/A	-	N/A	4.7%
Blue Green Solution Co.,Ltd. 92/35 Chaengwattana Road, Pak Kret District, Nonthaburi, 11120	Providing system storage services, including other information technology and computer services.	5,000,000 Baht	100 Baht	-	20%

5.3 Legal Disputes

The Company was sued for fines for breach of contract from a public agency, claiming damages as the Company failed to complete the work. At present, the case is being considered by the Supreme Court. However, the Company has recorded a provision for contingent liabilities in the amount of 77 million baht, which the Company's management believes that such amount is sufficient for the current situation.

Corporate Governance

1. Corporate Governance Policy

The Company adheres to the principles of good corporate governance based on sufficiency, the principles of good governance, being a transparent and accountable organization, including conducting business with awareness of the society, community, and environment, as well as giving importance to the promotion of personnel to be good, virtuous, and improving the quality of work-life to be a sustainable organization the Company discloses information on good corporate governance in accordance with the CG Code and also complies with the principles of good corporate governance for listed companies in accordance with the guidelines set forth by the Stock Exchange of Thailand in 5 Sections.

In 2021, the Company received a result of the assessment of corporate governance of listed companies for the year 2021 at a level of “very good” (4 stars) from a survey of corporate governance of 716 listed companies from the Thai Institute of Directors in cooperation with the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition, the Company received the results of the quality assessment of the 2021 Annual General Meeting of Shareholders organized by the Thai Investors Association. The Company's score was at 90 percent, reflecting that the Board of Directors gave importance to good corporate governance and always considered improving the practice guidelines to be up-to-date.

1. Rights of Shareholders

The Company treats its shareholders as the owners with all the fundamental rights as determined by law. Additionally, the Company has a policy to ensure its shareholders are provided up-to-date important corporate information, the shareholders' meeting, etc. The rights of the shareholders are as described in the following sections;

1.1 The Shareholder's Meeting

The Company schedules an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year. The shareholders who have the right to attend the meeting and vote must be the shareholders whose names are in the share register on the date specified by the Board of Directors (Record Date) and the number of shares that each shareholder who has the right to vote shall be as shown in the shareholder register on that record date. The record date shall be a date not more than two months before the shareholders' meeting, but not before the date the Board of Directors approves the meeting of shareholders and once the Board has set the Record Date, it cannot be changed.

However, in 2021, due to the COVID-19 situation has not improved, the Company was concerned about the shareholders in this situation and therefore held the meeting in the form of a single electronic medium which was broadcasted live at the seminar room on the 1st floor of the Head Office of Advanced Information Technology Public Co., Ltd. No. 37/2, Suthisarnwinitchai Road, Samsennok Subdistrict, Huaikhwang District, Bangkok, 10310, and used the system of Quidlab Co., Ltd., which is a service provider that meets the requirements of the Electronic Transactions Development Agency. This year's meetings were held twice as follows:

1. Annual General Meeting of Shareholders 2021 (E-AGM) on April 8, 2021, at 10:00 a.m. Directors and senior management attended the meeting to answer questions from shareholders. Ms.Manee Rattanabannakit and Ms.Kamolkan Pongpanich, auditors from EY Office Co., Ltd. and legal advisors from Kudan and Partners Co., Ltd. to be the observers and vote counters, including checking the correctness of the scores at the meeting where the Chairman conducted the meeting in accordance with the law with approval in every agenda.
2. Extraordinary General Meeting No.1/2021 (E-EGM) on December 21, 2021, at 2:00 p.m. Directors and senior management attended the meeting, including a financial advisor from Finnex Advisory Co., Ltd. attended the meeting to answer questions from shareholders on related issues, and legal advisor from the Company Legal Advisor CMT Co., Ltd. to be the observers and vote counters, including checking the correctness of the scores at the meeting where the Chairman conducted the meeting in accordance with the law with approval in every agenda.

Invitation Letter for the Shareholder's Meeting in Advance: The Company appointed the Thailand Securities Depository Co. Ltd. (TSD), a securities registrar, to deliver a shareholder meeting invitation to eligible shareholders at least 14 days in advance and provides the shareholder adequate information specifying the date, time, place and agenda including concerned matters with the objectives and reasons; supporting documentation and information for decision making; a resolution of the Board of Directors; reports on the previous meeting resolutions; the Annual Report; and a proxy form and procedures. An announcement is also published three (3) days prior to the meeting date on newspaper so that each shareholder shall have sufficient time to analyze the information in advance. Additionally, The Company also published in the Company's website at https://investor-th.ait.co.th/shareholder_meeting.html prior to the scheduled Shareholder Meeting. The reason these steps are taken is to encourage all shareholders, including institutional ones, to attend the Company's Shareholders Meetings.

Appointment of proxy to attend the Shareholder's Meeting: Shareholders can appoint any other person or independent director of the company to attend the meeting and the Company has specified their names in the proxy form in the form prescribed by the Ministry of Commerce to attend the meeting and vote on their behalf. The Company also published it on its website (https://investor-th.ait.co.th/shareholder_meeting.html).

Facilitating Shareholders: The Company has the policy to promote and facilitate all shareholders to attend online shareholders' meeting, which includes providing staff to answer questions or assist shareholders, in the case where shareholders cannot access the online meeting and the Company will open the meeting room to accommodate registration 1 hour prior to the meeting time.

Conducting the Meeting: Before starting the meeting, the voting method and vote-counting method shall be clearly explained in accordance with the Company's Articles of Association, as well as giving the attendees an opportunity to ask questions or make suggestions on each agenda. The Chairman proceeds the meeting according to the agenda and shall not add any agenda without notifying the shareholders in advance. In every meeting, the minutes of the meeting are recorded accurately, completely, and the voting results are clearly summarized. In case of under normal circumstances for the annual general meeting of shareholders, the Company prepares an e-voting system and registers using barcodes in order to create a transparent meeting in accordance with the principles of good corporate governance.

After the Meeting: The Company sends the minutes of the shareholders' meeting which contains the minutes of each agenda in detail, which shall be delivered as information to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting and published on the Company's website (https://investor.ait.co.th/shareholder_meeting.html) for investors.

1.2 Conflicts of Interest

The Company complies with relevant rules and regulations regarding the reporting of interests of directors, executives, and related persons, which are transactions that may cause a conflict of interest and compliance with good corporate governance principles. If any director has a stake or is involved in any agenda, that director shall abstain from voting on that agenda. The Board of Directors establishes criteria and methods for reporting interests of directors, executives, and related persons as follow:

1. The directors and the executives shall report their interests from their initial designation and any change in their interests within 7 working days in accordance with the report form for interests of directors and executives and submit the report to the corporate secretary to proceed and retain for audit purposes.
2. The corporate secretary shall submit the report of interests, and any change, to the chairman and audit committees within 7 working days from the date of receiving the said report and report to the Board of Directors in the next meeting.
3. At the end of the year, the Company secretary shall prepare a report on the conflict of interest and submit to the directors and executives for data verification or the purpose of disclosure in the Annual Registration Statement and the Annual Report (Form 56-1 One Report).

2. Equitable treatment of Shareholders

The Board of Directors maintains the policy of provide the equal treatment to all shareholders, as follows:

2.1 Disclosure the Shareholder's Meeting Agenda and Documentation on the Company's website

The Company notifies shareholders through the Stock Exchange of Thailand and the corporate website at https://investor-th.ait.co.th/shareholder_meeting.html prior at least 30 days before the Annual General Meeting of shareholder's date in order for the shareholders to have adequate time to be prepared for the meeting. As the corporate website consist of 2 languages, Thai and English in order to facilitate transparency of information and communication to all shareholders The Company also provides the opportunity for shareholders to send their questions in advance via the Company's website or e-mail: companysecretary@ait.co.th

2.2 Channels for the Company's information and complaints

All stakeholders of the Company are able to access information of AIT equally, which is distributed and available equally to all shareholders through the various following channels including reporting of news and leads through the Company's website www.ait.co.th, phone (66) 2275 9400, letter, and e-mail to the Corporate Secretary Office: companysecretary@ait.co.th, The question, complaint, and recommendation shall be forwarded to the related departments to investigate and inform back to the reporter

2.3 Prevention policy to protect against Insider Information

Pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 (1992), the directors, executives, and auditors of the Company are required to disclose changes in their securities holdings and derivatives, and this includes their spouses and underage children to allow the investors and the shareholders to acknowledge and monitor the movement of securities of such persons who are in a position or status that may know inside information of the Company and may exploit such information for their own benefits before the information is disclosed to the public. In addition to the regulatory requirements, when securities holdings of directors and executives are changed, such information will be added to an agenda to be reported to the Board of Directors at the Board of Directors' meeting on a quarterly basis.

In addition, the Company has policy and adheres to ethics, integrity, and honesty in operating business with customers, partners, investors, and shareholders, by determining guidelines in "Business Code of Conduct" manual under the title "Insider information usage and securities trading" for the directors, executives, and employees at all levels adhering and applying to secure important data and news from being disclosed, accessed to sources of information arbitrary or with impure intentions. For violation, the directors, executives, and employees with a serious offense shall be subjected to disciplinary sanctions, the details can be found in the topic "Insider information control" and has published such manuals on the Company's website.

3. Roles of Stakeholders

The Company recognizes the rights of stakeholders and has policies to give confidence by giving priority to stakeholders, including shareholders, employees, customers, partners, competitors, as well as the public and society as a whole. There is a cooperation between different group of stakeholders according to the roles and duties in order for the Company's business to operate well with stability and response to fair benefits for all parties, therefore, The Board of Directors has provided the "Code of Conduct" guide which specifies responsibility to the stakeholders to be used as practices by the relevant departments, as well as to inform and encourage all directors, managers, and staffs to work and conduct business activities to protect and ensure basic rights of stakeholders.

4. Information Disclosure and Transparency

4.1 The Board of Directors shall be responsible for financial statements and general information for shareholders and general investors with transparency, accountability and punctuality with explanation information provided on the performance, policies, future trend, successes and obstacles. Such information is disclosed in the annual report (form 56-2), the Annual Registration Statement (form 56-1) and via the Company's website at www.ait.co.th in both Thai and English languages for disseminating to the investors, the shareholders and the stakeholders as determined by the regulation of the Securities Exchange Commission, the Stock Ex-

change of Thailand and general accounting standards. All financial statements are reviewed and examined by the Company's auditors, the Executive Committee, the Audit Committee and the Board of Directors.

4.2 Disclosure of any interrelated transactions shall be disclosed in substantiated details for the shareholders. The information includes the pricing policy for the interrelated transactions in a case of interrelated trade, lending for interrelated businesses, borrowings from interrelated business, accounts receivable and payable for interrelated businesses, investment in interrelated business, guarantees and collaterals for related businesses. This is to allow the investors and the shareholders to acknowledge such information with transparency. Under requirements on the interrelated transactions, when the Company and its subsidiaries have interrelated transactions with associated companies or related persons in terms of joint benefits, the Company and its subsidiaries are required to follow business conditions for the associated companies and persons on an arm's length basis. If there are any interrelated transactions that falls under the conditions of the interrelated transactions of listed companies with its subsidiaries or joint ventures, controlling persons or management executives, the Board of Directors shall review and proceed on the principles, procedures and disclosure of the interrelated transactions according to the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

5. Responsibilities of the Board of Directors

5.1 Structures and Responsibilities of the Board: The Board of Directors comprised of four committees: The Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee. These committees have been formed in order to provide a proper assignment of duties and authority to provide for a clear direction and the most efficient Company operation.

The Board of Directors shall determine the corporate goal, and determine roles, duty and authorities for the Audit Committee, the Nomination and Remuneration Committee, the Executive Committee, and the Chairman of the Board. The Executive Committee shall set the Company policy, direction and strategy in operating business to achieve the corporate goal set by the Board of Directors. The Audit Committee shall review the Company's operations to be compliant with the relevant laws. The Nomination and Remuneration Committee shall consider the remuneration of directors, all subcommittees, president, or any persons appointed by the Board of Directors. Additionally, the Nomination and Remuneration Committee shall consider compensation packages for the Company's management and employees in terms of bonus and annual salary increases, and then propose these at the Board of Directors' meeting for approval.

Furthermore, the Board of Directors shall set the internal control systems, internal audit department, and the measures for effectively managing risk. The Board of Directors shall also set out a monitoring plan and review the performance regularly at the Board of Directors' meeting. The Company has hired an outsource company, DIA Audit Co., Ltd. to be its Internal Auditor. Mr. Apinan Sripramont is now the appointed head of the Internal Audit Department and he reports to the Audit Committee on a quarterly basis.

5.2 Balance of Power of Non-Executive Directors: According to the Company's Regulations No.14, the Board of Directors will comprise of at least five (5) directors who experiences in various fields. As of 31th December 2021, the Board of Directors consisted of 11 directors; of which, seven (7) are non-executives or representing by 64 percent and the remaining four (4) executive directors. Therefore, executive directors totaling approximately 36 percent of the total directors. The numbers of independent directors are 4 directors or totaling

approximately 36 percent of the total directors in accordance with the principles of good governance set out by the stock Exchange of Thailand.

5.3 The Role of Chairman and President

Authority, Duties and Responsibilities of the President

1. Perform the duties as assigned by the Board of Directors or the Executive Board Committee under the Company's objectives, regulations and Articles of Association. In dealing with transactions, the Board of Directors has clearly approved maximum limit of each transaction. This limit should not exceed the limit approved by the Board of Directors. The maximum limit of each transaction however, may be appropriately revised upon the consideration and judgment of the Board of Directors. The delegation of authority to the President should not include any transaction in which the President or any other person involved may then have a conflict of interest (as determined through notification by the Securities and Exchange Commission) with the Company or its subsidiaries. Any duties performed should conform to the Notification by the Stock Exchange of Thailand in its article "Rules, procedures, and disclosures of any related party transactions of the listed company". An exemption to this is for any transaction which is a normal business transaction at market price and under the rules and regulations as specified by the Company.

2. Prepare the Company's business plan, strategy plan, and estimated annual budget to propose to the Executive Board Committee.

3. Follow the business plan, strategy plan, and estimated annual budget which have been approved by the Executive Board Committee.

4. Determine the organizational structure and management framework to include every details of selection, training, hiring, and termination of the Company's employees.

5. Empower to appoint or discharge an employee whose position is lower than the President

6. Perform with honesty and prudently for the protection and benefit of the Company.

5.4 Orientation Program for new Directors: The Board of Directors has set up the committee charter to determine the scope, guidelines, as well as the rules and regulations of the Company, which require that new directors shall be informed with the Company's business policy, relevant information, laws and regulations. An orientation shall be organized for new directors. The Board of directors has assigned the President and the Company Secretary to prepare a summary of information for the new directors, as well as to prepare useful information and documents, including meeting records. In addition, new directors are required to visit the establishment in order to understand the industry and business operations of the Company.

2. Corporate governance structure and important information about the Board of Directors, Sub-Committees, Management, employees, and others

2.1 Management structure



* Latest company announcement as of January 9, 2022

2.2 Information about the Directors

The Composition of the Board of Directors and the Sub-committees

As of December 31, 2021, the Company has four Committees: 1) The Board of Directors, 2) The Audit Committee, 3) The Nomination and Remuneration Committee, and 4) The Executive Board Committee.

The Board of Directors consists of persons who have a knowledge and ability to play a key role in determining the Company's policy, together with the top executives in planning its operation short-term and long-term. This includes the determination of the financial policy and corporate overview. There is another important role in overseeing, monitoring and assessing the performances of the Company and the top executives to meet the goals.

There are seven non-executive directors and four executive directors. There are four independent directors, listed as Mr. Pongtep Polanun, Mr. Chokechai Tanpoonsinthana, Mr. Sripop Sarasas, and Mr. Thanarak Phongphatar. These four directors are qualified for the Company's requirement on the independent directors, equal to the minimum requirement of the Security and Exchange Commission or the Stock Exchange of Thailand.

Authorized Directors

The Company's authorized signatories as follow:

- Scenario1: Mr.Siripong Oontornpan jointly signing with Mr.Suraporn Raktaprachit and with the company's Seal affixed. Or
- Scenario2: Mrs.Sasinet Baholyodhin jointly signing with Mr.Suraporn Raktaprachit and with the company's Seal affixed.

** Latest company certificate as of January 10, 2022*

Board of Directors and the Sub-committees

Name	Board of Directors	The Sub-committees		
		Audit Committee	The Nomination and Remuneration Committee	The Executive Board Committee
1. Mr. Thana Chaiprasit	Chairman of the Board	-	-	-
2. Mr. Pongtep Polanun	Vice Chairman of the Board and Independent Director	Independent Director	Chairman and Independent Director	-
3. Mr. Siripong Oontornpan	Executive Director	-	Executive Director	Chairman and Executive Director
4. Mr. Chokechai Tanpoonsinthana	Independent Director	Chairman and Independent Director	-	-
5. Mr. Sripop Sarasas	Independent Director	Independent Director	Independent Director	-
6. Mr. Thanarak Phongphatar	Independent Director	-	-	-
7. Mr. Kittisak Sopchokchai	Non-executive Director	-	Non-executive Director	-
8. Mr. Pisak Charudilaka	Non-executive Director	-	-	-
9. Mr. Suraporn Raktaprachit	Executive Director	-	Executive Director	Executive Director
10. Mr. Chodiwat Duntanasarn**	Executive Director	-	-	Executive Director
11. Mrs.Sasinet Baholyodhin	Executive Director	-	-	Executive Director

*** Mr. Chodiwat Duntanasarn has resigned from the Board of Directors, the Executive Board Committee and the Authorized Director with effective as 1 January 2022.*

Authority, Duties and Responsibilities of the Board of Directors

1. Authority of the Board of Directors

- (1) Performs its duties with honesty, integrity and prudence, in accordance with the law, the Company's objectives and Articles of Association, and all resolutions of the Annual General Shareholders Meeting in order to carefully protect the Company's interests.
- (2) Determines the Company's policies, objectives, direction, business plans, and budgets including the supervision and management of the Company executives in accordance with the agreed business policies. The exception to this is those matters which legally require prior approval at the Annual General Shareholders Meeting before they may be implemented, such as for example: an increase/decrease in share capital; the issuance of debentures; the sale or transfer of the whole or part of the Company's business to others; the purchase/transfer of another business or other company to become an asset of the Company; or an amendment of the Memorandum of Association or Articles of Association.
- (3) The Board of Directors may appoint certain directors to form a part of a sub-committee as deemed appropriate, such as to the Executive Board Committee, the Audit Committee, or the Nomination and Remuneration Committee in order to perform their duties as given by the Board of Directors. The Board of Directors shall appoint the Chairman of each respective Committee and shall report such appointments to the Annual General Shareholders Meeting.
- (4) The Board of Directors may appoint any person to perform specific tasks under the supervision of the Board of Directors or render the authority to such a person as deemed appropriate within an appropriate time period. The Board of Directors may cancel, revoke, change or amend any authority given.
- (5) The Board of Directors shall select a director to be the Chairman of the Board and shall select one or more directors to be Vice Chairman of the Board and to select a director to be the President of the Company. The Board of Directors shall report such appointments to the Annual General Shareholders Meeting.
- (6) Appoint a director to be designated as one of the Company's authorized signatories and the Board of Directors has the authority to determine or revise/change the list of authorized signatories in which the Board of Directors shall report such appointments to the Annual General Shareholders Meeting.
- (7) Appoint and consider the compensation package and the terms & conditions of the employment of the President.
- (8) Appoint and consider the compensation of directors appointed to a Committee as well as other persons selected by the Board of Directors to perform the duties under the supervision of the Board of Directors. The Board of Directors shall report on these matters to the Annual General Shareholders Meeting.
- (9) Approve quarterly and annual financial statements in order to present to the shareholders at the Annual General Shareholders Meeting.

