



ONE REPORT 2021

รายงานประจำปี 2564

บริษัท ทีดับบลิวแซด คอร์ปอเรชั่น จำกัด (มหาชน)
TWZ CORPORATION PUBLIC COMPANY LIMITED

Content

Message from the Board of Directors

Part 1 Business Operations and Performance

1. Business Structure	1
2. Risk Factors	24
3. Driving business for sustainability	26
4. Management Discussion and Analysis	38
5. General information	48

Part 2 Corporate Governance

6. Corporate Governance Policy	49
7. Corporate Governance Report (Board of Directors, Sub-committees, Executives, employees and others)	52
8. Internal Control and Connected Transaction	68

Part 3 Financial Statements 70

Part 4 Certification of the Accuracy of information

Enclosures

Enclosures 1

Details of Director, Executive, Controlling Person (Highest Responsibility 196 in Accounting and Finance), Those Assigned to Take Direct Responsibility in Bookkeeping, Company Secretary	196
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Enclosures 2

Summary of details about directors of the subsidiary	203
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Enclosures 3

The Head of Internal Audit	204
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Enclosures 4

Report of Audit Committee	205
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Message from the Board of Directors



Dear shareholders,

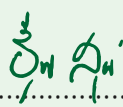
It is well known that the past year 2021 and the current year 2022 will be a challenging and decisive year. Due to the economic slowdown from the pandemics of covid 19, although the situation has begun to unravel ,But confidence and purchasing power have not returned yet. In addition, there is still the volatility of oil prices from the tension of the conflict war. Still affects the overall economic slowdown But from such conditions, there is still growth. In the field of communication technology in the 5G era that continues to evolve that makes data transmission faster. Thus causing business opportunities, TWZ Company has set 3 main mission directions as follows:

The first mission, in the telecommunication business, TWZ will develop the service model of Retail shop to be modern to meet the lifestyle of the new generation in the form of offline and online stores, including expanding the product variety. It's not limited to just a phone device. Which is the core business of TWZ, where we have a partner like AIS is the best leading network service provider who will walk side by side with us at every opportunity. In addition, TWZ will develop and look for IOT (Internet) to meet consumers and to promote the Smart City project, creating a solution for the city to meet the development needs and to open the city with strength by targeting government and private sectors Mission 2 TWZ will strengthen non-telecom (Non-Telecom) businesses by focusing on electric vehicles, EVs that the government currently has clearly supported the tax and to reduce Pollution also reduces the cost of living due to the high oil crisis. TWZ has a strong and experienced EV partner in the electric vehicle segment. The goal is to be sold to many organizations and is expected to grow exponentially in the near future.

Another business that TWZ has already started the project is hemp business. Now the government has fully supported to create new businesses that generate income in the country in the future. TWZ have cooperated with partners. Research and development to meet the needs of customers and to allow customers to use the product easily and with maximum benefit, therefore TWZ has continuously invested in this business.

The third mission is to look for a business. New to create new S-Curve based on current technology changes such as crypto currencies, NFT, Metaverse or web3.0, which has a lot of potential to expand in the future. Finally, on behalf of the Board of Directors, TWZ Plc. would like to thank the shareholders for their trust. and always support the company well Board of Directors, management teams and all employees Still committed to performing duties for the business to be successful continuously and sustainable growth forever.


.....
(Mr. Puttachat Rungkasiri)
Chairman


.....
(Mr. Teerayot Suthisamdaeng)
Deputy Managing Director

1. Business Structure

1.1 Policy and Business overview

TWZ Corporation Public Company Limited (“the Company” or “TWZ”), previously named “PC Communication and Transports Company Limited.”, was established by mobile phone distribution experts, Mr. Puttachat Rungkasiri, the first mobile phone distributor to open a retail shop at MBK center, with the initial paid-up capital of Baht 1.00 million on December 22, 1993. The Company’s main business is selling mobile phone and communication equipment. And company executives have experience, ability, experts in the telecommunication business. As a result, the Company has continued to expand its business. As of December 31, 2021, the Company has a paid-up capital of 1,489,342,794.10 THB.

Business goals

The Company has set its business goal to enhance its sales and services revenues consistently by emphasizing the profitability and the increase of its distribution channels, especially at the prime locations where consumers in such communities have purchasing power and the places are a convenience for using the services, not only the increase in several various shops but also the increase in a number of dealers as to access more target customers. The Company has improved its services standard to be more satisfied by customers and be competitive with other players. Besides, the Company will build up to be a partner with additional well-known mobile phone manufacturers and distributors and import more mobile phones from China to distribute under its brand names to obtain quality products with various specifications to serve different customers' needs.

The Company has emphasized building up its brand name “TWZ” to strengthen its business operation. Therefore, the Company has a representative office in Shenzhen, the People’s Republic of China, to be its centre to manage cost, control the quality of products, and procure high-quality products at the proper cost. Besides, The Company also expanded its business into real estate development, renewable energy, automotive business, the commercial and industrial business about cannabis and hemp. The Company will develop all businesses to continue to increase profits for the Company in the future.

Significant Developments and milestone of the Company’s business and management during the past period:

Year	Highlights
2005 - 2010	<ul style="list-style-type: none"> In 2005, the Company converted to a public company. Changed the par value from 5 baht to 1 baht, as well as increased the registered capital from 180 million baht to 240 million baht by issuing 60 million new ordinary shares, offering 59 million shares to the public and offering to directors and the Company’s employees amounted to 1 million shares and the Company’s ordinary shares were listed on the Stock Exchange of Thailand on November 18, 2005 In 2008, change in par value of ordinary shares from 1.00 baht per share to 0.10 baht per share. The original company had registered capital of 240 million baht divided into 240 million ordinary shares with a par value of 1.00 baht per share changed to a registered capital of 240 million baht divided into ordinary share 2,400 million shares with a par value of 0.10 baht per share to increase liquidity for the Company’s ordinary shares.

Year	Highlights
	<ul style="list-style-type: none"> • In 2008, make a land lease right contract with the State Railway of Thailand. For the area of approximately 6,126 sq.m. on Ratchadaphisek Road, valued at 88.30 million baht, with a 24-year contract. For the construction of a home office for commercial purposes. • In 2008, distributing mobile phones under the trademark “TWZ”, which is the company’s brand, by manufactured to order and imported from China and have integrated marketing management in both retail and wholesale. • In 2010, issued 599,999,987 warrants to purchase the Company's ordinary shares. They were allocated to the existing shareholders of the Company in proportion to their shareholding in the ratio of 4 ordinary shares to 1 warrant to purchase ordinary shares, at the exercise price of the warrants 0.90 baht per share. The Company's registered capital increased from 240 million baht to 300 million baht, divided into 3,000 million ordinary shares with a par value of 0.10 baht per share. As well as increase the Company's registered capital by 60 million baht by issuing 600 million new ordinary shares with a par value of 0.10 baht per share to support the exercise of warrants.
2011	<ul style="list-style-type: none"> • Allocation of new ordinary shares to the users of the warrants to purchase five ordinary shares at 0.90 baht per share, causing the issued and paid-up capital to increase to 240,000,000.50 million baht (2,400,000,005 common shares, 0.10 baht per share) • On January 13, 2011, established a subsidiary, TWZ INTERNATIONAL LIMITED, with a registered capital of 1,000,000.00 Hong Kong dollars. The Company holds 100 percent of the shares for procurement and distribution of mobile phones and communication equipment.
2012	<ul style="list-style-type: none"> • On February 16, 2012, established a representative office in Shenzhen, China, to operate the business of cost management and product quality control.
2013	<ul style="list-style-type: none"> • Reduce the Company's registered capital from 300,000,000.00 baht to 240,000,000.50 baht by cutting off 599,999,995 unsold ordinary shares with a par value of 0.10 baht per share totaling 59,999,999.50 baht. It is the ordinary shares issued to support the exercise of the warrants to purchase the Company's ordinary shares (TWZ-W1), that were given to the existing shareholders in proportion to their shareholding, which has expired on May 25, 2011. • Issue 1,028,571,431 warrants to purchase ordinary shares of the Company (TWZ-W2). Units to be allocated to the Company's existing shareholders in proportion to their shareholding, 7 shares per 3 units, warrants exercised at 0.40 baht per share, including increasing the Company's registered capital. 102,857,143.10 baht by issuing new ordinary shares 1,028,571,431 shares with a par value of 0.10 baht per share, resulting in the Company's registered capital increased from 240,000,000.50 baht to 342,857,143.60 baht divided into ordinary shares 3,428,571,436 shares with a par value of 0.10 baht per share. • Purchased 49,998 shares of Piyachart Company Limited from the existing shareholders, representing approximately 99.996 percent of the total registered capital of Piyachat Company Limited. 120,000,000.00 baht. On September 20, 2013, TZ Trading Company Limited was established as a subsidiary, registered capital 3,000,000 baht, 300,000 shares, 10 baht per share, to be a distributor, importer and exporter, and providing after-sales service for telephone products. Mobile accessories, computers and electronic products.