- (10) Arrange for the Annual General Shareholders Meeting as well as any Extraordinary General Meetings as required under the regulations as stated in the company's Articles of Association.
- (11) The Board of Directors shall convene for meeting at least once every quarter or as per the regulations as stated in the Company's Articles of Association.

2. Duties and Responsibilities of the Board of Directors

- (1) Determine the Company's direction and strategic plan, and control and regulate the plan to be implemented efficiently and effectively.
- (2) Set out the Company's policies and procedures in all aspects to ensure the Company's operation is in full compliance with the law, regulations and resolutions of the Annual General Shareholders Meeting; and as importantly the Company Code of Ethics.
- (3) Create the Company's control systems in order to maintain creditability and confidence; and ensure that the Company operationally complies with the law, shareholders' expectations, and stakeholders' concerns.
- (4) Control, regulate, and evaluate the management team's performances as well as the Company's performance.
- (5) Ensure that management has in place risk management policies, processes and controls, as well as an appropriate internal control system.
- (6) Encourage employees at all levels to have ethics and moral consciousness, comply with good corporate governance and business ethics.

Meeting of the Board of Directors

The Board of Directors has policy to schedule Board's meetings at least five meetings throughout the year. The meetings are normally pre-scheduled for the entire year and informed to the entire Board. The Board of Directors shall meet with a pre-determined schedule or a special meeting that may be called by the Chairman if it necessary. Each meeting shall comprise of directors more than 50 percent of total directors. A Board of Directors' member unable to attend a meeting shall inform the Company approximately one to two (1 - 2) days prior to that meeting. To consider the significant matter, each Board meeting requires a quorum of two-thirds of directors to participate. To facilitate all Directors in the meeting, the Company organizes the meeting at the Company's head office. The meeting invitation letter includes a clear meeting agendas and supporting meeting documents will be set in advance, which will be delivered to all directors at least seven (7) days prior to the meeting so that each director shall have sufficient time to analyze the information in advance. However, in a case of urgency this may not always be possible. Each meeting will be recorded and the approved documents will be gathered for reference or future review or investigation.

The time assigned for a meeting will be allocated by the Chairman in order to allow sufficient time to review the Company's performance after the auditor's review or endorsement of financial statements, and the directors' discussion and comments to the management. All directors are independent in making any opinions

The Attendance meeting of the Directors in 2021

Name	Meeting Attendance / Total Numbers of Meetings				
	The Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	The Shareholder's Meeting 2021	Extraordinary General Meeting of Shareholders No. 1/2021
1. Mr. Thana Chaiprasit	5/5	-	-	1/1	1/1
2. Mr. Pongtep Polanun	5/5	4/4	2/2	1/1	1/1
3. Mr. Siripong Oontornpan	5/5	-	2/2	1/1	1/1
4. Mr. Chokechai Tanpoonsinthana	5/5	4/4	-	1/1	1/1
5. Mr. Sripop Sarasas	5/5	4/4	2/2	1/1	1/1
6. Mr. Thanarak Phongphatar	5/5	-	-	1/1	1/1
7. Mr. Kittisak Sopchokchai	5/5	-	2/2	1/1	1/1
8. Mr. Pisak Charudilaka	5/5	-	-	1/1	1/1
9. Mr. Suraporn Raktaprachit	5/5	-	2/2	1/1	1/1
10. Mr. Chodiwat Duntanasarn	5/5	-	-	1/1	1/1
11. Mrs.Sasinet Baholyodhin	5/5	-	-	1/1	1/1

Remuneration of Directors

The Nomination and Remuneration Committee shall be responsible for proposing the guidelines and determining the remuneration for directors at the appropriate rate and comparable within the same industry and same business size. The survey data of the directors' compensation of the Thai Institute of Directors and the Stock Exchange of Thailand is used in consideration in determining the remuneration to the directors at the comparable rate of the same industry to motivate and be appropriated to the knowledge, ability and responsibilities of the directors. Monthly remuneration and meeting allowance for the Board of Director and Audit Committee are determined. The committee members who are members of the sub-committee will receive meeting allowance for the sub-committee as well.

The Nomination and Remuneration Committee will propose the remuneration results to the Board of Directors for consideration and then propose it to the Annual General Meeting of Shareholders for approval. For 2021, the remuneration of the various committees and sub-committees is still at the same rate.

Directors' remuneration policy for the year 2021

Director	Monetary Remuneration (Baht)		
	Monthly Retainer	Meeting Allowance	Annual Pension
The Board of Directors			
Chairman	25,000	25,000	✓
Member	13,000	17,000	✓
The Audit Committee			
Chairman	25,000	25,000	×
Member	20,000	20,000	×
The Nomination and Remuneration Committee			
Chairman	×	25,000	×
Member	×	20,000	×

The remuneration for the directors in year 2021

Name	Position	Monthly Retainer (Baht)	Meeting Allowance (Baht)	Annual Pension (Baht)	Others (Baht)
1. Mr. Thana Chaiprasit	• Chairman of the Board of Directors	300,000.00	125,000.00	1,539,130.40	-
2. Mr. Pongtep Polanun	• Chairman of the Nomination and Remuneration Committee • Member of the Audit Committee • Independent Director	396,000.00	215,000.00	1,026,086.96	-
3. Mr. Siripong Oontornpan	• Member of the Board of Directors • Member of the Nomination and Remuneration Committee	156,000.00	125,000.00	1,026,086.96	-
4. Mr. Chokechai Tanpoonsinthana	• Chairman of the Audit Committee • Independent Director	456,000.00	185,000.00	1,026,086.96	-
5. Mr. Sripop Sarasas	• Member of the Audit Committee • Member of the Nomination and Remuneration Committee • Independent Director	396,000.00	205,000.00	1,026,086.96	-
6. Mr. Thanarak Phongphatar	• Independent Director	156,000.00	85,000.00	1,026,086.96	-
7. Mr. Kittisak Sopchokchai	• Member of the Board of Directors • Member of the Nomination and Remuneration Committee	156,000.00	125,000.00	1,026,086.96	-
8. Mr. Pisak Charudilaka	• Member of the Board of Directors	156,000.00	85,000.00	1,026,086.96	-
9. Mr. Suraporn Raktaprachit	• Member of the Board of Directors • Member of the Nomination and Remuneration Committee	156,000.00	125,000.00	1,026,086.96	-
10. Mr. Chodiwat Duntanasarn	• Member of the Board of Directors	156,000.00	85,000.00	1,026,086.96	-
11. Mrs.Sasinet Baholyodhin	• Member of the Board of Directors	156,000.00	85,000.00	1,026,086.96	-
Total		2,640,000.00	1,445,000.00	11,800,000.00	-

Note: The 2021 Annual General Meeting of Shareholders held on April 8, 2021 approved a resolution to grant the pension to the Directors for the total amount of 11.8 million baht.

Changes in AIT Shares Held by Directors and the Management 2021

No.	Name – Last Name	Position	No. of shares held as of December 31, 2020	No. of shares held as of December 31, 2021*	Increase/ (Decrease) in AIT's shares held in 2021	Percentage of shares held (%)
1	Mr. Thana Chaiprasit	Chairman of the Board	2,250,000	2,250,000	-	1.09
	Spouse and underage child		-	-	-	-
2	Mr. Siripong Oontornpan	President, Nomination & Remuneration Committee, Chairman of Executive Board Committee	10,753,225	10,753,225	-	5.21
	Spouse and underage child		1,552,497	1,552,497	-	0.75
3	Mr. Chokeychai Tanpoonsinthana	Chairman of the Audit Committee, Independent Director	-	-	-	-
	Spouse and underage child		-	-	-	-
4	Mr. Pongtep Polanun	Vice Chairman of the Board, Independent Director, Audit Committee, Chairman of the Nomination and Remuneration Committee	900	900	-	<0.01
	Spouse and underage child		-	-	-	-
5	Mr. Sripop Sarasas	Independent Director, Nomination and Remuneration Committee, Audit Committee	-	-	-	-
	Spouse and underage child		-	-	-	-
6	Mr. Thanarak Pongpatar	Independent Director	37,500	37,500	-	<0.02
	Spouse and underage child		-	-	-	-
7	Mr. Kittisak Sopchokchai	Director, Nomination and Remuneration Committee	6,874,659	6,874,659	-	3.33
	Spouse and underage child		-	-	-	-
8	Mr. Pisak Charudilaka	Director	-	-	-	-
	Spouse and underage child		2,606,378	2,606,378	-	1.26
9	Mr. Suraporn Raktaprachit	Director, Nomination and Remuneration Committee, Executive Board Committee, Senior Executive Vice President – Services Division	5,455,885	5,455,885	-	2.64
	Spouse and underage child		-	-	-	-
10	Mr. Chodiwat Duntanasarn	Director, Executive Board Committee, Senior Executive Vice President – Customer Relations and Satisfaction Division	7,000,000	7,000,000	-	3.39
	Spouse and underage child		120,000	120,000	-	0.06
11	Mrs. Sasinet Baholyodhin	Director, Executive Board Committee, Senior Executive Vice President – Corporate Affairs Division	6,898,115	6,898,115	-	3.34
	Spouse and underage child		-	-	-	-
12	Mr. Asawin Kangvolki	Senior Executive Vice President – Finance Division	-	-	-	-
	Spouse and underage child		-	-	-	-
13	Mr. Promporn Ketudat	Senior Executive Vice President – Support Division	-	-	-	-
	Spouse and underage child		-	-	-	-
14	Mr. Apichai Nimgirawath	Senior Executive Vice President – Marketing and Sales Division	-	-	-	-
	Spouse and underage child		-	-	-	-

* Calculate the number of shares at a par value of 5 Baht

2.3 Sub-Committees

The Board of Directors has appointed three sub-committees, consists of the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee, to operate on specific matters and propose the matters to the Board of Directors for an approval by setting a charter for the sub-committee to define the scope of authority, which is disclosed on the Company website.

1. The Audit Committee

The Audit Committee is responsible for supervising and ensuring the accuracy of the financial statements' preparation procedures and efficiency of the Company's internal control system, review the accuracy and sufficiency of financial reports, reviews the effectiveness of internal control system and internal audit considering the independence of the Internal Audit Department. In addition, the Audit Committee is responsible for approval of appointment/ relocation/ termination of employment of head of the Internal Audit Department, selection/ appointment/ termination of employment of the auditors considering the independence, related items or the items that may have a conflict to meet the criteria. The Audit Committee is also responsible for preparation of the Audit Committee's report for disclosure in the annual report which shall be signed by the chairman of the audit committee. In 2021, the Audit Committee held 4 meetings and the attendance record of each director is presented under the topic "The Attendance of the Directors in 2021". There were also 3 meetings held by the auditors without the management and the list of Audit Committee is as follows.

Name	Position
1. Mr. Chokechai Tanpoonsinthana	Chairman of the Audit Committee
2. Mr. Pongtep Polanun	Director
3. Mr. Sripop Sarasas	Director

Secretary : Ms. Sarin Chandranipapongse

* All directors are knowledgeable and experienced in reviewing the reliability of the Company's financial statements.

Authority, Duties and Responsibilities of the Audit Committee

1. Authority of the Audit Committee

The Audit Committee has the authority to perform any act as determined by the Board of Directors as shown in Duties and Responsibilities of the Audit Committee:

- (1) Under its scope of authority, the Audit Committee is authorized to call for or order the management, heads of offices, or any employees to present opinions, attend meetings or submit any required or necessary documents.
- (2) Consider, select and nominate the Company's auditor as well as the auditor's remuneration to the Board of Directors, and propose this at the Annual General Shareholders Meeting for the Company's shareholders approval. Assess the auditor's performance and other tasks related to the audit.
- (3) Make the final decision in a case where the management team disagrees with the auditor on financial reports.
- (4) Consider the disclosure of Company information in any case where there is a connector transaction or transaction that may lead to a conflict of interest, so as to ensure accurateness, completeness, and at all times compliance with the laws and regulations.

- (5) Review the auditor's report of investigation and discuss with the management team the assessment policy and risk management.
- (6) Hire external advisors or specialists to make comments or give advice as necessary.
- (7) Set up a meeting with the auditor without the management team or company representatives.

2. Duties and Responsibilities of the Audit Committee

The Audit Committee has Duties and Responsibilities as determined by the Board of Directors as follows:

- (1) Review the accuracy of the Company's quarterly and annual financial reports in accordance with generally accepted accounting principles and ensure there is adequate disclosure.
- (2) Review the Company's internal control system and internal audit system to ensure that they are suitable and efficient and ensure the independence of the internal audit department. In addition, the Audit Committee may appoint, change or remove the head of the internal audit department or any other department responsible for internal audit tasks.
- (3) Review the Company's compliance with the laws on securities and exchange; the regulations of the Stock Exchange of Thailand (the 'SET'); and the laws relating to the Company's business.
- (4) Review, select, propose, appoint, or terminate the independent person to act as the Company's auditor and offer remuneration to such person, including attending the meeting with the auditor without a participation from management team at least once a year.
- (5) Review all connected transactions or transactions that may lead to conflicts of interest and so ensure that they are in compliance with the related laws and the regulations of the SET and that they are reasonable and bring the highest possible benefits to the Company
- (6) Prepare reports to be signed by the Chairman of the Audit Committee and disclosed in the Company's Annual Report. These reports must contain the following information
 - a) An opinion on the accuracy, completeness and reliability of the Company's financial report
 - b) An opinion on the adequacy of the Company's internal control system
 - c) An opinion on the compliance with the laws on securities and exchange, the regulations of the SET and the laws relating to the Company's business
 - d) An opinion on the suitability of the external auditor
 - e) An opinion on transactions that may lead to conflicts of interest
 - f) The number of Committee meetings held and the members' attendance record
 - g) Any comments or opinions received by the Committee regarding its performance in accordance with its Charter
 - h) Any other transaction which, according to the Committee's opinion, should be known to the shareholders and general investors,
- (7) Perform other tasks as requested by the Board of Directors and other tasks which the Audit Committee agrees to perform.

2. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be responsible for determining the remuneration and proposing it to the Board of Directors for an approval in the shareholders' meeting if the shareholders find it appropriate by considering the expected benefits from the Board of Directors and be comparable within the same industry. The Company set a policy in determining the remuneration to the directors at the comparable rate of the same industry to motivate and be appropriated to the knowledge ability and responsibilities of the directors. The Board of Directors remuneration in 2021 can be found in the topic "The Board of Directors Remuneration". There are two (2) ordinary meetings as the attendance record of each director is presented under the topic "The Attendance of the Directors in 2020", the list of the Nomination and Remuneration Committee is as follows;

Name	Position
1. Mr. Pongtep Polanun	Chairman of the Nomination and Remuneration Committee
2. Mr. Siripong Oontornpan	Director
3. Mr. Sripop Sarasas	Director
4. Mr. Kittisak Sopchokchai	Director
5. Mr. Suraporn Raktaprachit	Director

Secretary: Ms. Sinanang Oontornpan

Authority, Duties and Responsibilities of the Nomination and Remuneration Committee

1. Authority of the Nomination and Remuneration Committee

- (1) Consider and approve the selection and evaluation processes, as well as the compensation for the President.
- (2) Consider and approve proposals for the names of qualified candidates to the Board of Directors for their consideration and approval in the case of a vacancy in a director's position.
- (3) Consider and approve proposals for the name of a qualified candidate for the position of President to the Board of Directors for their consideration and approval.
- (4) Consider and approve proposals for the names of other candidates to the Board of Directors for their consideration and approval in positions whose functions, responsibilities and authorities are directly given by the Board of Directors.

2. Duties and Responsibilities of the Nomination and Remuneration Committee

- (1) Develop the criteria, selection and evaluation processes, as well as the compensation for the President.
- (2) Propose persons for approval of the Board of Directors in the case of a vacancy in a director's position resulting from any reason, other than the end of a term retirement from that position or to increase the numbers of directors. Once approved by the Board of Directors the resolution is put forward for the approval of the shareholders.
- (3) Propose to the Board of Directors the name of a person to receive approval from the Shareholder's Meeting in the case that there is a vacancy of a director position due to term retirement.
- (4) Propose to the Board of Directors for the approval of the President to retire from being an employee in the Company according to the current operating regulations.

- (5) Propose any person that the Board of Directors will then delegate its authority to perform a specific task for the Company.
- (6) Recommend the appropriate remunerations for each of the Company's Board of Directors and Committees and then propose to the Board of Directors for the approval of these remunerations at the Annual General Meeting.
- (7) Recommend appropriate bonus and salary increases for the management and employees to the Board of Directors for their approval.
- (8) Prepare the report of the Nomination and Remuneration Committee that disclosed in the Company's annual report, which that report must be signed by the Chairman of the Nomination and Remuneration and commented as of the SET's requirements.

3. The Executive Board Committee

The Executive Board Committee consists of:

Name	Position
1. Mr.Siripong Oontornpan	Chairman of Executive Board Committee and President
2. Mr.Suraporn Raktaprachit	Director
3. Mr.Chodiwat Duntanasarn	Director
4. Mrs.Sasinet Baholyodhin	Director

Secretary: Ms. Sarin Chandranipapongse

Authority, Duties and Responsibilities of the Executive Board Committee

1. Authority of the Executive Board Committee

- (1) Approve the appointment, change or removal of any management position, with the exception of the President.
- (2) Approve the Company's compensation structure and benefits of management and employees; and propose to the Nomination and Remuneration Committee before proposing to the Board of Directors.
- (3) Approve any change in the Company management structure, code of conduct or business processes of any division.
- (4) Approve the borrowing and lending of money or applying for credit approval from a financial institution; including a guarantee or payment of ordinary business transactions with a specific credit limit of each transaction that has already been agreed and assigned. The amount incurred in these transactions must be under a limit in accordance with the Company guidelines and authority limits which have already been reviewed by the Board of Directors. However, the aforementioned credit limit may be changed if appropriate according to the judgment of the Board of Directors.
- (5) Consider to enter into a commercial contract with a credit limit as determined by the Board of Directors.

(6) Responsible for studying the possibility of investing in new projects and be empowered in approving all direct investments or investment with the juristic person or the others in various ways to operate the business on purposes. The investment must not be over THB 20 million per a project and THB 100 million per year, including other investments such as shareholding and other relevant action. The conditions of new investment projects are as follows;

1. The investment project must be relevant to the core business or the ICT business of Advanced Information Technology PCL.
2. The investment project must be studied and clearly presented a feasibility study.
3. The investment project must be an investment as a joint venture, not giving a loan or a financial assistance.
4. The investment project must be reported to the Board of Directors every time after investing in that project.
5. The investment project must not be relevant or connected to the directors or the managements of the Company in accordance with the regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).