Year	Highlights
2014	<ul style="list-style-type: none"> • The Company's registered capital was reduced from 342,857,143.60 baht, remaining 342,856,121.10 baht, by cutting off 10,225 unissued ordinary shares at a par value of 0.10 baht per share, totalling 1,022.50 baht. And they were issuing warrants to purchase the Company's ordinary shares (TWZ-W3) in the amount of 400,000,001 units to allocate to existing shareholders who subscribe to the Company's newly issued ordinary shares in proportion to their subscription. There was an approval to increase the Company's registered capital in 409,000,000.30 baht by issuing new ordinary shares 4,090,000,003 shares with a par value of 0.10 baht per share increasing the Company's registered capital. 342,856,121.10 baht is 751,856,121.40 baht divided into ordinary shares 7,518,561,214 shares with a par value of 0.10 baht per share. • Increase the registered capital of Piyachat Company Limited (subsidiary). The company has a 100% shareholding ratio from the current registered capital of 50 million baht to a registered capital of 250 million baht and paid-up capital of the subsidiary to the Department of Business Development, The Ministry of Commerce, was completed on October 28, 2014. • Piyachat Company Limited purchased the investment of Le Andaman Development Company Limited at 25 million baht or 100 percent of the registered capital of 25 million baht, divided into 250,000 ordinary shares with a par value of 100 baht per share from Existing shareholders on October 14, 2014. • On May 20, 2014, The Boxz Co., Ltd. was established with a registered capital of 1,000,000 baht to operate the main business of being a distributor of peripheral devices in digital signals by allowing TWZ Corporation Public Company Limited to hold a 100% investment.
2015	<ul style="list-style-type: none"> • Reduce the Company's registered capital from 751,856,121.40 baht, remaining 735,365,612.50 baht by eliminating 164,905,089 unsold common shares at a par value of 0.10 baht per share, totalling 16,490,508.90 baht. 164,904,946 ordinary shares are issued to support the exercise of warrants to purchase the Company's ordinary shares (TWZ-W2), which expired on September 13, 2014, amounting to 164,904,946 shares and ordinary shares issued to support the exercise of warrants Purchase of 143 unallocated ordinary shares of the Company (TWZ-W3). • Issue 2,980,138,401 warrants for the Company's ordinary shares (TWZ-W4) to be allocated to existing shareholders in proportion to their respective shareholding ratio of 7 shares to 3 warrants. without considering the exercise price of 0.70 baht. • Increase the Company's registered capital by 298,013,840.10 baht by issuing new ordinary shares 2,980,138,401 Shares with a par value of 0.10 baht per share, resulting in an increase in registered capital 735,365,612.50 baht. To be 1,033,379,452.60 Baht divided into ordinary shares 10,333,794,526 shares with a par value of 0.10 baht per share allotting not more than 2,980,138,401 shares with a par value of 0.10 baht per share to support the exercise of the warrants to purchase the Company's ordinary shares (TWZ-W4).
2016	<ul style="list-style-type: none"> • On August 9, 2016, established Gear Corporation Co., Ltd. as a subsidiary, registered capital of 100,000,000 baht, amount of 1,000,000 shares, par value of 100 baht per share, to operate the main business related to the alternative energy business. • Gear Corporation Company Limited acquired shares in Mastech Tool and Service Company Limited in the proportion of 80 percent of the paid-up shares, amounting to 80,000 shares, with a par value of 100 baht per share, from a group of existing shareholders who are not related. Together with the business group at a total

Year	Highlights
	<p>purchase price of 70 million baht. Mastech Tool and Service Co., Ltd. is principally engaged in producing and distributing solar power with a maximum capacity of 5.0 megawatts. On September 6, 2016, the Company made advance payments to purchase 40 million baht of ordinary shares with a transfer of 48,490 ordinary shares. On September 21, 2016, the Company completed the second payment to the seller of 14 million baht and purchased 1,000 preferred shares. Claims at the price of 100 baht per share for 100,000 baht, resulting in Gear Corporation Co., Ltd. having the right to receive dividends at the rate of 80%, including the right to vote at the general meeting of shareholders equal to 80.19%. As a result, Gear Corporation Co., Ltd. has control over Mastech Tool and Service Co., Ltd. After the payment under the purchase agreement, the Company will have 48.49 percent stake in ordinary shares. There is an obligation to pay for ordinary shares to the existing shareholders in 16 million baht. 31,510 ordinary shares will be traded after three years from the commercial power distribution (COD) date. According to the power purchase agreement on the acquisition date, value is an appraised value by an independent financial advisor. Power purchase agreement It is an agreement to sell solar power to the Provincial Electricity Authority for 25 years from the date of commercial power distribution.</p> <ul style="list-style-type: none"> On November 9, 2016, Mastech Tool and Service Company Limited increased its registered capital from 10,100,000 baht (100,000 ordinary shares and 1,000 preferred shares, 100 baht per share) to 80,800,000 baht (800,000 ordinary shares and 8,000 preferred shares. shares at a par value of 100 baht per share) by issuing 700,000 new ordinary shares with a par value of 100 baht per share and calling for a share at a par value of 100 baht per share.
2018	<ul style="list-style-type: none"> On March 2, 2018, the Company sold its investment in The Boxes Company Limited according to the resolution of the Board of Directors Meeting No. 1/2018 held on February 27, 2018, to a third party at the price of 5 baht per share, with a par value of 10 baht and a book value of 4.541 baht per share, it amounted to 100,000 shares, totaling a value of 0.5 million baht. Reduce the company's registered capital from 1,141,588,716.20 baht, remaining 625,908,107.10 baht by cutting off unsold ordinary shares in the amount of 515,680,609.10 Baht divided into ordinary shares. 5,156,806,091 shares with a par value of 0.10 baht per share. Issue warrants to purchase ordinary shares of the Company (TWZ-W5) in the amount not exceeding 4,172,720,714 Units to be allocated to existing shareholders of the company who subscribe for newly issued ordinary shares according to the subscription ratio at the rate of 1 new ordinary share per 1 unit of warrant free of charge. Exercise price 0.10 baht per share. The warrants are valid for one year from the date of issuance. Increase the Company's registered capital in the amount of 1,022,316,574.90 baht by issuing 10,223,165,749 new ordinary shares with a par value of 0.10 baht per share, resulting in the Company's registered capital increasing from 625,908,107.10 baht to 1,648,224,682 Baht divided into ordinary shares 16,482,246,820 shares, par value 0.10 baht per share.
2019	<ul style="list-style-type: none"> As of March 31, 2019, the Company sold its investment in Gear Corporation Company Limited according to the resolution of the Board of Directors Meeting No. 2/2019 held on March 21, 2019, to a third party. The Company received net proceeds from the sale of 134.00 million baht.