If unclear with the abovementioned conditions, the investment project has to be taken back and approved by the Board of Directors prior any investment.

2. Duties and Responsibilities of the Executive Board Committee

- (1) Formulate the Company's business plan, annual budget, and investment plan for the Board of Directors' approval.
- (2) Manage the Company's business operations in order to achieve the planned objectives and targets, and also comply with laws, the Company's regulations, and Stock Exchange of Thailand's rules and regulations.
- (3) Direct, control, and monitor the day-to-day operations as set out in the Company's internal control system as well as the Audit Committee's comments and recommendations.
- (4) Act in other roles and on duties and within authorities as determined and delegated by the Board of Directors.
- (5) Prepare the report on Company's financial and operating performance and report this performance to the Board of Directors each quarter.

The above mentioned authority excludes the interrelated transactions, acquisition or liquidation of the listed Company's important assets according to the regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). The Company shall abide by the SET regulations and requirements on any issue. In addition, the above-mentioned authority excludes other issues for which the Company's regulations require the prior request and approval at the Annual General Shareholders Meeting.

2.4 Managements and Employees

The Company's Management of the year 2021:

Name	Position
1. Mr. Siripong Oontornpan	President
2. Mr. Suraporn Raktaprachit	Senior Executive Vice President – Services Division
3. Mr. Asawin Kangvolkij	Senior Executive Vice President – Finance Division
4. Mr. Chodiwat Duntanasarn	Senior Executive Vice President – Customer Relations and Satisfaction Division
5. Mr. Apichai Nimgirawath	Senior Executive Vice President – Marketing and Sales Division
6. Mr. Promporn Ketudat	Senior Executive Vice President – Support Division
7. Mrs. Sasinet Bahlyodhin	Senior Executive Vice President – Corporate Affairs Division

Company's Compensation Structure

	Managements	Employees	รูปแบบการจ่าย
Base Salary	✓	✓	Cash - all employees
Benefits	✓	✓	Provided fund and insurance
Performance Bonus	✓	✓	Cash - all employees

The Management Remuneration 2021

The Company has criteria for paying remuneration to the management team based on knowledge ability and experience, as well as comparing the operating results of the year and past years, as well as considering the comparison with other companies in the same industry and similar business sizes. The management's remuneration for the year 2021 is equal to 81.61 million baht, consisting of salary, bonus based on performance, and other benefits.

Employees

As of 31 December 2021, The Company has in total of 591 employees, divided into these following

Divisions	Total Employees (person), as of 31 December 2021
1. Marketing and Sales	41
2. Finance	17
3. Services	427
4. Corporate Affairs	46
5. Customer Relations and satisfaction	2
6. Support	48
7. President Office	10
Total	591

Remark: The number of employees in the table includes the executives.

Monetary Remuneration

In 2021, the Company reviewed the policy of the employee remuneration in accordance with the Company's short-term and long-term operation results; there are payment of monetary remuneration to employees such as salary, bonus, and allowance (without directors and executives' exclusive according to the SEC) of the total 765.08 million THB.

Human Resources Development Policy

The human resources development policy focuses on building up employees' competences to compete with the market to support the expansion of business in the future by planning the organizational structure and human resources appropriately. The human resources development takes place at all levels, preparing to perform well to achieve the business goals. The development is divided to three areas.

1. Knowledge Development

The Company's human resources development has a policy to develop the personnel to be ready for the changes in innovation and technology, mainly focuses in keeping and developing the former talented personnel. The Company is also recruiting a specialist in new technology to help working in the Company, for developing the employees to be valuable and quality resources and prepared to be a main power in the future, under the concept "The personnel is the foundation of the business". In the previous year, there are a number of issues in the technology trends that the business sectors have to adapt for a better management. Therefore, the Company has to develop the personnel in new technologies, such as Internet of Things for Business, Python for Network, Cloud Technology, SDN Associate, and Big Data Foundation.

2. Skill Development

Human Resource Management of a various business sector has to develop their personnel to keep up with the technology, which will enable the Company to grow with strength and quality. The personnel development was practiced continuously by training the personnel to be ready in a rapid technological change and the expansion of the business. The training plan of the human resource development focuses on a technical skill and soft skill, for the personnel to have knowledge to be successfully operated. This includes the ability to work with the others effectively. The policy of human resource development has set to be the key drivers and be responsive on the Company's vision and strategy to meet the goals. The Company human resource developments are as follow;

- The human resource development on the Technical Skill

The Company are promoting the employees to have knowledge skills in special technical aspect for an operation in various technologies, including a network, systems, and software, for the personnel to have a technical skill in the form of the collaboration technical skill. This can be seen in the employees training program to support and be certified by the Information Technology Professional Examination, as to guarantee the employees' qualification to ensure and create customers confidence that in the previous year there is a development of the personnel in this area. The Company intends to develop the human resources in order to have occupational competences to operate and meet the Company standard.

- The human resource development on the Soft Skill

The Company believes that in order for the Company to be successful, it is not created by only a variety of technical knowledge and skill each personnel has. To have a high quality and less conflict work which partially helped by the relationship between employees that make all works successful and align on the set standard. The Company assigns the human resources in each level to develop on the soft skills, as believe in the importance of team working, human resource management, communication between each others, such as the leader, subordinate, co-worker, and customers. The Company introduces an annual training and developing plan for employees by inviting a speaker and expert with a direct knowledge and experiences in each fields to lecture and educate the employees. In 2020, there are the trainings as follows;

- 1) **Online Developing Growth Mindset Step-by-Step Course:** It is a course to build knowledge and understand the meaning and benefits of the growth mindset and be motivated to apply the growth mindset every day.
- 2) **Online Effective Collaboration Course:** It is the development of the Company's personnel to understand the meaning and to see the importance of working as a team that affects oneself and the organization This is to build effective teamwork skills.
- 3) **Online People Skills Development Course:** It is time management with the role of supervisors and techniques to create motivation for the team to work smoothly.

- The human resources development on Ability.

The Company develops on its capacity development, knowledge on the working area, with high intension to develop on an occupational competence, which the operation will rely on the Company's standard. For example, encourages the employees to take a test and get a certificate in a various fields to further fulfill its knowledge and create a career path concretely.

2.5 Others

Company Secretary

The Board of Directors has appointed Ms. Sarin Chandranipapongse as a company secretary. The Board of Directors appointed by an appropriation, as she has a knowledge and capability in managing the Company secretary and positioning as Vice president of Company Secretary Department. In addition, the Company encourages the Company secretary to train and develop continuously. The Company secretary's profile and experiences were disclosed in the Annual Report.

The Role of the Company Secretary

1. To facilitate all Board of Directors' activities
2. To schedule the meeting of the Board of Directors and Sub-committee and conduct the Board of Directors' meeting and shareholders' meeting.
3. To follow up and coordinate with relevant people, for the compliance of the resolutions from the Board of Directors and shareholders' meeting, as well as to report the monitored-operation.
4. To provide primary legal advices, associated rules, and the Code of Conduct to the Board of Directors, accordance with the law.

5. To coordinate with the regulatory authorities, such as the Security and Exchange Commission and the Stock Exchange of Thailand, in disclosure the information to the authorities and the public with legally accurate.
6. To prepare and maintain the documents, as follows;
 - The Board of Directors Registration
 - The Notice of the Board of Directors meeting
 - The Minute of the Board of Directors meeting
 - The Annual Report
 - The Notice of the Shareholders' meeting and the Minute of the Shareholders' meeting
7. To conduct the Board of Director's Orientation and provide advices for a new director.
8. To communicate with the shareholders and appropriately provide the shareholders to know their rights and the Company's updated information.
9. To perform other actions specified by the Securities and Exchange Commission.
10. To act on duties appointed by the Company.

Audit Fee

In 2021, the auditor's remuneration is listed below;

- An annual audit fee and a quarterly audit fee, amounted THB 1.68 million
- Other compensation to the audit fee, - none –
- The Company audit fee of the last three years is as follows;

(Unit: Baht)

Transactions	2021	2020	2019
Audit Fee of Advanced Information Technology PCL	1,680,000	1,680,000	1,600,000
- Annual audit fee	900,000	900,000	880,000
- Quarterly audit fee	780,000	780,000	720,000

3. Corporate Governance Performance Report

Nomination and Appointment of Directors and Top Executives

1. Independent Directors

Name	Position
1. Mr. Pongtep Polanun	Independent Director
2. Mr. Chokechai Tanpoonsinthana	Independent Director
3. Mr. Sripop Sarasas	Independent Director
4. Mr. Thanarak Phongphatar	Independent Director

Scope of the Independent Director

Independent Directors are defined as Directors who do not hold any management position and are not employees of the Company or Subsidiary. They must additionally be independent of any major shareholders, management, and of any other related persons and they must have the responsibility to determine if there is anything that may affect the equitable treatment of Shareholders. The qualifications to be an Independent Director are as follows:

1. Holds not more than 1% of the total voting shares of AIT, its parent company, its subsidiaries, its associated companies, major shareholders or a controlling person - including stocks that held by related persons of the Independent Director;
2. Is not, or has not ever been an executive director, employee, staff member, or advisor who received a salary or a controlling person of AIT, its parent company, its subsidiaries, its associated companies, major shareholders or a controlling person unless the foregoing status has been ended for at least 2 years. This shall not include the Independent Director who used to be a government official or advisor of a government agency which was a major shareholder or acted as controlling persons of AIT;
3. Is not be a person that related to blood or legal registration, such as father, mother, spouse, sibling or child, including a spouse of the children, managements, major shareholders, controlling persons, or persons to be nominated as management or a controlling person of AIT or its subsidiaries;
4. Has not, or has not had a business relationship with AIT, its parent company, its subsidiaries, its associated companies or a controlling persons in the manner that may interfere with their independent judgement, or is not, or has not ever been, a major shareholders, managements or controlling persons of any person having a business relationship with AIT, its parent company, its subsidiaries, its associated companies or controlling person unless the foregoing relationship has been ended at least 2 years;
5. Has not, or has not ever been, an auditor of AIT, its parent company, its subsidiaries, its associated companies or a controlling persons and is not a major shareholders, non-independent directors, managements, controlling persons or partner of an audit firm which employs auditors of AIT, its parent company, its subsidiaries, its associated companies or a juristic person who may have a conflict of interest unless the foregoing relationship has been ended for at least 2 years;

6. Has not, or has not ever been, any professional advisor including legal or financial advisor who received an annual service fee exceeding Baht 2 million from AIT, its parent company, its subsidiaries, its associated companies or a controlling persons, and is not a major shareholders, non-independent directors, managements, controlling persons or partner of the professional advisor unless the foregoing relationship has been ended for at least 2 years;
7. Does not represent as an AIT Board Member or its major shareholders or a shareholders who related to major AIT shareholders;
8. Does not operate any business similar to, or materially competing with AIT or its subsidiaries or not being a material partner in any partnership, executive director, employee, staff, advisor who receives salary or holds more than 1% of total voting shares of the Company which operates similar to, or materially competing business with AIT or its subsidiaries;
9. Has no characteristics which make incapable of expressing independent opinions with regard to the AIT business. Note: A holding of no more than 1% of total voting shares of AIT is in compliance with the minimum rules of stock holding as an Independent Director by the Securities and Exchange Commission and the Stock Exchange of Thailand.

The definition of independent directors is the same as the minimum requirements of the SEC. or the SET. The Independent directors shall not hold shares exceeding 1% of the total number of voting shares of the Company.

2. Nomination of Directors and Executives

2.1 Guidelines for nomination and qualifications of directors

Nomination and Appointment of Directors

Appointment of the Directors shall be determined by many qualifications such as knowledge, skills, and experience related to the business. The Nomination and Remuneration Committee is responsible for review of the qualifications and performances of the candidates in appointment of the Directors.

The Board of Directors is well aware of the benefits of the diversity of the Board of Directors, therefore focuses on transparency in the nomination of the candidates, without restrictions on gender, age, education level, professional experience, skills and knowledge. The Nomination and Remuneration Committee is responsible for review of the qualifications and performances taking into account the benefits of the diversity of candidates or directors who retire by rotation or resign. The Nomination and Remuneration Committee also considers necessary skills that are lacking in the Board of Directors in order to be in line with the Company's business strategy and propose it to the Board of Directors for an approval. After that, the list of proposed directors will be proposed to the shareholders' meeting to elect the directors.

Qualifications of Directors

The person who will be appointed as the Company's Director must meet the qualification by considering the knowledge, ability, personal talent as the following qualifications;

1. To have the qualifications with no prohibited characteristics as specified by the Act of Public Company Limited, including have no manner indicating a lack of trustworthiness to manager the company from the reviews of shareholders according to the Securities and Exchange Commission and the Stock Exchange of Thailand regulations.

2. To have knowledge, skill or experience in the ICT industry or accounting, finance or business administration or any other field as the Board deems appropriate.

3. To devote time especially for making key decision and responsibility duties for the beneficial for the Company and be able to participate in all the Board and Shareholder's Meetings, unless unable due to a necessity or unexpected emergency.

4. To have a moral, ethical, and any other qualifications that meet the requirement of law or deemed appropriate by the Board

2.2 The criteria and procedures of selecting the candidates for the director appointment

The criteria and procedures of selecting the directors are set to be determined in shareholders' meeting by counting the majority votes in accordance with the following criteria and procedures;

1. Each shareholder shall have one vote per one share.

2. Each shareholder shall use his or her vote according to (1) to elect one or several directors.

However, dividing the votes is not possible.

3. The candidate with the highest votes will be elected as the directors, where the number of elected directors is equal to the required directors of each time. In the case of the elected candidates have equal votes and the numbers of directors are over the requirement, the President shall have a casting vote.

2.3 The Nomination of key management positions and Succession plan

challenge for the business is a building personnel with knowledge and ability which readiness to keep pace with sustainable business expansion. In addition, they have inherited the spirit of the founder including the culture of the organization from generation to generation. Thus, the Company has developed a policy encourages the managements to enhance personnel development in an efficient way to achieve the vision, mission and values.

The Company has recruit eligible persons to responsible for key management positions at all levels in accordance with the qualifications as proper and transparency, and to ensure that the Company has recruited executives with professionalism, neutrality and non-involvement in politics. They also understand the culture and conduct of the business of the company. The company has a well-defined succession plan follows.

(1) Chairman of the Executive Board Committee / President

The Board of Directors has developed a succession plan for the Company's Chief Executive Officer and executives when these positions become vacant. The Company have a management policy to appoint the executives who work at the same level acting as a secondary position until the recruitment and selection of personnel qualified in accordance with the Company has taken place and that they shall also have the vision, knowledge, ability and experience with appropriate to the corporate culture considered by the Nomination and Remuneration Committee who will advise the Board of Directors to nominate deserving individuals as members to the meeting of shareholders.

(2) Vice President

When the positions of Vice President upward are vacant or they are unable to conduct their position, the Company has developed a succession plan detail as follows:

1. Analysis of the business circumstantial of the Company's strategic plans, investment plans and expansion plan.
2. Assess the employees' performance to be consistent with the strategy of the company both in the short and long term.
3. Plans to establish the availability of manpower by recruit and training staff and prepare to replace the resigned employees.
4. Develop recruitment and training plan in advance before employees retire or resign.
5. Define the knowledge, skills, personality and attitudes of good wishes of employees in each position and develop an individualized plan.
6. Selection and evaluation employee's performance and assessment of potential employees to consider their appropriate job.
7. Utilize KPI tools to test and evaluate personnel to analyze their potential.

The Governance and Operations of Joint Ventures

In 2021, The Company has 3 joint ventures: Loxley & AIT Holding Co., Ltd., Genesis Data Center Co., Ltd., and Campana Group Pte. Ltd. The Company has sent senior executives to act as supervisory agents in order to control and manage and to be responsible for the operations of the associated companies to maintain the interests of the Company's investments as follows:

	Joint Venture		Joint Venture of the Company's Joint Venture
	Loxley and AIT Holding Co., Ltd. [LAH]	Genesis Data Center Co., Ltd. [GENESIS]	Campana Group Pte. Ltd. [CAMPANA]
1. Mr. Siripong Oontornpan	Director	-	-
2. Mr. Suraporn Raktaprachit	-	-	Director
3. Mr. Asawin Kangvolkij	Director	-	-
4. Mrs. Sasinet Baholyodhin	-	Director	-
5. Mr. Apichai Nimgirawath	-	Director	-

Development and training of Directors

The Board of Directors has set a policy to support and facilitate Directors for the training and learning programs to ensure that their continually improvement and performance, both internal and external training programs. All Directors must attend training program for understanding the performance of their duties. The Board of Directors realize the significance of their participation in training or seminars by attend various programs or development of their knowledge and skills. The Board of Directors attends training courses organized by the Thai Institute of Directors Association (IOD), namely, Director Certificate Program (DCP), Director Accreditation Program (DAP), Advanced Audit Committee Program (AACP), monitoring the Quality of Financial Reporting (MFR)

Development and Training of The Director in 2021

Name of the Directors	Details
Mr. Chokechai Tanpoonsinthana	Training on “The Importance of Audit Committee to Capital Market and Roles and Duties of Audit Committee in Good Corporate Governance” by The Securities and Exchange Commission, Thailand

Self-Evaluation of the Directors

1. Self-Evaluation of the Board of Directors and Sub-Committees

The Company holds an evaluation of the Board of Directors and the sub-committee performance once a year, to evaluate its performance efficiency according to good corporate governance and this will help the Board of Directors to review their own works, issues, and obstacles throughout the year and utilize the evaluation to improve their performances. The criteria on the evaluation of the Board of Directors and the individuals, covers six topics, consists of the structure and qualification of the Board of Directors, roles and responsibilities of the Board of Directors, the Board of Directors’ meeting, the duties of the directors, the relationship with the Management department, and the self-development of the directors and the development of the executives.

In 2021, the Board of Directors’ meeting no.4/2021 on 9 November 2021, the Company secretary submitted the Board of Directors’ evaluation form to the directors, consists of the evaluation form for the Board of Directors, the Audit Committee, and the Nomination and Remuneration Committee, to evaluate the performances of the Committee and the individuals. The results of the performances of the Board of Directors and the sub-committee can be concluded as follows;

	Performance of the Committee (Percentage)	Performance of the Individual Directors (Percentage)
The Board of Directors	92	85
The Audit Committee	90	88
The Nomination and Remuneration Committee	90	88

2. Self-Evaluation of the Chairman of the Executive Board Committee and President

The Company evaluates the performance of the Chairman of the Executive Board Committee and President at the end of the year by The Nomination and Remuneration Committee and then they will propose to the Board of Directors for an approval. The results of evaluating the performance of the Chairman of the Executive Board Committee and the President are considered as confidential information which is not disclosed. The performance of the Chairman of the Executive Board Committee and the President was evaluated base on 3 criteria: a measure of performance, evaluation of leadership and management, budgeting and project evaluation. The evaluation will be used to determine the salary raise percentage of Chairman of the Executive Board Committee and the President and then present to the Board of Directors for an approval.