Year	Highlights
	<ul style="list-style-type: none"> On April 5, 2019, Gear2 Corporation Co., Ltd. was established as a subsidiary, registered capital of 3,000,000 baht, amounting to 30,000 shares, par value of 100 baht per share, to operate the significant business-related investment in alternative energy businesses. According to the minutes of the BOD meeting, the week that the company met with 2/2562, Mars, March 21, 2019, there was a resolution granting the right to buy super in the company. Mitra Corporation Company Limited (“MITRA”) in the amount of 1,368,304 shares. With a par value of 100 baht per share, representing 52.63 percent of the paid-up shares through Gear 2 Corporation limited which is a subsidiary company. To operate a power plant business from industrial waste fuels, located at Saharatana Nakorn Industrial Estate Ayutthaya. It’s a pasta system. Gasification In the burning and production of electricity the total electricity generating capacity is 3 MW and can eliminate up to 60 tons of waste per day and can expand the business to industrial waste disposal locations. The Electricity Authority will be the buyer of special electricity from industrial waste in the form of Feed-in Tariff (FiT) and MITRA also holds 99% of the shares in Tang Corporation Limited (“TC”). In order to operate the waste separation plant and the RDF production plant to convert waste into recycled materials and RDF located in Uthai District Ayutthaya. Able to dispose industrial waste and community waste by sorting and converting by selling materials from the operation with a full operational capacity of 300 tons per day. Which is a related and continuous business in delivering raw materials to power plants for generating electricity by determining the return value from the purchase of shares in the total amount of not more than 291 million baht. and paid for shares in the name of Gear2 Corporation Co., Ltd., amounting to 145,000,000 million baht as of May 31, 2019
2020	<ul style="list-style-type: none"> Reduce the registered capital of the company from 1,648,224,682.00 baht to 1,644,224,682.00 baht by cutting off the repurchased and unsold common shares of the company in the amount of 4,000,000.00 million baht, with a par value of 0.10 baht, which is a total decrease of 40,000,000 ordinary shares, resulting in the company's registered capital. decreased from 16,482,246,820 shares to 16,442,246,820 shares. Closing of TWZ INTERNATIONAL LIMITED, a subsidiary with registered capital of HKD 1,000,000.00 in which the Company holds 100.00% of shares. As of February 19, 2020, the Company has the established of Electra Motive Co., Ltd. As a subsidiary. The Company has share holder of 100% and registered capital Baht 80.00 million for invest in the automotive sales business. The Company has entered into a subscription the capital increase agreement in order for Rich Asia Industry Company Limited (“RAI”) to achieve the conditions of the Board of Investment, to increasing the registered capital of Baht 200 million before issuing promotion certificates. The subsidiary has been allocated 6,451,613 ordinary shares with a par value of Baht 31.00 per share, accounted for 31.17% of total issued and paid-up after the capital increase, by paying 25% of the additional share value on June 30, 2020, in the amount of Baht 50 million. The share transfer was completed on July 8, 2020. The remaining amount of Baht 150 million will be paid within 3 years since RAI issued the capital increase shares this time. As at July 4, 2020, the subsidiary has entered into a share purchase agreement of Skywell (Thailand) Company Limited (“SKY-TH”) from Existing shareholder in the proportion of 3,060,000 shares, at a price of Baht 16.34 per share, totaling Baht 50 million, accounted for 51%. It shall be deemed that the deposit

Year	Highlights
	<p>in the joint venture agreement between the Company and the existing shareholders as of January 30, 2020 amounted to 50 million baht as payment for shares under this share purchase agreement.</p>
2021	<ul style="list-style-type: none"> • Reduce the Company's registered capital from 1,644,224,682 baht to 990,668,925 baht by cutting off 6,535,557,570 unsold ordinary shares at a par value of 0.10 baht per share, totaling 653,555,757 baht. • Increase the registered capital of the company in the amount of 660,445,950 baht by issuing 6,604,459,500 new ordinary shares with a par value of 0.10 baht per share, resulting in the company's registered capital increasing from 990,668,925 baht to 1,651,114,875 baht, divided into 16,511,148,750 ordinary shares, valued at 0.10 baht per share. • On March 16, 2021, Zenith Glove Company Limited was established as a subsidiary, registered capital of 1,000,000 baht, 10,000 shares, 100 baht per share, to operate and/or invest in the new business of the Group. About the business of manufacturing, importing and distributing drugs, pharmaceuticals, chemicals, medical devices, and rubber gloves that may enter Operate and/or acquire shares in other companies. • On April 28, 2021, CBD Corporation Co., Ltd. was established as a subsidiary, registered capital of 1,000,000 baht, 10,000 shares, 100 baht per share, to operate and/or invest in the new business of the Group. The business of production, distribution, wholesale, retail, sales representative, import, export, possession, cultivation, analysis, research, extraction and development of all kinds of medicinal plant species, including cannabis, cannabis, and business operations. any other related which the Company may own and/or acquire shares in other companies. • According to the minutes of the meeting, Board of Directors No. 8/21, dated August 18, 2021, resolved to approve CBD Corporation Company Limited ("Subsidiary") ("CBD"). Which is a subsidiary that the Company Acquired ordinary shares in Siam Medical Cannabis Company Limited ("SMC") in the amount of 4,900 shares with a par value of 100 baht per share, representing 49% of the paid-up shares from the group of existing shareholders who are not related to the group of companies. For business in commercial and industrial hemp for domestic sales and export abroad, on October 11, 2021, the Company paid for the purchase of such ordinary shares. • Reduce the company's registered capital in the amount of 161,772,080.90 baht from the original registered capital of the amount 1,651,114,875.00 baht divided into ordinary shares 16,511,148,750 shares with a par value of 0.10 baht per share. To be 1,489,342,794.10 baht, divided into 14,893,427,941 shares with a par value of 0.10 baht per share by cutting off unallocated shares from the issuance of new ordinary shares. • Increase the registered capital of the company total 1,487,895,196.20 baht from the original registered capital 1,489,342,794.10 baht, divided into 14,893,427,941 ordinary shares with a par value of 0.10 baht per share. To be 2,977,237,990.30 baht divided into ordinary shares 29,772,379,903 shares with a par value of 0.10 baht per share. • Issue new ordinary shares 4,964,475,981 shares with a par value of 0.10 baht per share, totaling 496,447,598.10 baht to the existing ordinary shareholders of the Company at the offering price of 0.10 baht per share, which is equal to the par value by allocating at the ratio of 3 existing ordinary shares to 1 newly issued share.