Investor Relations

The Company has established the Investor Relations unit to support and be a key function to disseminate information, answer all questions, including listen and exchange any opinions with shareholders, analysts, institutional investors, and relevant institutes. The Company's investor relations is Ms. Sinanang Oontornpan, for more information, the contact channels are available on three channels

Telephone: 0-2275-9400
Website: <http://investor.ait.co.th/>
E-mail: ir@ait.co.th

Investor Relations Activities

In 2021, the Company opens an opportunity for investors, analysts, shareholders, and institutional investors to access the data, operating performance, business growth strategy, including major events throughout year with Q&A sections. The previous year, there are activities, as follows;

1. An Opportunity Day, counted three (3) times by the Stock Exchange of Thailand
2. An Analyst Meeting, to provide information on the Company's performance quarterly, counted four (4) times.
3. Roadshow: BLS Digital Transformation Da, counted one (1) time by Bualuang Securities PCL.
4. Earning Release for each quarter, counted four times.

The Compliance with Principles of Good Corporate Governance in Other Matters

The Board of Directors acknowledges the CG Code and recognizes the roles as a leader in creating sustainable values for the business and evaluating the overall CG Code implementation, once a year. For the year 2021, the matter has considered and reviewed and also recorded in the minutes of the Board of Directors Meeting No. 5/2021. The Company regularly reviews the guidelines in accordance with good corporate governance principles. This year, the Company has complied good corporate governance, except for the following matter;

1. Term of Office of Independent Directors Not Exceeding 9 Years: The Company has 4 independent directors with terms of office exceeding 9 years, namely Mr. Chokchai Tangpoonsinthana, Mr. Pongthep Phonan, Mr. Sripop Sarasas and Mr. Thanarak Pongpetra as these 4 independent directors are knowledgeable and have a good understanding of the Company's business. In 2021, these 4 independent directors have given advice that is highly beneficial to the Company. Moreover, the experience of the directors who have served for a long time also helps them to have a better understanding of the Company's business. The details of holding

Name	Appointed Date of the Independent Director	Year(s) (Appointed date – Present)
Mr. Thanarak Phongphatar	5 April 2012	9 Years 8 Months
Mr. Chokechai Tanpoonsinthana	15 February 2003	18 Years 10 Months
Mr. Pongtep Polanun	15 February 2003	18 Years 10 Months
Mr. Sripop Sarasas	15 February 2003	18 Years 10 Months

2. All members of the Nomination and Remuneration Committee should be independent directors.

At present, the Nomination and Remuneration Committee has 5 members, consisting of 2 independent directors, 2 executive directors and 1 non-executive director. Mr. Pongtep Polanun is an independent director who is the chairman of the Nomination and Remuneration Committee. From the past performance, the Nomination and Remuneration Committee is considered to be a committee that adheres to the criteria for nomination and remuneration that are consistent and comparable within the same industry, as well as having a thorough understanding of the nature of Company's business.

3. The Chairman of the Board should be an independent director and should not be the same person as the Managing Director. At present, the Chairman of the Board is not the same person as the Managing Director and the Company has clearly separated duties and responsibilities to ensure a balance and transparency in accordance with good corporate governance principles.

Report of the Audit Committee

Dear, Shareholders

Audit Committee of Advanced Information Technology Public Company Limited consists of 3 independent directors, namely Mr.Chokchai Tangpoonsinthana, Chairman of the Audit Committee, Mr.Pongthep Phonanan, and Mr.Sripop Sarasas as members of the Audit Committee, who are experts in finance, accounting, and management, and of all the qualifications as specified by the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand.

In 2021, the Audit Committee held a total of 7 meetings, 3 of which were held without representatives of the management and 4 of which were attended by the management. Each member of the Audit Committee attended every meeting. Each meeting was with auditors, internal auditors, and management to discuss significant issues and acknowledge performance, detected observations, problems and obstacles during work, as well as to inquire about the progress in implementing the auditor's recommendations. The Audit Committee has reported and expressed their opinions, as well as giving recommendations to the Board of Directors independently, which are summarized as follows:

1. To review the quarterly financial statements and annual financial statements prior to presenting to the Board of Directors' meeting. The Audit Committee inquired and heard clarifications from the management and the auditor on the accuracy and completeness of the financial statements and the adequacy of information disclosure, events after the reporting period, account adjustments affecting material financial statements in order to ensure that the preparation of the financial statements was in accordance with the requirements by laws and the Thai Financial Reporting Standards, accounting system and financial statements were accurate and reliable, including adequate and timely disclosure of information in the financial statements for the benefit of investors or users of the financial statements.
2. To review the internal control system, the Audit Committee reviewed the effectiveness and sufficiency of the internal control system by considering the results of the internal audits for 2021, totaling 4 times as follows:
 - First audit: On the inventory management control system, follow-up on the results of previous audits, in which the results of the investigation revealed that there were some issues that were not specified in the work manual. However, overall, no significant deficiencies were found.
 - Second audit: On advance payment control system, budget management system, in which the results of the audit revealed that the Company should improve its workflow system in accordance with the Company's regulations and guidelines. However, overall, no significant deficiencies were found.
 - Third audit: On pre-sales and after-sales cost control system, cost of sales recognition and recording system, in which the results of the investigation revealed that the Company should consider or develop a program system specifically for use in data retrieval and cost calculations to reduce the chance of errors and the Audit Committee closely monitored the matter. However, overall, no significant deficiencies were found.

- Fourth audit: On project management operation system, operational procedures for managing sales principles, customer management department, in which the results of the investigation revealed that the Company should determine the operational planning and monitoring in accordance with the planning of the Project Management System (PMS) and the development to be completed and could be used completely including the Company's operations planning and monitoring should be set in accordance with the planning for the development of the program, the after-sales management system (Preventive Maintenance) and the development to be completed. However, overall, no significant deficiencies were found.

Meanwhile, in the past year, the Company is still in the process of establishing a risk management system for the contractor business. The Audit Committee has expedited the management to develop a risk management system from the contractor business. The Audit Committee also emphasized and urged the management to prepare a written overall risk management plan as soon as possible to pave the way for an internal audit based on the Company's risks.

3. To monitor quarterly results against the 2021 business plan forecast (revenues, costs, and profits) on a regular basis in order to control and adjust the business plan strategy to be appropriate and up-to-date with the situation.
4. To review the Company's operations in 2021, including reviewing the operating results from the investment in CAMPANA GROUP PTE. LTD and Genesis Datacenter Company Limited to ensure consistent business forecasts, as well as supervise the management of risks that may occur from investment failure to meet business forecasts in accordance with the requirements of the accounting standards, and relevant rules and regulations. According to the results of the review of the Company's operations in 2021, no material issues were found in the matter of non-compliance with the Securities and Exchange Act, Regulations of the Stock Exchange of Thailand, or other laws related to the Company's business.
5. To consider and select internal auditors. The Audit Committee considered the performance, independence, and appropriateness of the remuneration, and it was deemed appropriate to appoint DIA Audit Company Limited to act as the Company's internal auditor and prepare various reports to be used for the benefit of corporate governance as prescribed by the Stock Exchange of Thailand, with Mr. Apinan Sripramoj, Ms. Satja Sriwilai, Khun Sumrit Prapawong and or other officers assigned by the internal auditors to perform such duties.
6. To consider, select, propose an appointment, and offer compensation for 2022 annual auditor to present to the Board of Directors in order to seek approval from 2022 Annual General Meeting of Shareholders. The Audit Committee considered the performance independence and the appropriateness of the remuneration and it was deemed appropriate to appoint Ms. Manee Ratanabunnakit, Certified Public Accountant No. 5313, or Mr. Termpong Opanaphan, Certified Public Accountant No. 4501, or Mr. Krisada Lertwana, Certified Public Accountant No. 4958 in the name of EY Office Company Limited as the Company's auditor for 2022 due to the view that:

- To comply with working standards, have expertise in auditing, and have performed their duties effectively at all times.
 - To provide clear and detailed advice and advice on newly released accounting standards.
 - The audit fee for 2022 is 1,770,000 baht (one million seven hundred and seventy thousand baht only), representing an increase of 5.4 percent from the year 2021, which is an acceptable rate of increase.
 - The audit office and the auditors according to the list proposed above had no relationship or interest in the Company, executives, major shareholders, or those related to such persons. Therefore, they were independent in examining and expressing their opinions on the Company's financial statements.
7. To perform duties in accordance with the scope of powers specified in the Audit Committee Charter in accordance with the Securities and Exchange Act and Regulations of the Stock Exchange of Thailand.
 8. To review, supervise and give opinions on connected transactions or transactions that may have conflicts of interest of the Company on a quarterly basis by adhering to the principles of reasonableness, transparency, adequate disclosure of information normal business. As for the results of the review in 2021, the Audit Committee was of opinion that the management had made a decision to make the transactions for the benefit of the Company mainly, with normal trading conditions at reasonable prices and in accordance with the normal business of the Company.

The Audit Committee was of the opinion that the Company's operations for the year ended December 31, 2021, were in accordance with the internal control system and appropriate internal audits; financial reports are accurate, complete, and reliable, along with compliance with laws, regulations, and requirements related to the Company's business operations; including the disclosure of information to various regulatory agencies accurately, operating in accordance with the sufficient, transparent and reliable corporate governance system.



(Mr.Chokchai Tangpoonsinthana)
Chairman of the Audit Committee
March 2, 2022

Report of the Nomination and Remuneration Committee

Dear Shareholders,

The board of director appointed the nomination and remuneration committee to recruit a qualified and competent person to serve as a president, including remuneration policy, the procedures, and other benefits for the board of director, sub-committees, executive officers, as well as all employees with fairness by taking all parties' benefit as the main.

In 2021, the nomination and remuneration committee performed its duties under the charter and the scope of an authority assigned by the Board of Director, holding three meetings for consideration on the topics. The Nomination and Remuneration members who have a conflict of interest will be deprived of their voting right in the relevant motions. The committee will prepare a minute of meeting with opinion and recommendation to the Board of Director for any further consideration, which resulting as follow;

1. Recruiting, selecting, and nominating appropriated person to assume the position replacing the company's directors who retired by rotation.

The Nomination and Remuneration Committee revealed the company's directors and Audit Committee whose terms would expire in 2021 and nominate the replacing directors as the regulation from the Stock Exchange of Thailand by considering the person's degree, experience, and knowledge, which will be beneficial to the company.

2. Remuneration of the Board of Director

The Nomination and Remuneration Committee determined the remuneration, including monthly remuneration, meeting allowance, and pension of the year 2020 for the Board of Director and sub-committee, consisting the Board of Director, Audit Committee, and the Nomination and Remuneration Committee. The Board of Director will propose to the Shareholders' Meeting for an approval, as appropriate and relevant to the company performance, which the remuneration have to be comparable with the listed company that is in the same industry and similar in its size.

3. Setting a salary raise and annual bonus

The Nomination and Remuneration Committee considered the structure of setting the annual bonuses of employees in 2021 and the salary raise in 2022 together with the Financial Controller Department, which is at an appropriate rate and in accordance with the company performance.

The Nomination and Remuneration Committee consistently reports its performance to the Board of Director for an acknowledgement, operating with all competences cautiously and transparency, adhere to good governance principle for benefit of the company, shareholders, and stakeholders as a whole.

(Mr. Pongtep Polanun)

Chairman of the Nomination and Remuneration Committee

4. Internal Controls and Related Transactions

4.1 Internal Control

Project Risk Management

As the Company is doing business that mainly focuses on project bidding, the Company is aware of various risks that may arise from the sale of each project and sets a policy for risk management to be a part of the Company's business operations and has a project risk management committee responsible for assessing various risks arising from financial, project management, technical matters, including internal and external factors in order to recommend guidelines for risk management to an acceptable level. by the successful project and can generate returns that are suitable for the Company

Internal control

The Board of Directors and the executives are directly responsible for maintaining the internal control system including reviewing its efficiency on a regular basis in order to prevent the shareholders' investments and the Company's assets. The internal control system covers the areas of finance, operation, compliance and risk management. The effectiveness of the international control and risk management systems provide the Company a reasonable assurance that the following objectives and goals will be achieved:

- Reliability and integrity of information and financial reports
- Compliance with regulations, policies, procedures and related laws
- Prevention of the Company's assets including proper control and maintain
- Efficiency, effectiveness business operation and maximize our resources
- Effective achievement of the Company's objectives and strategies

The summarize of the key internal control systems implemented by the Company are as follows:

1. Organization & Control Environment

The Company has facilitated the appropriated organization chart and environmental as a core internal control foundation. The Company has formulated business plans complete with vision, objectives, strategies, and budgets as well as determined evaluation criteria from the operation. It has continues restructured the organization to align it with these business plans. The Company has implemented a good corporate governance system, hires qualified personnel and continuously develops its human resources. It has established key policies and procedures to be used as guidelines in order to control transactions of financial, purchasing and risk management, etc.

2. Risk Assessment

All departments are required to evaluate the effectiveness of the business transaction's risks. The Risk Management Committee and the Audit Committee play major roles in overseeing the implementation of the Company's risk management system to an acceptable level.

3. Management Control

The Company has separated responsibilities over the various management duties and their segregation in order to ensure that there is a control system of checks and balances through the use of proper written authority and approval levels and limits. Guidelines for connected and related transactions have also been developed to ensure compliance with all relevant laws.

4. Information & Communication

The Company has implemented a management information & Communication system to assist in decision making. Critical information and data are collected, analyzed and stored in the Company's database. Two-way communications are both effective and efficient within the Company. At the Board of Directors level, information and supporting documentation are provided to all members in order to make more informed decision making possible.

5. Monitoring

The Company's external auditors, EY Office Limited, who appointed as the audit of the year 2021 which consolidated financial statements of Advanced Information Technology Public Company Limited and its subsidiary and separate statements of financial position in accordance with the generally accepted accounting standards.

The Company established the monitoring system by the executives and the Board of Directors to assess adherence to operation plans. The internal audit department is responsible for monitoring the internal controls independently, and giving an assessment and recommendations to the management team. The Board of Directors has evaluated the Company's internal control system in accordance with the assessment form provided by the Securities and Exchange Commission Thailand (SEC) in the following 5 areas: organization and control environment; risk management; management control; information and communication system; and monitoring system. The results of sufficiency of internal control system evaluation of the company in the year 2021 had an average score of 94%. The Board of Directors concluded that the overall internal control system is adequate and effective.

The Company appointed DIA and Associates Co., Ltd., as the Company's internal audit. The internal audit department reports directly to the Audit Committee, Managing Director and the President. Its duties and responsibilities include consulting, monitoring and assessing the effectiveness of the Company' and its subsidiaries' internal control systems, risk management systems and corporate governance to ensure that these are adequate and effective according to the Company's objectives.

The internal audit department has adopted a risk-based approach in formulating the annual audit plan which focuses on key business risks that might impact on the Company's business objectives and the accuracy of financial reports. This plan is reviewed and approved by the Audit Committee on an annual basis and reviewed the audit results and progress reports on a quarterly basis. The internal audit of the Company encourages applying for the standards of the Standards for the Professional Practice of Internal Auditing, the Institution of Internal Auditors. The policy establishes risk management framework which is independent, accurate, and reinforces the resources adequately.

The Internal Audit results in year 2021

1. Internal Audit No. 4/2020 <ul style="list-style-type: none"> • Inventory Control System • Follow-up of previous audit results 	2. Internal Audit No. 1/2021 <ul style="list-style-type: none"> • Advance Payment Control System • Budget Management System
3. Internal Audit No. 2/2021 <ul style="list-style-type: none"> • After-Sales Expenditure Control System • Cost of Sales Recognition and Record System 	4. Internal Audit No. 3/2021 <ul style="list-style-type: none"> • The Operation Procedures of Project Management Department • The Operation Procedures of Customer Services Department

4.2 Related party transactions

During the year, the Company had significant business transactions with the related parties which are conducted fairly at market prices. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	(Unit: Million Baht)		
	2021	2020	Transfer pricing policy
<u>Transactiona with the related parties</u>			
Sales of goods and services	1	7	Market price
Finance income	-	26	Agree-upon rate

Short-term loans to related party

As at 31 December 2021 and 2020, the balances of loans between the Company and the related company and the movement of loans are as follows:

	(Unit: Million Baht)
Loans to Genensis Data Center Co.,Ltd. (Joint Venture)	
Beginning balance	3,000
Increase during the year	10,000
Reclassify to assets held for sale	(13,000)
Ending balance	-

As at 31 December 2021, the Company has short-term loans to joint venture amounted to Baht 13 million (2020: Baht 3 million), which is due at call. The interest rate is 4.55% per annum.

Directors and management's benefits

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

	(Unit: Million Baht)	
	2021	2020
Short-term employee benefits	74	74
Post-employment benefits	7	7
Total	81	81

Guarantee obligations with related party

The Company and other companies have provided a written undertaking to bank to guarantee a long-term loan of Genesis Data Center Co.,Ltd. which is a joint venture of the Company. The Company's guarantee is limited to Baht 87 million.

Financial Statement

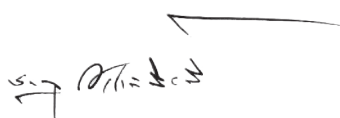
1. The Board of Directors' Responsibility for the Financial Statements

The Board of Directors is responsible for the financial statements of the Advanced Information Technology Public Company Limited including other related financial information which publish in the Annual Report (Form 56-1 one report). The financial statements are prepared in accordance with the Financial Reporting Standard that are appropriate in the circumstances and reasonableness of accounting estimates with careful consideration including transparent disclosures of important information in the notes to the financial statements which beneficial to shareholders and investors.

The Board of Directors established the appropriated risk management and internal control systems as well as evaluation to be efficient and up to standard and ensure that the Company's financial statements contain adequate and appropriated information in order to prevent any fraudulent activities or detect significantly abnormal operating. The Board of Directors appointed the Audit Committee to responsible for review of the accounting policy and quality of the Company's financial statements, internal control system, internal audit system, risk management system as well as consider any related transactions. The Audit Committee's opinion shall be provided in the Report of the Audit Committee which represented in this Annual Report (Form 56-1 one report).

The accompanying the consolidate financial statements and the separate financial statements of Advanced Information Technology Public Company Limited which comprise the statement of financial position as at 31 December 2021, the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements were audited by an independent external auditor, EY Company Limited. The Board also responsible to prepare and disclose information to support the auditor to review and gave opinion in accordance with Thai Standards on Auditing. The auditor's opinion shall be provided in the Report of the independent external auditor which represented in this Annual Report (Form 56-1 one report).

In conclusion, the Board of Directors gave opinions that the internal control systems of the Company are appropriate and ensure that the Company's financial statements of the Advanced Information Technology Public Company Limited are accurate in accordance with the generally accepted accounting standards and the related regulations.



Mr. Thana Chaiprasit
Chairman of the Board



Mr. Siripong Oontornpan
Chairman of Executive Board
Committee and President

2. Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Advanced Information Technology Public Company Limited

Opinion

I have audited the accompanying financial statements in which equity method is applied of Advanced Information Technology Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2021, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Advanced Information Technology Public Company Limited for the same period.