Year	Highlights
	<ul style="list-style-type: none"> • Issue warrants to purchase ordinary shares of the Company No. 6 (“TWZ-W6”) in the amount of not more than 4,964,475,981 units or equivalent to 25.00 percent of the Company's paid-up capital on the date of the Board of Directors Meeting No. 9/ 2021 on October 8, 2021, to allocate to the existing shareholders of the Company. They subscribe for the newly issued ordinary shares of the Company in proportion to the subscription Free of charge (zero baht) at the ratio of 1 new unit of share per 1 unit of warrant No. 6 (TWZ-W6), with the term of 2 years from the date of issuance of the warrants. The exercise ratio of warrants is 1 unit per 1 ordinary share, and the exercise price is 0.10 baht per share (except in the case of adjustment of the exercise price). • Issuing and offering convertible debentures new releases of the Company and granting the right to convert into ordinary shares of the Company Total amount 330,000 units, offering price 1,000 baht per 1 unit of convertible debentures. Total offering value of 330,000,000 baht to the Company's existing shareholders have the right to be allocated in proportion to their shareholding (Right Offering). • Issue warrants to purchase ordinary shares of the Company No. 7 (“TWZ-W7”) in the amount not exceeding 3,300,000,000 units or equivalent to 22.16% of the Company's paid-up capital on the date of the Board of Directors Meeting No. 9/ 2021 on October 8, 2021. Allocate to the Company's existing shareholders subscribed and allocated convertible debentures offered to shareholders in proportion to the number of shares that each shareholder holds free of charge (zero baht) at the ratio of 1 new unit of share per 1 unit of Warrant No. 7 (TWZ-W7). The exercise ratio of warrants is 1 unit per 1 ordinary share, and the exercise price is 0.10 baht per share (except in the case of adjustment of the exercise price). The warrants are valid for two years from the date of issuance.

The Company has offered new ordinary shares in the amount of not more than 6,604,459,500 shares with a par value of 0.10 baht per share for issuance and offering to the Company's existing shareholders in proportion to their respective shareholdings (Rights Offering) at the offering price. 0.10 baht per share is the par value allocated at the ratio of 3 existing ordinary shares to 2 newly issued ordinary shares. In this regard, the Company has set a date for the subscription and payment of the newly issued ordinary shares between March 24 2021 - April 9 2021 (13 business days). The number of shareholders exercised their rights. 4,986,738,691 shares, representing the amount received 498,673,869.10 baht after deducting the cost of offering securities, the remaining amount 497,292,451.90 baht, which as of December 31, 2021, the Company has used the said capital increase in full according to the objectives stated in the registration statement for the offering of securities.

And the Company has offered for sale of newly issued ordinary shares in the amount of not more than 4,964,475,981 shares. With a par value of 0.10 baht per share, totaling 496,447,598.10 baht to be issued and offered to the existing shareholders of the Company in proportion to their shareholding (Rights Offering) at the offering price of 0.10 baht per share, which is the par value by allocating at the ratio of 3 existing ordinary shares to 1 newly issued ordinary share.