In my opinion, the financial statements in which equity method is applied and the separate financial statements referred to above present fairly, in all material respects, the financial position of Advanced Information Technology Public Company Limited as at 31 December 2021, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

The Company has disclosed its policies on revenue recognition for sales and services provided under contracts, cost estimates for projects under contracts and provision for anticipated losses on projects in Note 4.1 a) and Note 4.1 c) to the financial statements. I identified revenue recognition and estimation of anticipated losses on projects to be areas of significant risk in the audit. This is because the amount of revenue that the Company recognises from such contracts in each period forms a significant portion of the Company's total revenue. In addition, the process of measurement, the determination of appropriate timing of recognition, and the estimation of anticipated losses are areas requiring management to exercise significant judgement to assess the percentage of completion, the probability of loss, and the measurement of anticipated loss. There are therefore risks with respect to amount and timing of the recognition of revenue and provisions for anticipated losses on projects.

I assessed and tested the internal controls put in place by the Company over the process of entering into contracts, estimates of project costs and revisions thereto, recognition of revenue and estimation of percentage of completion and anticipated losses under contracts by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.

I also selected major contracts and randomly selected additional samples and performed the following procedures:

- Read the contracts to consider the conditions relating to revenue recognition.
- Inquired with the Company's engineers/the project managers about the terms of and risks associated with these contracts relevant to revenue recognition and estimates of anticipated loss.
- Made enquiries of the Company's engineers/the project managers, gained an understanding of the Company's process to assess the percentage of completion and cost estimates for projects, compared estimates of project costs to the project budgets approved by authorised person, and on a sampling basis, examined relevant documents and considered the rationale for budget revisions, compared past estimates with actual project costs in order to evaluate the project management's competency in estimating project costs, checked actual costs to supporting documents and performed an analytical review to compare the percentage of completion estimated by the Company's engineers/the project managers to the percentage of completion derived from the actual costs incurred.
- Evaluated the anticipated losses on projects assessed by the management through a comparative analysis of the actual cost incurred to the cost estimates for projects.
- Examined the accounting transactions related to revenue recognition that were recorded through journal vouchers, in order to detect any irregularities.
- Reviewed the disclosures made in the notes to the financial statements with respect to the basis of revenue recognition and the estimation of anticipated losses.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company 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.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Manee Rattanabunnakit

Certified Public Accountant (Thailand) No. 5313

EY Office Limited

Bangkok: 21 February 2022



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Advanced Information Technology Public Company Limited

Statement of financial position

As at 31 December 2021

(Unit: Baht)

		Financial statements in which equity method is applied	Consolidated financial statements	Separate financial statements	
	Note	2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	378,502,534	204,474,495	378,502,534	204,474,495
Other current financial assets	8	719,998,589	-	719,998,589	-
Trade and other receivables	9	2,070,826,046	2,633,925,272	2,070,826,046	2,633,925,272
Contract assets	10	913,455,018	1,303,894,241	913,455,018	1,303,894,241
Short-term loan to related party	6	-	3,000,000	-	3,000,000
Inventories	11	863,560,932	1,575,927,735	863,560,932	1,575,927,735
Other current assets		168,566,243	130,587,776	168,566,243	130,587,776
		5,114,909,362	5,851,809,519	5,114,909,362	5,851,809,519
Assets held for sale	12	37,848,061	-	82,999,900	-
Total current assets		5,152,757,423	5,851,809,519	5,197,909,262	5,851,809,519
Non-current assets					
Other non-current financial assets	13	82,248,985	139,584,500	82,248,985	139,584,500
Investment in subsidiary	14	-	-	-	-
Investments in joint ventures	16	-	30,707,663	75,999,800	169,999,700
Property, plant and equipment	17	94,269,034	93,036,395	94,269,034	93,036,395
Right-of-use assets		23,373,204	24,695,962	23,373,204	24,695,962
Equipment for lease	18	197,495,197	88,674,837	197,495,197	88,674,837
Intangible assets	19	34,121,897	34,934,200	34,121,897	34,934,200
Deferred tax assets	30	103,288,395	87,804,082	103,288,395	87,804,082
Other non-current assets		64,559,365	77,936,779	64,559,365	77,936,779
Total non-current assets		599,356,077	577,374,418	675,355,877	716,666,455
Total assets		5,752,113,500	6,429,183,937	5,873,265,139	6,568,475,974

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

Advanced Information Technology Public Company Limited

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

	Note	Financial statements Consolidated			
		in which equity method is applied	financial statements	Separate financial statements	
		2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from finance institutions	20	-	250,000,000	-	250,000,000
Trade and other payables	21	790,767,172	1,341,005,805	790,767,172	1,341,005,805
Unbilled payables		896,106,828	830,353,270	896,106,828	830,353,270
Current portion of liabilities under financial arrangement agreements	22	96,176,604	143,218,049	96,176,604	143,218,049
Current portion of lease liabilities		11,312,428	10,531,887	11,312,428	10,531,887
Income tax payable		29,274,432	37,462,085	29,274,432	37,462,085
Contract liabilities	10	405,901,120	351,066,460	405,901,120	351,066,460
Provision for penalty on project delay	23	77,100,000	77,502,855	77,100,000	77,502,855
Other current financial liabilities		122,806	3,117,304	122,806	3,117,304
Other current liabilities	24	133,336,496	133,726,638	133,336,496	133,726,638
Total current liabilities		2,440,097,886	3,177,984,353	2,440,097,886	3,177,984,353
Non-current liabilities					
Liabilities under financial arrangement agreements					
- net of current portion	22	117,981,497	171,914,619	117,981,497	171,914,619
Lease liabilities - net of current portion		11,516,525	14,492,528	11,516,525	14,492,528
Provision for long-term employee benefits	25	121,278,849	139,570,547	121,278,849	139,570,547
Total non-current liabilities		250,776,871	325,977,694	250,776,871	325,977,694
Total liabilities		2,690,874,757	3,503,962,047	2,690,874,757	3,503,962,047

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

Advanced Information Technology Public Company Limited

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

		Financial statements Consolidated in which equity financial method is applied statements Separate financial statements			
	Note	2021	2020	2021	2020
Shareholders' equity					
Share capital	26				
Registered					
1,547,406,727 ordinary shares of Baht 1 each (2020: 206,320,897 ordinary shares of Baht 5 each)		1,547,406,727	1,031,604,485	1,547,406,727	1,031,604,485
Issued and fully paid-up					
1,031,604,485 ordinary shares of Baht 1 each (2020: 206,320,897 ordinary shares of Baht 5 each)		1,031,604,485	1,031,604,485	1,031,604,485	1,031,604,485
Share premium		303,437,091	303,437,091	303,437,091	303,437,091
Retained earnings					
Appropriated-statutory reserve	28	128,778,000	103,160,449	128,778,000	103,160,449
Unappropriated		1,594,853,520	1,484,454,218	1,718,570,806	1,626,311,902
Other components of shareholders' equity		2,565,647	2,565,647	-	-
Total shareholders' equity		3,061,238,743	2,925,221,890	3,182,390,382	3,064,513,927
Total liabilities and shareholders' equity		5,752,113,500	6,429,183,937	5,873,265,139	6,568,475,974

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

Advanced Information Technology Public Company Limited

Statement of comprehensive income

For the year ended 31 December 2021

[Unit: Baht]

		Financial statements in which equity method is applied	Consolidated financial statements	Separate financial statements	
	Note	2021	2020	2021	2020
Revenues					
Sales and service income		6,765,973,539	6,529,652,751	6,765,973,539	6,529,652,751
Rental income from equipment for lease		179,383,171	131,232,762	179,383,171	131,232,762
Other income		89,389,577	70,082,803	89,389,577	70,082,803
Total revenues		7,034,746,287	6,730,968,316	7,034,746,287	6,730,968,316
Expenses					
Cost of sales and service		5,582,166,573	5,414,922,662	5,582,166,573	5,414,922,662
Cost of equipment for lease		95,320,094	90,198,230	95,320,094	90,198,230
Selling and distribution expenses		267,509,681	264,781,673	267,509,681	264,781,673
Administrative expenses		324,272,575	338,530,756	348,272,575	338,530,756
Impairment loss on financial assets		14,666,847	107,841,450	14,666,847	107,841,450
Fair value loss on FVTPL equity instrument		69,000,000	-	69,000,000	-
Total expenses		6,352,935,770	6,216,274,771	6,376,935,770	6,216,274,771
Operating profit		681,810,517	514,693,545	657,810,517	514,693,545
Share of loss from investments in joint ventures	16	(5,859,602)	(7,318,210)	-	-
Finance income		910,721	26,264,529	910,721	26,264,529
Finance cost		(11,546,129)	(21,122,543)	(11,546,129)	(21,122,543)
Profit before income tax expenses		665,315,507	512,517,321	647,175,109	519,835,531
Income tax expenses	30	(138,190,898)	(118,246,449)	(138,190,898)	(118,246,449)
Profit for the year		527,124,609	394,270,872	508,984,211	401,589,082
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial gain (loss) - net of income tax	25, 30	11,209,078	(14,497,114)	11,209,078	(14,497,114)
Other comprehensive income for the year		11,209,078	(14,497,114)	11,209,078	(14,497,114)
Total comprehensive income for the year		538,333,687	379,773,758	520,193,289	387,091,968
Basic earnings per share					
Profit attributable to equity holders of the Company	31	0.51	0.38	0.49	0.39

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

Advanced Information Technology Public Company Limited

Statements of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements

	Note	Issued and paid-up share capital	Share premium	Retained earnings		Share of other comprehensive income from joint venture	Total shareholders' equity
				Appropriated	Unappropriated		
				Other components of equity			
Balance as at 1 January 2020		1,031,604,485	303,437,091	103,160,449	1,445,109,775	2,565,647	2,885,877,447
Profit for the year		-	-	-	394,270,872	-	394,270,872
Other comprehensive income for the year		-	-	-	(14,497,114)	-	(14,497,114)
Total comprehensive income for the year		-	-	-	379,773,758	-	379,773,758
Dividend paid	31	-	-	-	(340,429,315)	-	(340,429,315)
Balance as at 31 December 2020		1,031,604,485	303,437,091	103,160,449	1,484,454,218	2,565,647	2,925,221,890

Financial statements in which equity method is applied

	Note	Issued and paid-up share capital	Share premium	Retained earnings		Share of other comprehensive income from joint venture	Total shareholders' equity
				Appropriated	Unappropriated		
				Other components of equity			
Balance as at 1 January 2021		1,031,604,485	303,437,091	103,160,449	1,484,454,218	2,565,647	2,925,221,890
Profit for the year		-	-	-	527,124,609	-	527,124,609
Other comprehensive income for the year		-	-	-	11,209,078	-	11,209,078
Total comprehensive income for the year		-	-	-	538,333,687	-	538,333,687
Dividend paid	34	-	-	-	(402,316,834)	-	(402,316,834)
Transfer to legal reserve	28	-	-	25,617,551	(25,617,551)	-	-
Balance as at 31 December 2021		1,031,604,485	303,437,091	128,778,000	1,594,853,520	2,565,647	3,061,238,743

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

Advanced Information Technology Public Company Limited

Statements of changes in shareholders' equity (continued)

For the year ended 31 December 2021

(Unit: Baht)

Separate financial statements						
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
				Appropriated	Unappropriated	
Balance as at 1 January 2020		1,031,604,485	303,437,091	103,160,449	1,579,649,249	3,017,851,274
Profit for the year		-	-	-	401,589,082	401,589,082
Other comprehensive income for the year		-	-	-	(14,497,114)	(14,497,114)
Total comprehensive income for the year		-	-	-	387,091,968	387,091,968
Dividend paid	34	-	-	-	(340,429,315)	(340,429,315)
Balance as at 31 December 2020		1,031,604,485	303,437,091	103,160,449	1,626,311,902	3,064,513,927
Balance as at 1 January 2021		1,031,604,485	303,437,091	103,160,449	1,626,311,902	3,064,513,927
Profit for the year		-	-	-	508,984,211	508,984,211
Other comprehensive income for the year		-	-	-	11,209,078	11,209,078
Total comprehensive income for the year		-	-	-	520,193,289	520,193,289
Dividend paid	34	-	-	-	(402,316,834)	(402,316,834)
Transfer to legal reserve	28	-	-	25,617,551	(25,617,551)	-
Balance as at 31 December 2021		1,031,604,485	303,437,091	128,778,000	1,718,570,806	3,182,390,382

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

Advanced Information Technology Public Company Limited

Cash flow statement

For the year ended 31 December 2021

(Unit: Baht)

	Financial statements in which equity method is applied	Consolidated financial statements	Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	665,315,507	512,517,321	647,175,109	519,835,531
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	107,180,152	99,018,221	107,180,152	99,018,221
Impairment loss on financial assets	14,666,847	107,841,450	14,666,847	107,841,450
Impairment loss on investment in joint venture	-	-	24,000,000	-
Share of loss from investments in joint ventures	5,859,602	7,318,210	-	-
Provision for penalty on project delay	-	1,433,321	-	1,433,321
Loss on write-off withholding tax deducted at source	-	2,041,991	-	2,041,991
Gain on sales of building improvement and equipment	(11,346)	(135,136)	(11,346)	(135,136)
Loss on write-off of equipment for lease	-	(173,285)	-	(173,285)
Provision for long-term employee benefits	13,353,694	26,665,324	13,353,694	26,665,324
Unrealised gain on exchange	(173,571)	(12,859,679)	(173,571)	(12,859,679)
Loss on fair value adjustments of financial instruments	66,006,913	2,444,036	66,006,913	2,444,036
Finance cost	11,546,129	21,122,543	11,546,129	21,122,543
Profit from operating activities before changes in operating assets and liabilities	883,743,927	767,234,317	883,743,927	767,234,317
Operating assets (increase) decrease				
Trade and other receivables	559,114,580	(411,225,069)	559,114,580	(411,225,069)
Contract assets	382,994,839	352,467,773	382,994,839	352,467,773
Inventories	712,366,803	(829,996,696)	712,366,803	(829,996,696)
Advances for goods and services	-	156,366,249	-	156,366,249
Other current assets	(37,978,467)	20,281,321	(37,978,467)	20,281,321
Other non-current assets	13,377,414	(28,620,608)	13,377,414	(28,620,608)
Operating liabilities increase (decrease)				
Trade and other payables	(556,778,632)	599,580,949	(556,778,632)	599,580,972
Unbilled payables	65,753,558	116,810,908	65,753,558	116,810,908
Contract liabilities	54,834,660	(193,417,199)	54,834,660	(193,417,199)
Cash paid for penalty on project delay	(402,855)	(39,479,279)	(402,855)	(39,479,279)
Other current liabilities	(390,209)	39,327,933	(390,209)	39,327,933
Cash paid for long-term employee benefits	(17,634,044)	(2,984,766)	(17,634,044)	(2,984,766)
Cash from operating activities	2,059,001,574	546,345,833	2,059,001,574	546,345,856
Interest paid	(11,664,210)	(21,448,023)	(11,664,210)	(21,448,023)
Refundable withholding tax deducted at sources	-	10,724,908	-	10,724,908
Income tax paid	(164,665,134)	(129,505,645)	(164,665,134)	(129,505,645)
Net cash from operating activities	1,882,672,230	406,117,073	1,882,672,230	406,117,096

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

Advanced Information Technology Public Company Limited

Cash flow statement (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Financial statements in which equity method is applied	Consolidated financial statements	Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Purchase of unit trust in open-end mutual funds - debt instruments	(720,000,000)	-	(720,000,000)	-
Purchase of financial instruments	(11,664,485)	(54,594,000)	(11,664,485)	(54,594,000)
Increase in short-term loan to related party	(10,000,000)	(3,000,000)	(10,000,000)	(3,000,000)
Proceeds from sales of equipment	30,294	144,436	30,294	144,436
Proceeds from sales of equipment for lease	-	173,500	-	173,500
Cash payment for purchase of building improvement and equipment	(26,181,446)	(16,352,220)	(26,181,446)	(16,352,220)
Cash payment for purchase of equipment for lease	(169,138,438)	(23,017,776)	(169,138,438)	(23,017,776)
Cash payment for purchase of computer software	(4,921,380)	(4,642,699)	(4,921,380)	(4,642,699)
Net cash used in investing activities	(941,875,455)	(101,288,759)	(941,875,455)	(101,288,759)
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(250,000,000)	(150,000,000)	(250,000,000)	(150,000,000)
Increase (decrease) in liabilities under financial arrangement agreements	(100,974,567)	209,627,817	(100,974,567)	209,627,817
Cash payment for lease liabilities	(13,477,402)	(9,823,428)	(13,477,402)	(9,823,428)
Dividend paid	(402,316,767)	(340,340,625)	(402,316,767)	(340,340,625)
Net cash used in financing activities	(766,768,736)	(290,536,236)	(766,768,736)	(290,536,236)
Net increase in cash and cash equivalents	174,028,039	14,292,078	174,028,039	14,292,101
Cash and cash equivalents at beginning of year	204,474,495	190,182,417	204,474,495	190,182,394
Cash and cash equivalents at end of year	378,502,534	204,474,495	378,502,534	204,474,495
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions				
Purchase of building improvement and equipment for which no cash has been paid	2,331,134	2,855,630	2,331,134	2,855,630
Purchase of equipment for lease for which no cash has been paid	62,700	-	62,700	-
Purchase of computer software for which no cash has been paid	1,200,000	-	1,200,000	-
Additions to right-of-use assets and lease liabilities	11,281,940	9,244,035	11,281,940	9,244,035

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

Advanced Information Technology Public Company Limited

Notes to financial statements

For the year ended 31 December 2021

Advanced Information Technology Public Company Limited

Notes to financial statements

For the year ended 31 December 2021

1. General information

1.1 General information of the Company

Advanced Information Technology Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the sale, design, installation, service, ongoing repair and maintenance, training and lump sum turnkey for information and communication technology network systems and the renting of computers and electronic equipment. The registered office of the Company is at 37/2 Suthisarnvinijchai Road, Samsaennok, Huaykwang, Bangkok.

1.2 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. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

- 2.2 The separate financial statements present investments in joint ventures under the cost method.

- 2.3 The Company has interests in joint operations which are joint arrangements whereby the Company has rights to assets and obligations relating to the joint arrangements. The Company recognises assets, liabilities, revenues and expenses in relation to its interest in the following joint operations in financial statements in which equity method is applied and separate financial statements from the date that joint control commences until the date that joint control ceases.

Name of entity	Nature of Business	Country of incorporation	Interest in joint operations	
			2021 Percent	2020 Percent
AWD Joint Venture	Construction	Thailand	50	50
SA Joint Venture	Construction	Thailand	45	-

In September 2021, SA Joint Venture entered into an agreement on a construction project of land information center building with Department of Lands. SA Joint Venture is a joint arrangement which is treated as a joint operation among the Company and another company, with the Company having an interest of 45% under the joint venture agreement.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

a) Revenues from contract with customer

The Company considers that the contracts with customers are obtained when the Company is committed by the contracts with customers to transfer to the rights and obligations. The Company identifies the performance obligations in the contracts and allocates the transaction price to the performance obligations in the contracts.