In this regard, the Company has set a date for the subscription and payment of the newly issued ordinary shares between 13 - 17 December 2021 and 20-24 December 2021 (10 business days) in which the number of shareholders exercised their rights. 4,964,475,981 Shares account for earnings 496,447,598.10 Baht after deducting the expenses for the offering of securities and the remaining amount 492,230,150.10 baht. The Company has used the capital increase until

December 31, 2021, in the amount of 12,145,918.97 baht for the Company's working capital for the purposes stated in the registration statement for the offering of securities.

1.2 Nature of business

In 1994, the Company was granted Telewiz franchise from Advance Info Service Plc. (“AIS”) for selling goods and services under the trademark “Telewiz” such as registering numbers providing various registration services and being a service provider to receive payment for services or other expenses. The company opened the first Telewiz in Central Plaza Ramaindra. After that, the company has expanded its branches according to the growth of the mobile phone industry.

In 2008, the Company is the distributor of mobile phones “TWZ”. The Company has imported such products from China to distribute under its own brand names.

And In 2012, the establishment of a representative office in Shenzhen, People’s Republic of China. The representative office will assist the Company in managing cost and controlling quality of products. The company has a complete marketing management, both retail and wholesale.

At present, the Company has total 22 branches, 18 Telewiz Shops, 3 AIS Shops, 1 TWZ Shops.

	Location	
TELEWIZ / AIS SHOP	1. Room 333/1, 3 rd fl., Central Plaza Pinklao	12. Room3032B,3 rd fl.,Fashion Island
	2. Room 305, 3 rd fl.,Central Plaza Rama III	13. Room 509A, 5 th fl.,Central City Bangna
	3. 2 nd fl.,Tesco Lotus Chaengwattana	14. Basement, Big C Supercenter Bangna
	4. 2 nd fl.,Tesco LotusSukhumwit 50	15. Room529, 5 th fl., Central City Bangna
	5. 2 nd fl.,Tesco LotusLaksi	16. RoomGCR109, Big C Supercenter Rama II
	6. 1 st fl.,Tesco LotusRattanaibet	17. Room 225, 2 nd fl.,Central Plaza Rama II
	7. 2 nd fl.,Tesco Lotus Rama III	18. Room R252 2nd fl., Market Village Suvarnabhumi
	8. 2 nd fl.,Tesco LotusBangna-Trad	19. Room 2CR220/1, Big C Supercenter Bangpli
	9. 1 st fl.,Tesco LotusSrinakarin	20. Basement, Big C Supercenter Don Muang Sapanmai
	10. Room 309/1, 3 rd fl.,Central Plaza Ramaindra	21. 269 Ratchadapisek Road, Ratchadapisek, Din Daeng
	11. Room 336/3, 3 rd fl.,All Srason Complex	
TWZ SHOP	1. No. 270/12 Namuang, Muang, Ratchaburi	

In addition to selling mobile phones and accessories to retail customers, the Company also sells products to phone dealers nationwide.

The company also has a property development business for sale and rent as follows.

- 1) Property development project for sale which is a condominium for residential units of 119 units with a total area of 5,073.88 square meters, located at Na Chom Thian Subdistrict, Sattahip District, Chon Buri Province.
- 2) The Company and subsidiaries have obtained leasehold rights from the State Railway of Thailand. On Ratchadaphisek Road Area approximately 12,035.20 square meters and construction of a home office. Office building for commercial Total of 55 booths for both long and short term rentals.

In March 2019, the company invested in Mitra Corporation Limited (“MITRA”) in the amount of 1,368,304 shares. With a par value of 100 baht per share, representing 52.63 percent of the paid-up shares through Gear 2 Corporation limited which is a subsidiary company. To operate a power plant business from industrial waste fuels, located at Saharatana Nakorn Industrial Estate Ayutthaya. It’s a pasta system. Gasification In the burning and production of electricity the total electricity generating capacity is 3 MW and can eliminate up to 60 tons of waste per day and can expand the business to industrial waste disposal locations. The Electricity Authority will be the buyer of special electricity from industrial waste in the form of Feed-in Tariff (FiT) and MITRA also holds 99% of the shares in Tang Corporation Limited (“TC”). In order to operate the waste separation plant and the RDF production plant to convert waste into recycled materials and RDF located in Uthai District Ayutthaya. Able to dispose industrial waste and community waste by sorting and converting by selling materials from the operation with a full operational capacity of 300 tons per day. Which is a related and continuous business in delivering raw materials to power plants for generating electricity. As of December 31, 2021, no revenue was recognized.