Revenue arising from contracts with customers are recognised when control of goods or service have passed to customers at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to customers, excluding value added tax.

The Company transfers the control either over time or at a point in time depending upon conditions of contracts and laws applied to such contracts. The Company transfers control of assets over time if one of the following criteria is met:

- the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Sales and service income

Revenues from the sale, design, installation, service, ongoing repair and maintenance, training and lump sum turnkey for information and communication technology network systems and long-term are recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by the Company's engineers/the project managers.

The recognised revenue which is not yet due per the contracts has been presented under the caption of "Unbilled receivables" in the statement of financial position.

The obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Advance received from customers" in the statement of financial position.

The service-type warranties provided customers with a service in addition to the assurance with agreed-upon specifications are recognised as revenue over the periods in which the service is provided.

Using the practical expedient, the Company elects not to adjust the promised amount of consideration for the effects of a significant financing component because they expect, at contract inception, that the period between the transfer of the promised good or service to customer and when the customer pays for that good or service is one year or less.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, and allowances to customers.

Service revenues are recognised when the services have been rendered taking into account the stage of completion.

Maintenance income is recognised over the period of maintenance.

Rental income

Rental income is recognised over the period of rental.

b) Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

c) Cost of sales and service

Costs of sales, design, installation, service, ongoing repair and maintenance, training, contract lump sum turnkey for information and communication technology network systems and long-term construction are recognised in accordance with the percentage of work completed for which revenue has already been recognised, based on total estimated costs. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained. Differences between the estimated costs and the actual costs are recognised as “work in progress” under inventories or “unbilled payables” under current liabilities in the statement of financial position.

d) Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and cash at banks, and all highly liquid investments with an original maturity of 3 months, or less, and are not subject to withdrawal restrictions.

4.3 Inventories

Equipment, work in progress and goods in transit are valued at the lower of cost and net realisable value. Cost consists of the cost of equipment, labour, subcontract works and other relevant expenses.

4.4 Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Assets classified as held for sale are presented separately as current items in the statement of financial position.

4.5 Investments in joint ventures

Investments in joint ventures are accounted for in the financial statements in which equity method is applied using the equity method.

Investments in joint ventures are accounted for in the separate financial statements using the cost method.

4.6 Property, plant, equipment and equipment for lease/Depreciation

Land is stated at cost. Building, equipment and equipment for lease are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant, equipment and equipment for lease is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building	20 years
Building improvement	5 years
Furniture, fixtures and office equipment	5, 10 years
Computers	3, 5 years
Equipment used in projects	3, 5 years
Equipment for lease	Lease period 2 - 4 years

Depreciation is included in determining income.

No depreciation is provided for land and asset under installation.

An item of property, plant, equipment and equipment for lease is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included as profit or loss when the asset is derecognised.

4.7 Intangible assets

The intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The estimated useful lives of computer software are 10 years.

4.8 Leases

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

The Company as a lessee

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	2 - 4 years
Machinery and equipment	2 - 5 years
Motor vehicles	2 - 5 years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

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

The Company as a lessor

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

4.9 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprise which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.10 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.11 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.13 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward, to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets, to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity, if the tax relates to items that are recorded directly to shareholders' equity.

4.15 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Company’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives and equity investments which the Company has not irrevocably elected to classify at FVOCI.

Dividends on equity investments are recognised as other income in profit or loss.

The Company may elect to measure financial assets at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency (Accounting mismatch).

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Company’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

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

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

Impairment of financial assets

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

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

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

Offsetting of financial instruments

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

4.16 Derivatives

The Company uses derivatives (forward currency contracts) to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.17 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 Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgements and estimates

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

Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Company recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on information provided by the Company's engineers or project managers. The management has exercised judgement based on their best knowledge of the current events and arrangements and their experience of the business in order to estimate the percentage of completion according to output method to reflect the Company's performance obligation to complete.

Provision for loss/penalty on project delay

The management apply their judgements in estimating the loss/penalty on project delay they expect to be realised on each project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in cost of equipment, labour, other relevant expenses and the current situation.

Allowance for expected credit losses of trade receivables and contract assets

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

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are relevant to investments in joint ventures recognised by the Company.

Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and recorded the provisions as described in Note 35.5 to the financial statements.

6. Related party transactions

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

	(Unit: Million Baht)		
	2021	2020	Transfer pricing policy
<u>Transactions with the related parties</u>			
Sales of goods and services	1	7	Market price
Finance income	-	26	Agree-upon rate

Short-term loans to related party

As at 31 December 2021 and 2020, the balances of loans between the Company and the related company and the movement in loans are as follows:

(Unit: Thousand Baht)

Loans to Genesis Data Center Co., Ltd. (Joint venture)

Beginning balance	3,000
Increase during the year	10,000
Reclassify to assets held for sale (Note 12)	(13,000)
Ending balance	-

As at 31 December 2021, the Company has short-term loans to joint venture amounted to Baht 13 million (2020: Baht 3 million), which is due at call. The interest rate is 4.55% per annum.

Directors and management's benefits

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

(Unit: Million Baht)

	2021	2020
Short-term employee benefits	74	74
Post-employment benefits	7	7
Total	81	81

Guarantee obligations with related party

The Company and other companies have provided a written undertaking to a bank to guarantee a long-term loan of Genesis Data Center Co., Ltd., which is a joint venture of the Company. The Company's guarantee is limited to Baht 87 million.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	2021	2020
Cash	398	513
Bank deposits	378,105	203,961
Total	378,503	204,474

As at 31 December 2021, bank deposits in savings accounts carried interests between 0.05% - 0.13% per annum (2020: 0.05% - 0.13% per annum).

8. Other current financial assets

As at 31 December 2021 and 2020, details of other current financial assets are as below.

	(Unit: Thousand Baht)	
	2021	2020
Financial assets at FVTPL		
Unit trust in open-end mutual funds - debt instruments	719,999	-

9. Trade and other receivables

	(Unit: Thousand Baht)	
	2021	2020
<u>Trade receivables</u>		
Aged on the basis of due dates		
Not yet due	838,472	754,518
Past due		
Up to 3 months	642,077	1,141,303
3 - 6 months	200,728	359,618
Over 6 - 12 months	370,915	383,831
Over 12 months	113,453	91,385
Total	2,165,645	2,730,655
Less: Allowance for expected credit losses	(99,626)	(96,730)
Total trade receivables - net	2,066,019	2,633,925
<u>Other receivables</u>		
Other receivables	47,849	38,715
Less: Allowance for expected credit losses	(43,042)	(38,715)
Total other receivables - net	4,807	-
Total trade and other receivables - net	2,070,826	2,633,925

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

	(Unit: Thousand Baht)
Beginning balance	135,445
Provision for expected credit losses	2,146
Amount recovered	(2,555)
Effect from foreign exchange	7,632
Ending balance	142,668

10. Contract assets / Contract liabilities

	(Unit: Thousand Baht)	
	2021	2020
Contract assets		
Unbilled receivables	972,012	1,361,850
Retention receivables	16,721	9,878
Total	988,733	1,371,728
Less: Allowance for expected credit losses	(75,278)	(67,834)
Total contract assets - net	913,455	1,303,894
Contract liabilities		
Advances received from hirers	114,102	191,043
Construction revenue received in advance	291,799	160,023
Total contract liabilities	405,901	351,066

As at 31 December 2021, the balance of unbilled receivables of Baht 649 million (2020: Baht 1,012 million) is expected to be billed within one year and Baht 323 million (2020: Baht 350 million) is expected to be billed after one year.

Set out below is the movement in the allowance for expected credit losses of contract assets.

	(Unit: Thousand Baht)
Beginning balance	67,834
Provision for expected credit losses	13,640
Amount recovered	(6,196)
Ending balance	75,278

11. Inventories

	(Unit: Thousand Baht)					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Equipment and work in process	856,223	1,556,224	(1,442)	(1,442)	854,781	1,575,928
Goods in transit	8,780	21,146	-	-	8,780	21,146
Total	865,003	1,577,370	(1,442)	(1,442)	863,561	1,575,928

12. Assets held for sale

On 7 December 2021, the Company entered into a share purchase agreement to divest of all its investments in Genesis Data Center Co., Ltd., (joint venture) to an unrelated company incorporated in France at a price of Baht 137 million and completed such divestment in January 2022. As at 31 December 2021, the Company therefore classified the investment in joint venture and loan to this company as assets held for sale.

As at 31 December 2021, assets held for sale were as follow:

	(Unit: Thousand Baht)	
	Financial statements in which equity method is applied	Separate financial statements
Carring amounts of investments	24,848	70,000
Short-term loans to related party (Note 3)	13,000	13,000
Total	37,848	83,000

13. Other non-current financial assets

	(Unit: Thousand Baht)	
	2021	2020
<u>Debt instrument at amortised cost</u>		
Convertible loan	10	-
<u>Financial assets at FVTPL</u>		
Non-listed equity instruments		
Campana Group Pte. Ltd.	140	140
Fair value adjustments financial assets	(69)	-
	71	-
Blue Green Solution Co., Ltd.	1	-
Total financial assets at FVTPL	72	140
Total other non-current financial assets - net	82	140

Convertible loan is loan to Campana Group Pte. Ltd. which is a related party (related by common director) and designated at amortised cost. It represents a US dollar loan of USD 318,058. The loan is unsecured and carries interest at the rate of 9.125 percent per annum. It is repayable in September 2025 or convertible into share capital of such company at a price of USD 50 per share.

14. Investment in subsidiary

In March 2020, S P Resources and Commercials Pte. Ltd, a subsidiary, completed the process of closing its business.

15. Joint arrangements - joint operations

Financial information of the Company and the joint arrangements which is the joint operations as described in Note 2.3 to the financial statements are presented including in the separate financial statements as below.

(Unit: Million Baht)

	As at 31 December 2021			
	The Company	The joint arrangements	Elimination entries	Separate financial statements
Summarised information about financial position:				
Current assets	5,204	109	(115)	5,198
Non-current assets	675	-	-	675
Current liabilities	2,429	127	(115)	2,441
Non-current liabilities	251	-	-	251
Shareholders' equity	3,199	(18)	-	3,181

(Unit: Million Baht)

	As at 31 December 2020			
	The Company	The joint arrangements	Elimination entries	Separate financial statements
Summarised information about financial position:				
Current assets	5,855	138	(141)	5,852
Non-current assets	717	-	-	717
Current liabilities	3,166	153	(141)	3,178
Non-current liabilities	326	-	-	326
Shareholders' equity	3,079	(14)	-	3,065

(Unit: Million Baht)

For the year ended 31 December 2021

	The Company	The joint arrangements	Elimination entries	Separate financial statements
Summarised information about profit or loss:				
Total revenues	7,038	(29)	26	7,035
Total expenses	(6,377)	26	(26)	(6,377)
Operating profit (loss)	661	(3)	-	658
Finance income	1	-	-	1
Finance cost	(12)	-	-	(12)
Profit (loss) before income tax expenses	650	(3)	-	647
Income tax expenses	(139)	-	-	(139)
Profit (loss) for the year	511	(3)	-	508

(Unit: Million Baht)

For the year ended 31 December 2020

	The Company	The joint arrangements	Elimination entries	Separate financial statements
Summarised information about profit or loss:				
Total revenues	6,733	15	(17)	6,731
Total expenses	(6,204)	(29)	17	(6,216)
Operating profit (loss)	529	(14)	-	515
Finance income	26	-	-	26
Finance cost	(21)	-	-	(21)
Profit (loss) before income tax expenses	534	(14)	-	520
Income tax expenses	(118)	-	-	(118)
Profit (loss) for the year	416	(14)	-	402

16. Investments in joint ventures

16.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

(Unit: Million Baht)

Joint ventures	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		Investments under cost method		Investments under equity method	
			2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
			(%)	(%)								
Loxley & AIT Holding Co., Ltd.	Invest in the business of lump sum turnkey contracting for the installation of communication tools, electricity plants and sales of related equipment	Thailand	50.00	50.00	100	100	(24)	-	76	100	-	-
Genesis Data Center Co., Ltd.	Data center service	Thailand	33.33	33.33	*	70	*	-	*	70	*	31
Total					100	170	(24)	-	76	170	-	31

* As described in Note 12 to the financial statements, the Company classified investment in Genesis Data Center Co., Ltd. to assets held for sale.

16.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investments in the joint ventures in the financial statements as follows:

(Unit: Million Baht)

Joint ventures	Financial statements in which equity method is applied	Consolidated financial statements	Separate financial statements	
	Share of loss from investments in joint ventures during the year		Dividend received during the year	
	2021	2020	2021	2020
Loxley & AIT Holding Co., Ltd.	-	-	-	-
Genesis Data Center Co., Ltd.	(5.9)	(7.3)	-	-
Total	(5.9)	(7.3)	-	-

16.3 Summarised financial information about material joint ventures

Summarised information about financial position.

	(Unit: Million Baht)		
	Loxley & AIT Holding Co., Ltd.		Genesis Data
	2021	2020	Center Co., Ltd.* 2020
Cash and cash equivalents	9.5	9.5	-
Other current assets	-	-	34.0
Building and equipment	-	-	394.5
Non-current assets	-	-	0.4
Short-term loans from related parties	-	-	(9.0)
Current portion of long-term loans	-	-	(30.9)
Current portion of lease liabilities	-	-	(2.9)
Other current liabilities	(0.2)	(0.2)	(6.9)
Long-term loans	-	-	(90.7)
Lease liabilities	-	-	(196.4)
Net assets	9.3	9.3	92.1
Shareholding percentage (%)	50.00	50.00	33.33
Carrying amounts of joint ventures based on equity method	-	-	30.7

Summarised information about comprehensive income.

	(Unit: Million Baht)		
	For the years ended 31 December		Genesis Data
	2021	2020	Center Co., Ltd.* 2020
Revenue	-	-	47.8
Depreciation expense	-	-	(26.7)
Selling and administrative expense	(0.2)	(0.2)	(28.1)
Interest expense	-	-	(15.0)
Loss	(0.2)	(0.2)	(22.0)
Other comprehensive income	-	-	-
Total comprehensive income	(0.2)	(0.2)	(22.0)

* As at 31 December 2021, investment in Genesis Data Center Co., Ltd. was classified as assets held for sale.

16.4 Investment in joint venture with capital deficit

The Company recognised share of losses from investment in Loxley & AIT Holding Co., Ltd., until the value of the investments approached zero. Subsequent losses incurred by this joint venture have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of this joint venture.

17. Property, plant and equipment

(Unit: Thousand Baht)

	Land	Building and improvement	Furniture, fixture and office equipment	Computers	Equipment used in projects	Total
Cost						
As at 1 January 2020	35,718	69,757	21,255	57,286	187,236	371,252
Additions	-	858	818	7,390	10,142	19,208
Disposals	-	(68)	(106)	(969)	(905)	(2,048)
As at 31 December 2020	35,718	70,547	21,967	63,707	196,473	388,412
Additions	-	503	3,674	9,158	15,178	28,513
Disposals	-	-	(267)	(1,783)	(1,802)	(3,852)
As at 31 December 2021	35,718	71,050	25,374	71,082	209,849	413,073
Accumulated depreciation						
As at 1 January 2020	-	38,776	15,906	49,131	165,541	269,354
Depreciation for the year	-	6,289	1,911	5,809	14,051	28,060
Depreciation on disposals	-	(68)	(99)	(966)	(905)	(2,038)
As at 31 December 2020	-	44,997	17,718	53,974	178,687	295,376
Depreciation for the year	-	6,278	2,180	6,863	11,940	27,261
Depreciation on disposals	-	-	(266)	(1,783)	(1,784)	(3,833)
As at 31 December 2021	-	51,275	19,632	59,054	188,843	318,804
Net book value						
As at 31 December 2020	35,718	25,550	4,249	9,733	17,786	93,036
As at 31 December 2021	35,718	19,775	5,742	12,028	21,006	94,269
Depreciation for the year						
2020 (Baht 14.0 million included in cost of sales and service, and the balance in administrative expenses)						28,060
2021 (Baht 11.9 million included in cost of sales and service, and the balance in administrative expenses)						27,261

As at 31 December 2021, certain items of building and equipment were fully depreciated but are still in use. The gross carrying amount before deducting the accumulated depreciation of those assets amounted to approximately Baht 255 million (2020: Baht 241 million).

18. Equipment for lease

(Unit: Thousand Baht)

	Equipment for lease	Equipment for lease under installation	Total
Cost			
As at 1 January 2020	277,510	9,845	287,355
Additions	6,099	16,919	23,018
Disposals	(5,805)	-	(5,805)
Transfer in (out)	26,764	(26,764)	-
As at 31 December 2020	304,568	-	304,568
Additions	169,201	-	169,201
As at 31 December 2021	473,769	-	473,769
Accumulated depreciation			
As at 1 January 2020	166,790	-	166,790
Depreciation for the year	54,907	-	54,907
Depreciation on disposals	(5,804)	-	(5,804)
As at 31 December 2020	215,893	-	215,893
Depreciation for the year	60,381	-	60,381
As at 31 December 2021	276,274	-	276,274
Net book value			
As at 31 December 2020	88,675	-	88,675
As at 31 December 2021	197,495	-	197,495
Depreciation for the year			
2020 (all included in cost of equipment for lease)			54,907
2021 (all included in cost of equipment for lease)			60,381

As at 31 December 2021, certain items of equipment for lease were fully depreciated but are still in use. The gross carrying amount before deducting the accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 72 million (2020: Baht 72 million).

19. Intangible assets

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

	(Unit: Thousand Baht)	
	2021	2020
Cost	72,935	66,814
<u>Less</u> Accumulated amortisation	(38,813)	(31,880)
Net book value	34,122	34,934

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

	(Unit: Thousand Baht)	
	2021	2020
Net book value at beginning of year	34,934	36,190
Acquisition	6,121	4,643
Amortisation	(6,933)	(5,899)
Net book value at end of year	34,122	34,934

20. Short-term loans from financial institutions

As at 31 December 2020, short-term loans from financial institutions carry interest at rates of 1.25% - 1.35% per annum.

21. Trade and other payables

	(Unit: Thousand Baht)	
	2021	2020
Trade accounts payable	644,400	1,209,324
Other payables	14,207	12,494
Accrued expenses	132,160	119,188
Total trade and other payables	790,767	1,341,006

22. Liabilities under financial arrangement agreements

	(Unit: Million Baht)	
	2021	2020
Liabilities under financial arrangement agreements	217.8	319.4
Less: Deferred interest	(3.6)	(4.3)
Total	214.2	315.1
Less: Portion due within one year	(96.2)	(143.2)
Portion due more than one year	118.0	171.9

The Company entered into financial arrangement agreements to purchase computer equipment and services for project works. The liabilities under the agreements are payable on monthly, quarterly and yearly bases and the terms of agreements are generally 3 - 5 years.

The Company has future minimum payments required under the financial arrangement agreements as follows:

(Unit: Million Baht)			
As at 31 December 2021			
	Less than 1 year	1 - 5 years	Total
Future minimum payments	98.2	119.6	217.8
Deferred interest expenses	(2.0)	(1.6)	(3.6)
Present value of future minimum payments	96.2	118.0	214.2

(Unit: Million Baht)			
As at 31 December 2020			
	Less than 1 year	1 - 5 years	Total
Future minimum payments	145.6	173.8	319.4
Deferred interest expenses	(2.4)	(1.9)	(4.3)
Present value of future minimum payments	143.2	171.9	315.1

23. Provision for penalty on project delay

(Unit: Thousand Baht)		
	2021	2020
As at 1 January	77,503	115,549
Increase during the year	-	1,433
Utilised	(403)	(39,479)
As at 31 December	77,100	77,503

The Company recognised a provision for penalty on project delay that was calculated based on the number of delay days and penalty rate specified in the contract. The Company estimates the number of delay days and the expected complete work date to hand over the work to the customer which based on past experience of the engineer/project manager and historical actual information of the projects.

24. Other current liabilities

	(Unit: Thousand Baht)	
	2021	2020
Value added tax payable	42,285	14,309
Undue output tax	41,646	75,691
Withholding tax payable	39,271	40,346
Others	10,134	3,381
Total other current liabilities	133,336	133,727

25. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employee after they retire, was as follows:

	(Unit: Thousand Baht)	
	2021	2020
Provision for long-term employee benefits at beginning of year	139,571	97,769
Included in profit or loss:		
Current service cost	11,261	24,699
Interest cost	2,092	1,966
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	-	(8,729)
Financial assumptions changes	(6,045)	3,441
Experience adjustments	(7,966)	23,410
Benefits paid during the year	(17,634)	(2,985)
Provision for long-term employee benefits at end of year	121,279	139,571

The Company expects to pay Baht 11 million of long-term employee benefits during the next year (2020: Baht 8 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 16 years (2020: 17 years).

Significant actuarial assumptions used for the valuation are summarised below.

	2021	2020
	(% per annum)	(% per annum)
Discount rate	2.28	1.71
Salary increase rate	6	0 - 6
Staff turnover rate	1 - 17	2 - 17

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below.

	(Unit: Million Baht)			
	2021		2020	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(10)	11	(11)	13
Salary increase rate	12	(11)	13	(12)
Staff turnover rate	(7)	7	(8)	8

26. Share capital

On 21 December 2021, the extraordinary meeting of the Company No. 1/2021 approved the following resolutions:

- a) Approved to the change in the par value from Baht 5 per share to Baht 1 per share, resulting in an increase in the number of ordinary shares from 206,320,897 shares to 1,031,604,485 shares. The Company registered the change in the par value of the Company's ordinary shares with the Ministry of Commerce on 23 December 2021.
- b) Approved the increase in the Company's registered share capital from Baht 1,032 million (1,031,604,485 shares at a par value of Baht 1 each) to Baht 1,547 million (1,547,406,727 shares at a par value of Baht 1 each), through the issue of 515,802,242 new ordinary shares of Baht 1 each to reserve for the issuance of warrants to purchase the Company's ordinary shares No.2 (AIT-W2) as described in Note 27 to the financial statements. The Company registered the capital increase with the Ministry of Commerce on 24 December 2021.

27. Warrants

On 21 December 2021, the extraordinary meeting of the Company No. 1/2021 approved the issuance of warrants to purchase the Company's ordinary shares No.2 (AIT-W2) allocated to the existing shareholders in proportion to their shareholdings without charge. The Company determined the shareholders who had the rights to receive the warrants on 10 January 2022, at the ratio of 2 existing shares to 1 warrant (any fraction shall be discarded). The term of warrants is not over 2 years from the date of issuance (13 January 2022). The exercise ratio is 1 warrant per 1 ordinary share at an exercise price of Baht 2. Such warrants can be exercised from 30 September 2022 to 12 January 2024.

28. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

29. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	2021	2020
Salaries, bonus, commission and other employee benefits	765,082	711,842
Installation and services expenses	706,109	738,919
Repair and maintenance expenses	612,543	572,096
Depreciation and amortisation	107,180	99,018
Entertainment expenses	36,749	48,203
Purchase inventories	3,104,145	4,116,328
Changes in inventories	574,431	(557,559)

30. Income tax

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

	(Unit: Thousand Baht)	
	2021	2020
Current income tax:		
Current income tax charge	156,478	132,217
Adjustment in respect of income tax of previous year	-	2,345
Deferred tax:		
Relating to origination and reversal of temporary differences	(18,287)	(16,316)
Income tax expense reported in profit or loss	138,191	118,246

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

	(Unit: Thousand Baht)	
	2021	2020
Deferred tax on actuarial gain (loss)	2,803	(3,625)

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

(Unit: Thousand Baht)

	Financial statements in which equity method is applied	Consolidated financial statements	Separate financial statements	
	2021	2020	2021	2020
Accounting profit before income tax expenses	665,316	512,517	647,175	519,836
Applicable tax rate	20%	20%	20%	20%
Accounting profit before income expense tax multiplied by applicable tax rate	133,063	102,503	129,435	103,967
Adjustment in respect of income tax of previous year	-	2,345	-	2,345
Effects of:				
Non-deductible expenses	8,461	11,049	8,461	11,049
Additional expense deductions allowed	(2,054)	(3,157)	(2,054)	(3,157)
Share loss from investments in joint ventures	1,172	1,464	-	-
Others	(2,451)	4,042	2,349	4,042
Total	5,128	13,398	8,756	11,934
Income tax expenses reported in profit or loss	138,191	118,246	138,191	118,246

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)	
	Statements	
	of financial position	
	2021	2020
Deferred tax assets		
Allowance for expected credit losses	43,589	40,656
Allowance for impairment of investment in joint venture	4,800	-
Fair value adjustments financial assets	13,800	-
Payables under forward contracts	24	623
Provision for penalty on project delay	15,420	15,789
Provision for long-term employee benefits	24,256	27,914
Revenue from contracts with customers	1,399	2,822
Total	103,288	87,804

31. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares held by outside shareholders in proportion to the change in the number of shares as a result of the change in the par value from Baht 5 each to Baht 1 each as described in Note 26 to the financial statements. The number of ordinary shares is adjusted as if the share split had occurred at the beginning of the earliest period reported.

32. Segment information

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 decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

The Company's business operations involve 2 principal segments: (1) sales and service and revenue from construction contracts (2) rental of equipment. The Company measured segment performance based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. During the years ended 31 December 2021 and 2020, there were no material activities pertaining to the rental segment. For this reason, no related financial information has been presented by either industry segment or geographical area.

Geographic information

The Company is mainly operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers

In year 2021, the Company has revenue from 2 major customers in the amount of Baht 1,077 million and Baht 801 million, respectively which derived from sales and service income (2020: revenue from a major customer in the amount of Baht 1,271 million).

33. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530, contributed to the fund monthly at rates of 5 - 15% of basic salary. The fund, which is managed by SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021, amounting to Baht 32 million (2020: Baht 30 million) were recognised as expenses.

34. Dividend paid

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends of 2019	Board of Directors' meeting of the Company held on 27 March 2020	288.8	1.40
Interim dividends of 2020	Board of Directors' meeting of the Company held on 10 August 2020	51.6	0.20
Total for 2020		340.4	1.60
Final dividends of 2020	Annual General Meeting of the Company's shareholders held on 8 April 2021	257.9	1.25
Interim dividends of 2021	Board of Directors' meeting of the Company held on 10 August 2021	144.4	0.70
Total for 2021		402.3	1.95

35. Commitments and contingent liabilities

35.1 Obligations relating to undelivered and unrendered contracts

1. The Company has contracts related to selling goods and rendering services that are undelivered and unrendered to its customers of approximately Baht 5,138 million (2020: Baht 7,121 million). The Company expects to satisfy the performance obligations within 4 years (2020: 5 years).
2. The Company has engaged in various rental contracts with companies of which the government is a major shareholder, government agencies and private companies, with a total contract value for future services rendering as follows:

	(Unit: Million Baht)	
	2021	2020
In up to 1 year	158	74
In over 1 year and up to 5 years	233	43

The Company has obliged to complete the equipment installation and render maintenance services of these equipment in accordance with conditions stipulated in the contracts.

35.2 Guarantees

As at 31 December 2021, there were outstanding bank guarantees of Baht 2,007 million (2020: Baht 2,307 million) which have been issued by banks on behalf of the Company and consortium, in respect of certain performance bonds as required in the ordinary course of its business. These included letters of guarantee amounting to Baht 2,005 million (2020: Baht 2,305 million) to guarantee contractual performance and Baht 2 million (2020: Baht 2 million) to guarantee payments due to creditors.

35.3 Litigation

The Company was sued for fines in a lawsuit case brought by the government claiming damages for a breach of contract because the Company failed to complete work. At present, the case is being considered by the supreme Court. However, the Company has recorded provision for the contingent liabilities amount of Baht 77 million which the management believes that it is sufficient in the current situation.

36. Fair value hierarchy

As at 31 December 2021 and 2020, the Company had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Unit trust in open-end mutual funds -				
debt instruments	-	720	-	720
Equity investments	-	-	72	72

(Unit: Million Baht)

	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Equity investments	-	-	140	140
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	3	-	3

37. Financial instruments

37.1 Derivatives not designated as hedging instruments

(Unit: Million Baht)

	2021	2020
Derivative liabilities not designated as hedging instruments		
Foreign exchange forward contracts	-	3

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally 6 months.

37.2 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, short-term loans, trade accounts payable and liabilities under financial arrangement agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable, contract assets, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Company's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables and contract assets

The Company manages the risk by adopting appropriate credit control policies and procedures and most customers are government agencies, companies in which the government is a major shareholder. Therefore, the Company does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored.

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

Financial instruments and cash deposits

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's chief financial officer on an annual basis, and may be updated throughout the year. The limits are set to mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising currency risk and interest rate risk. The Company enters into foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods to manage its risk exposure.

Foreign currency risk

The Company exposures to foreign currency risk related primarily to its trading transactions and loans that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers it appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2021 and 2020, the balances of forward exchange contracts are summarised below.

Foreign currency	2021			
	Bought amount	Sold amount	Contractual exchange rate	
			Bought	Sold
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	1.1	-	33.21-33.82	-

Foreign currency	2020			
	Bought amount	Sold amount	Contractual exchange rate	
			Bought	Sold
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	4.6	-	30.15 - 31.29	-

As at 31 December 2021, the Company has outstanding balance of trade receivables and trade payables denominated in foreign currency of USD 1.0 million and USD 1.5 million, respectively (2020: USD 1.0 million and USD 3.7 million, respectively).

Foreign currency sensitivity

The impact on the Company's profit before tax from the changes in the fair value of monetary assets and liabilities including foreign currency derivatives is not material since the management of the Company entered into derivatives with the similar amount of monetary liabilities.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, short-term loans and liabilities under financial arrangement agreements. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The interest rate risk is expected to be minimal.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Fixed interest rates				Floating		Non-interest		Effective			
	Within 1 year		1 - 5 years		Interest rate		bearing		Total		interest rate	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
												(% per annum)
Financial assets												
Cash and cash equivalents	337	164	-	-	-	-	42	40	379	204	0.1	0.1
Other current financial assets	-	-	-	-	720	-	-	-	720	-	0.3	-
Trade and other receivables	-	-	-	-	-	-	2,071	2,634	2,071	2,634	-	-
Contract assets	-	-	-	-	-	-	913	1,304	913	1,304	-	-
Loan to related party	13	3	-	-	-	-	-	-	13	3	4.6	4.6
Convertible loans	-	-	10	-	-	-	-	-	10	-	9.1	-
	350	167	10	-	720	-	3,026	3,978	4,106	4,145		
Financial liabilities												
Short-term loans	-	250	-	-	-	-	-	-	-	250	-	1.2 - 1.3
Trade and other payables	-	-	-	-	-	-	791	1,341	791	1,341	-	-
Liabilities under financial												
arrangement agreements	96	143	118	172	-	-	-	-	214	315	1.0-8.6	1.0 - 3.2
Lease liabilities	11	11	12	14	-	-	-	-	23	25	3.8	3.8
	107	404	130	186	-	-	791	1,341	1,028	1,931		

Interest rate sensitivity

The impact on the Company's profit before tax from the changes in interest rate since most of the Company's financial assets and liabilities are fixed interest and non-interest bearing. Thus, the interest rate risk is expected to be minimal.

Liquidity risk

The Company monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. The Company has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	As at 31 December 2021		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Trade and other payables	791	-	791
Liabilities under financial arrangement agreements	96	118	214
Lease liabilities	11	12	23
Total non-derivatives	898	130	1,028

(Unit: Million Baht)

	As at 31 December 2020		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	250	-	250
Trade and other payables	1,341	-	1,341
Liabilities under financial arrangement agreements	143	172	315
Lease liabilities	11	14	25
Total non-derivatives	1,745	186	1,931
Derivatives			
Derivative liabilities	3	-	3
Total derivatives	3	-	3

37.3 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

38. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2021, the Company's debt-to-equity ratio was 0.8:1 (2020: 1.1:1).

39. Event after the reporting period

On 21 February 2022, the Board of Directors' meeting of the Company passed a resolution to propose the payment of a dividend in respect of the operating results of 2021 of Baht 0.30 per share, which is an addition of an interim dividend payment of Baht 0.70 per share. The Company will propose to the Annual General Meeting of the Company's shareholders that such dividend be paid.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2022.

Certification of Information Accuracy

The Company has carefully reviewed the information in this annual information sheet. The Company hereby certifies that such information is correct, complete, not false, not misleading, and does not lack material information that should be notified. In addition, the Company hereby certifies that:

- (1) Financial statements and financial information summarized in the annual registration statement/annual report (Form 56-1 One Report) have presented accurate and complete material information relating to the Company's financial position performance and cash flow.
- (2) The Company established a good information disclosure system to ensure that the Company disclosed the material information accurately and completely, including supervising the compliance with such system.
- (3) The Company established a good internal control system and supervise to ensure compliance with the said system and the Company informed the internal control system assessment information as of December 31, 2021, to the auditor and the Audit Committee of the Company, which covers the shortcomings and major changes in the internal control system, including wrongful acts that may affect the preparation of the Company's financial reports.

In this regard, as evidence that all documents are the same set of documents that the Company has certified, the Company assigned Ms.Sarin Chandranipapongse to sign this document on every page. If any document does not contain the signature of Ms.Sarin Chandranipapongse, I will deem it not the information for which I certify the accuracy.

Name	Position	Signature
1. Mr. Siripong Oontornpan	Chairman of the Executive Board Committee and the President
2. Mr. Suraporn Raktaprachit	Senior Executive Vice President Services Division

Name	Position	Signature
Authorized person		
Ms. Sarin Chandranipapongse	Company Secretary

Attachment

Attachment 1: Information of the Board of Directors, Management, Controller, Person who has been assigned the highest responsibility in accounting and finance, Person who has been assigned to take direct responsibility for accounting controls, Company Secretary

Detail of the Board of Directors and Management



Mr. Thana Chaiprasit Chairman of the Board

Age 68

Date of Appointment as a Director : February 15 , 2003

Educational Background

- : Ph.D. (Honorary) Doctor of Philosophy in Education, Ramkamhaeng University
- : Ph.D. (Honorary) Doctor of Business Administration in General Management, Chandrakasem Rajabhat University
- : Ph.D. (Honorary) Doctor of Arts in Innovation in Sports Management, Suan Sunandha Rajabhat University
- : MINI MBA, Thammasart University
- : The National Defense College (the combination of military officers and civilians) NDC 388

% Shareholding : 1.09% of paid up capital
(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal Record in the Past : – None –

Position in the company

2003 – Present : Chairman of the Board,
Advanced Information Technology PCL.

Positions in other listed companies

2014 – Present : Director / Senior Vice Chairman of
the Executive Committee, Osotspa PCL.

Position in other companies/other entities

2014 – Present : The Board of Directors of
The International Table Tennis Federation

2013 – Present : Honorary Executive Board Official of
The Asian Table Tennis Union

1999 – Present : Vice President and Treasurer of
The National Olympic Committee of
Thailand

1990 – Present : Chairman of the Board, Thanarom Co., Ltd.



Mr. Siripong Oontornpan Director / Chairman of the Executive Board Committee / Member of the Nomination and Remuneration Committee (Authorized Signature)

Age 69

Date of Appointment as a Director : June 1, 1993

Educational Background

- : Doctor of Philosophy Program in Public Administration, Eastern Asia University
- : Master of Science (Computer Science), Western Michigan University, USA
- : Bachelor of Electrical Engineering, Western Michigan University, USA

Training Record

- : Thai Institute of Directors Association (IOD) DCP 36/2003
- : National Defense College 2004
- : Capital Market Academy #12
- : Advanced Security Management Program (ASMP3)
- : Pillars for The Kingdom Program The Royal Initiative for Advanced Leadership (RIAL 1)
- : Pillars for The Kingdom Program "V.I.P." Under the Royal Graciousness Class 1 (PVP)
- : Senior Executive Program for Nation Building (NBI1)
- : Thammasat Leadership Program (11)
- : Thammasat World Leadership Program :TWLP #2
- : Thammasat Golf Leadership Program #7
- : Digital Transformation for CEO #2

% Shareholding : 5.21% of paid up capital
(as of 31 December 2021)

Personal Relationship with the Management

: Father of Mrs. Sasinet Baholyodhin

Illegal Record in the Past : – None –

Position in the company

1993 - Present : Director / Member of the Nomination &
Remuneration Committee / Chairman
of the Executive Board Committee /
President, Advanced Information
Technology PCL.

Positions in other listed companies

: – None –

Position in other companies/other entities

2017 – Present : Director, Make Me Wine Company Limited

2017 – Present : Director, Rainier Development Company Limited

2012 – Present : Director, Loxley and AIT Holding Co.,Ltd.

2014 – 2017 : Chairman of the Board,
SLA Asia Company Limited



Mr. Chokechai Tanpoonsinthana Independent Director / Chairman of the Audit Committee

Age 74

Date of Appointment as a Director : February 15, 2003

Educational Background

- : MBA (Quantitative Analysis & Finance),
University of Wisconsin (Madison Campus), USA
- : Master of Science (Civil Engineering),
University of Wisconsin (Madison Campus), USA
- : Bachelor of Engineering, Chulalongkorn University

Training Record

- Thai Institute of Directors Association (IOD)
- : Director Certification Program (DCP), 3/2000
- : Audit Committee and Continuing Development Program (ACP), 8/2009
- : Monitoring the Internal Audit Function (MIA), 6/2009
- : Monitoring the System of Internal Control and Risk Management (MIR), 7/2009
- : Monitoring Fraud Risk Management (MFM), 1/2009
- : Monitoring the Quality of Financial Reporting (MFR), 12/2010
- : Advanced Audit Committee Program (AACP), Class 4/2010

% Shareholding : – None –
(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal Record in the Past : – None –

Position in the company

2003 – Present : Independent Director and Chairman of Audit Committee, Advanced Information Technology PCL.

Positions in other listed companies

2000 – Present : Independent Director/
Member of Audit Committee,
Thai Stanley Electric PCL.

Position in other companies/other entities

2015 – 2018 : Advisor of the Executive Board of
Director Banphaeo Hospital
(Public Organization)



Mr. Pongtep Polanun Vice Chairman of the Board / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director

Age 68

Date of Appointment as a Director : February 15, 2003

Educational Background

- : M.S., (Economics), The National Institute of Development Administration
- : EMBA, (Executive Master of Business Administration),
Sasin Graduate Institute of Business Administration of Chulalongkorn University
- : B.S., Economics, Thammasat University

Training Record

- : Accreditation Program Director 36/2005 by
Thai Institute of Directors Association (IOD)

% Shareholding : less than 0.01% of paid up capital
(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal Record in the Past : – None –

Position in the company

2003 – Present : Vice Chairman of the Board/
Chairman of Nomination and Remuneration Committee/ Independent Director/ Member of the Audit Committee, Advanced Information Technology PCL.

Positions in other listed companies

Apr 2021 – Present : Advisor of the Board of Director,
Kiatnakin Bank PCL.

2012 – Apr 2021 : Independent Director, Kiatnakin Bank PCL.

Position in other companies/other entities

Nov 2021 – Present : Director,
Eastern Spectrum GROUP CO., LTD.



Mr. Sripop Sarasas Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee

Age 65

Date of Appointment as a Director : 15 February 2003

Educational Background

: Master Degree in Business Administration (Finance)

University of Southern California, U.S.A.

: Bachelor of Science in Medical Technology,

Chulalongkorn University

Training Record

: Audit Committee Program 1/2004 by Thai Institute of Directors Association (IOD)

: Director Certificate Program 22/2002 (Diploma) by Thai Institute of Directors Association (IOD)

: Advance Management Programme | INSEAD

% Shareholding : – None –

(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal Record in the Past : – None –

Position in the company

2003 – Present : Independent Director/ Member of Audit Committee/Member of Nomination and Remuneration Committee, Advanced Information Technology PLC

Positions in other listed companies

2019 – Present : Independent Director/ Chairman of Audit Committee/Chairman of Nomination and Remuneration Committee, Bangkok Airways PLC

2018 – Present : Chief Administrative Officer / Authorized Director / Member of Risk Management Committee/ Member of Corporate Governance Committee, Bangkok Dusit Medical Services PLC

2018 – Present : Chairman of the Board, Golden Lime PLC

2008 – Present : Independent Director / Chairman of Audit Committee, Kiattana Transport PLC

Position in other companies/other entities

2020 – Present : Director of Princess Prem Purachatra Memorial Foundation

2019 – Present : Director of the Vejdusit Foundation under the Patronage of Her Royal Highness Princess Galyani Vadhana

2018 – Present : Director, BDMS Property Management Co., Ltd.

2018 – Present : Director, BDMS Training Co., Ltd.

2007 – Present : Director, Khan Co., Ltd.

2007 – Present : Director, Parute (2008) Co., Ltd.



Mr. Thanarak Phongphatar Independent Director

Age 66

Date of Appointment as a Director : April 5, 2012

Educational Background

: Master of Science in Information and Computer and Information Sciences, The Georgia Institute of Technology, Atlanta, Georgia, USA.

: Bachelor Degree of Engineering (Computer Sciences) Chulalongkorn University

Training Record

: Director Certification Program DCP 242/2017 by Thai Institute of Directors Association (IOD)

: The Programmer for Senior Executive on Justice Administration Batch 10, Court of justice

: National Defense College 2004

: The Executive Program of Energy Literacy for a Sustainable

: Future Class 4, Thailand Energy Academy (TEA)

% Shareholding : : less than 0.02% of paid up capital (as of 31 December 2021)

Personal Relationship with the Management : – None–

Illegal Record in the Past : – None –

Position in the company

2012 – Present : Independent Director, Advanced Information Technology PCL.

Positions in other listed companies

2019 – Present : Independent Director, Xspring Capital PCL.

Position in other companies/other entities

Present : Managing Director, The Southern Palm (1978) Co., Ltd.
: Executive Director, The Southern Palm Oil Industry (1993) Co., Ltd.
2020 – Present : Distinguished Members, Suranaree University of Technology
2020 – 2022 : Executive Committee, Expert, Faculty of Engineering, Chulalongkorn University
2018 – Present : Chairman GS1 Thailand (belonging to the Federation of Thai Industries)
2018 – 2021 : Committee, National Innovation Board of Thailand
2016 – Present : Vice Chairman The Federation of Thai Industries



Mr. Kittisak Sopchokchai Director / Member of the Nomination and Remuneration Committee

Age 67

Date of Appointment as a Director : February 15, 2003

Educational Background

: Bachelor of Economics, Thammasat University

Training Record

: Director Accreditation Program 54/2006 by Thai Institute of Directors Association (IOD)

: Thammasat Leadership Program (TLP) #1

% Shareholding : 3.33% of paid up capital (as of 31 December 2021)

Personal Relationship with the Management : – None–

Illegal Record in the Past : – None –

Position in the company

2010 – Present : Member of the Nomination and Remuneration Committee Advanced Information Technology PCL.
2003 – Present : Director, Advanced Information Technology PCL.

Positions in other listed companies

2018 - Present : Director, Veranda Resort Public Company Limited.

Position in other companies/other entities

2016 – Present : Director, Vich Space Co., Ltd
: Director, Tonkoon Development Co., Ltd
: Director, Sureetriboon Development Co., Ltd
2010 – Present : Director, Toa Electronics (Thailand) Co., Ltd.
: Director, KSP Square Co., Ltd.
2008 – Present : Director, Oaktree Co., Ltd. (So Bangkok Hotel)
: Director, Sureetriboon Holding Co., Ltd.
1983 – Present : President, Vichai Trading Group. Vichai Trading (1983) Co., Ltd. Sound and Communication Co., Ltd. Audio Engineering Service Co., Ltd. Digit Control Co., Ltd.



Mr. Pisak Charudilaka Director

Age 69

Date of Appointment as a Director : April 20, 2007

Educational Background

: Master Degree in Political Science,

Ramkhamhaeng University

: Bachelor of Laws, Ramkhamhaeng University

Training Record

: Director Accreditation Program 67/2007 by

Thai Institute of Directors Association (IOD)

: Economic and Finance Academy, Ministry of Finance

: Professional Financier (#1)

% Shareholding : 1.26% of paid up capital

(held by Mrs. Sroyson Charudilaka,

Mr.Pisak's spouse)

(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal Record in the Past : – None –

Position in the company

2007 – Present

: Director,

Advanced Information Technology PCL

Positions in other listed companies :

– None –

Position in other companies/other entities

– None –



Mr.Suraporn Raktaprachit Director / Member of the Nomination and Remuneration Committee / Member of the Executive Board Committee (Authorized Signature)

Age 67

Date of Appointment as a Director : March 3, 2003

Educational Background

: Master Degree in Economics,

Syracuse University – New York, USA

: Bachelor of Economics,

The American University – Washington D.C., USA

Training Record

: Director Certificate Program 35/2003 by

Thai Institute of Directors Association (IOD)

% Shareholding : 2.64% of paid up capital

(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal record in the past : – None –

Position in the company

2003 – Present

: Director/ Executive Board Committee/

Member of Nomination and Remuneration

Committee/ Senior Executive Vice

President – Services Division, Advanced

Information Technology PCL.

Positions in other listed companies :

– None –

Position in other companies/other entities

2012 – Present

: Director, Campana Group Pte.Ltd



Mr. Chodiwat Duntanasarn Director / Member of the Executive Board Committee (Authorized Signature)

Age 58

Date of Appointment as a Director : November 1, 2007

Educational Background

- : Master Degree in Marketing, Wagner College, USA
- : Bachelor of Business Administration, Assumption University

Training Record

- : Director Certificate Program 72/2006 by Thai Institute of Directors Association (IOD)
- : Institute of Security Psychology, national Defense Studies Institute #96
- : TLCA Executive Development Program 7 (EDP 7)
- : Capital Market Academy - 27 (CMA-27)
- : Commerce Academy by The University of the Thai Chamber of Commerce (UTCC) Top Executive Program in Commerce and Trade 13 (TEPCoT 13)

% Shareholding : 3.39% of paid up capital (held by Mrs.Chantana Krasaesan, Mr.Chodiwat spouse, is another 0.06%) (as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal record in the past : – None –

Position in the company

- 2019 – Dec 2021 : Executive Board Committee Advanced Information Technology PCL.
- 2019 – Dec 2021 : Senior Executive Vice President - Customer Relations and Satisfaction Division, Advanced Information Technology PCL.
- 2007 – Dec 2021 : Director, Advanced Information Technology PCL.
- 2016 – Jun 2019 : Executive Vice President - Special Project, Advanced Information Technology PCL.

Positions in other listed companies :

– None –

Position in other companies/other entities

- 2016 – Present : Director, APT Meditech Co.,Ltd.



Mrs. Sasinet Baholyodhin Director / Member of the Executive Board Committee (Authorized Signature)

Age 35

Date of Appointment as a Director : August 9, 2019

Educational Background

- : Master Degree of MSc Marketing Management, Aston University, United Kingdom
- : Bachelor of Business Administration, Mahidol University International College

Training Record

- : Thai Institute of Directors Association (IOD) Director Certificate Program 277/2019
- : Thai Listed Companies Association TLCA Executive Development Program (EDP15)
- : Academy of Business Creativity, Sripatum University Academy of Business Creativity (ABC6)

% Shareholding : 3.34% of paid up capital (as of 31 December 2021)

Personal Relationship with the Management

: Daughter of Mr. Siripong Oontornpan

Illegal record in the past : – None –

Position in the company

- Apr 2021 – Present : Senior Executive Vice President – Corporate Affairs Division, Advanced Information Technology PCL.
- 2019 – Present : Director, Advanced Information Technology PCL.
- 2017 – Present : Executive Vice President – President Office Division, Advanced Information Technology PCL.
- 2014 – 2016 : Assistant Vice President – Commercial Sales Department, Advanced Information Technology PCL.

Positions in other listed companies

: – None –

Position in other companies/other entities

- 2021 – Present : Director, Tenderly Corporation Co., Ltd.
- 2021 – Present : Director, Tenderly Scent Co., Ltd.
- 2016 – Present : Director, Genesis Data Center Co., Ltd.



Mr. Asawin Kangvolkij Senior Executive Vice President- Finance Division

Age 60

Educational Background

: Master Degree in Economics,
Western Michigan University, USA

Training Record 2019

: NYC Management TFRS9
“Financial Instrument – For non-financial institutions”
: CFO Refresher 2/2021 by The Stock Exchange of Thailand

% Shareholding : – None –
(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal record in the past : – None –

Position in the company

2017 – Present : Senior Executive Vice President-
Finance Division,
Advanced Information Technology PCL.
2009 – 2017 : Senior Executive Vice President-
Finance and Corporate Strategy Division,
Advanced Information Technology PCL.

Positions in other listed companies :

– None –

Position in other companies/other entities

2012 – Present : Director,
Loxley and AIT Holding Co.,Ltd.



Mr. Promporn Kedutat Senior Executive Vice President – Support Division

Age 60

Educational Background

: Master's Degree: MS. in Computer Science Lamar University,
Beaumont, Texas USA.
: Bachelor's Degree: BBA – Accounting Major
Electronic Data Processing (EDP), Thammasat University

% Shareholding : – None –
(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal record in the past : – None –

Training Record : More than 100 courses of Soft Skill,
Technical, Sales, Business and Management

Position in the company

2021 – Present : Senior Executive Vice President – Support Division,
Advanced Information Technology PCL.
2020 – 2021 : Senior Executive Vice President –
Digital Transformation Division,
Advanced Information Technology PCL.

Positions in other listed companies :

– None –

Position in other companies/other entities

– None –



Mr. Apichai Nimgirawath Senior Executive Vice President – Marketing and Sales Division

Age 45

Educational Background

: Bachelor Degree in Computer Engineering,
King Mongkut's University of Technology Thonburi

Training Record

: Director Certificate Program 262/2018 by
Thai Institute of Directors Association (IOD)
: Capital Market Academy - 31 (CMA-31)

% Shareholding : – None –
(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal record in the past : – None –

Position in the company

2019 – Present	: Senior Executive Vice President – Marketing and Sales Division, Advanced Information Technology PCL.
2017 – 2019	: Executive Vice President – Sales 2 Department, Advanced Information Technology PCL.
2012 – 2016	: Vice President – Enterprise Sale Department, Advanced Information Technology PCL.

Positions in other listed companies :

– None –

Position in other companies/other entities

2016 – Present	: Director, Genesis Data Center Co.,Ltd.
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Person who has been assigned to take direct responsibility for accounting controls



Mr.Boonlert Panja Senior Vice President – Accounting Section, Financial Contoller Department

Age 48

Educational Background

: Master Degree of Accountancy, Chulalongkorn University

Training Record

: To Know Business from Financial Analysis
: How to Prepare Cash Flow Statement Step-by-Step
: Inventory and Misunderstanding Issue
: Finance Management Strategy for Reviving Business and
being Growth under New Normal Era

% Shareholding : 0.09% of paid up capital
(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal record in the past : – None –

Position in the company

April 2021 – Present	: Senior Vice President – Accounting Section, Financial Contoller Department, Advanced Information Technology PCL
2003 – April 2021	: Vice President – Accounting Section, Financial Contoller Department, Advanced Information Technology PCL

Positions in other listed companies :

– None –

Position in other companies/other entities

– None –

Company Secretary



Ms. Sarin Chandranipapongse Vice President – Company Secretary Department

Age 40

Educational Background

: Master Degree in International Business & Entrepreneurship Marladalen University, Sweden

: Bachelor of Law, Chulalongkorn University

Training Record

: Company Secretary Program 81/2017 by Thai Institute of Directors

: Advances for Corporate Secretaries 2019 Thai Listed Companies Association

% Shareholding : – None –
(as of 31 December 2021)

Personal Relationship with the Management : – None –

Illegal record in the past : – None –

Position in the company

2017 – Present	: Vice President - Company Secretary Department, Advanced Information Technology PCL.
2010 – 2017	: Assistant Vice President - Company Secretary Department, Advanced Information Technology PCL.

Positions in other listed companies :

– None –

Position in other companies/other entities

– None –

Attachment 2: Information of Subsidiary's Directors

	The Company	Joint Venture	Joint Venture	Joint Venture of the Company's Joint Venture
	Advanced Information Technology PCL	Loxley and AIT Holding Co., Ltd. (LAH)	Genesis Data Center Co., Ltd. (GENESIS)	Campana Group Pte. Ltd. (CAMPANA)
1. Mr. Siripong Oontornpan	/ //	/	-	-
2. Mr. Suraporn Raktaprachit	/ //	-	-	/
3. Mr.Chodiwat Duntanasarn*	/ //	-	-	-
4. Mrs. Sasinet Baholyodhin	/ //	-	/	-
5. Mr. Asawin Kangvolkij	-	/	-	-
6. Mr. Apichai Nimgirawath	-	-	/	-

/ = Director // = Executive Board Director X = Chairman

* Mr. Chodiwat Duntanasarn has resigned from the Board of Directors, the Executive Board Committee and the Authorized Director with effective as 1 January 2022.

Attachment 3: Details of Head of the Internal Audit and the Compliance

DIA Audit co.,Ltd. performs an internal audit with a chain of command reporting directly to the Audit Committee.

Position	Head of Internal Audit, DIA Audit Co., Ltd.
Name	Mr. Apinan Sripramoj
Education	Bachelor's Degree in Business Administration, Accounting
Training History	MINI MBA, Thammasat University
Relevant work experience from the past 5 years	Certified Public Accountant (No. 5092), 19 years of work experience

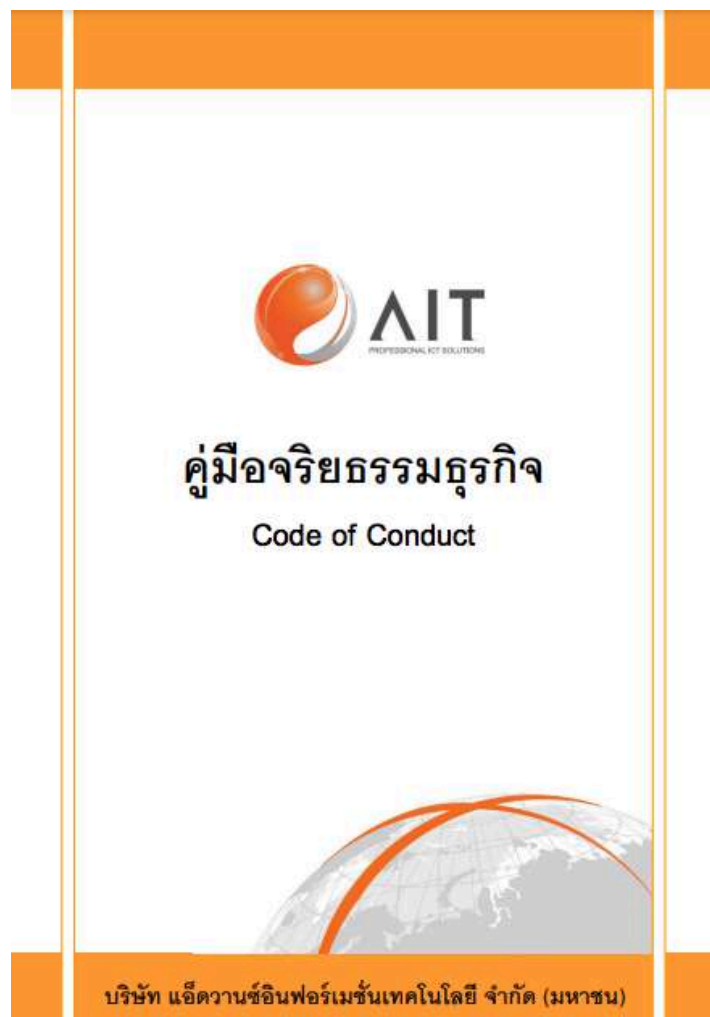
Position	Head of the Company's Compliance
<p>The Company assigns the Company Secretary to act as the supervisor of the Company's operations by taking care of the company, directors, and executives to comply with the rules and regulations of the Stock Exchange of Thailand. Securities and Exchange Commission Public Company Act, including other related laws.</p> <p>Details of education and work history of the company secretary can be found in "Attachment 1", and details of directors, executives, persons with authority to control, persons assigned the highest responsibility in the accounting and finance department, who have been assigned to be directly responsible for supervising accounting and the Company Secretary.</p>	

Attachment 4: Assets used in the business and details of Fair Market Value

– None –

Attachment 5: Code of Conduct

Details on the company website



https://www.ait.co.th/en/sustainability/corporate_governance/policy



บริษัท แอ็ดวานซ์อินฟอร์เมชันเทคโนโลยี จำกัด (มหาชน)
Advanced Information Technology Public Company Limited

37/2 ถนนสุกรีสารวินิจัย แขวงสามเสนนอก
เขตห้วยขวาง กรุงเทพมหานคร 10310
เบอร์ติดต่อ 0-2275-9400

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Annual Report



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