In July 2020, the Company invested in Skywell (Thailand) Co., Ltd., amounting to 3,060,000 shares at a price of 16.34 baht per share, representing 51% of the paid-up shares to engage in the automotive trading business. And invested in Rich Asia Industry Company Limited, which was allocated 6,451,613 ordinary shares at a par value of 31 baht per share, representing 31.17 percent of the ordinary shares issued and sold after the capital increase. As of December 31, 2020, paid shares at the rate of 25 percent of the capital increase shares to engage in the business of importing parts and assembling electric vehicles under the Board of Investment Resolutions.

On April 28, 2021, CBD Corporation Co., Ltd. was established as a subsidiary, registered capital of 1,000,000 baht, 10,000 shares, 100 baht per share, to operate and/or invest in the group's new business. Relate to the business of production, distribution, wholesale, retail, sales representative, import, export, possession, cultivation, analysis, research, extraction and development of all kinds of medicinal plant species, including cannabis, cannabis, and business operations and any other related. Which the Company may own and/or acquire shares in other companies.

And on August 18, 2021, the Board of Directors No. 8/21/21 resolved to approve CBD Corporation Company Limited to purchase 4,900 ordinary shares in Siam Medical Cannabis Company Limited at par value 100 baht per share, representing 49% of the paid-up shares from the group of existing shareholders. Who are not related to the group of companies for business in commercial and industrial hemp for domestic sales and export abroad.

And on October 11, 2021, the Company has paid for the purchase of such ordinary shares.

Company's revenue structure

Company's revenue structure between 2019 to 2021 can be summary as follow (Unit : Million baht)

Detail	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
Revenues from sales and services						
- Communication equipment trading	3,666.96	96.50	3,225.78	97.68	3,170.69	92.01
- Real estate Development	16.09	0.42	9.98	0.30	160.65	4.66
- Investment property	9.63	0.25	11.68	0.35	11.48	0.33
- Electric vehicles	-	-	0.02	0.00	69.72	2.02
- Electric Power Generation and Distribution Group	11.00	0.29	0.08	0.00	0.30	0.01
Total Revenues from sales and services	3,703.68	97.47	3,247.54	98.34	3,412.84	99.04
Sales promotion income	39.90	1.05	28.96	0.88	13.12	0.38
Others income	56.23	1.48	25.88	0.78	19.93	0.58
Total revenues	3,799.81	100.00	3,302.38	100.00	3,445.89	100.00

Products and Services

The Company's primary business is a distributor of telecommunication equipment, consisting of Mobile phones, SIM cards and accessories. The fact that the Company has been granted the right to sell products and provide services in various fields under the machine Trademarks and trade names such as Telewiz and AIS Shop from AIS enables the Company to provide various services. As a distributor of AIS partners, the Company is a full-service mobile phone centre. The main products of the Company can be divided into three types as follows:

A. Mobile handset and Accessory

(1) Mobile Handset

The company sells many different brands of mobile phones. The customers can choose to buy according to their needs. And the company is also a distributor of mobile phones under the name "TWZ", which is the company's brand. The company importing products from China cause the company to have a wide variety of products and can meet customers' needs.

(2) Accessory

Accessories sold by the company

- Standard accessories such as battery, power bank, headset, charging cable, case, protective film.
- Other accessories such as CCTV, speaker, Air Play, Charging station.

The aforementioned accessories are both purchased from a distributor. (Distributor) in the country and imported directly from manufacturers abroad. The company also pays attention to using the Internet to connect to various devices. Allow the device to receive - send information to control or bring information from that device to use. According to the concept of the Internet of Things to develop various products to be sold.

B. SIM Card : Subscriber Identification Module

If considering the nature of SIM card payment The company's products can be divided into 2 types as follows:

- (1) Post-Paid is the service user must register the number and pay monthly fees, including telephone charges. The Company will receive compensation for each SIM card registration. For corporate customers, the company will also receive revenue sharing from telephone service charges.
- (2) Pre-Paid which is called 1-2-Call!. The service user will be able to open the number and use the service immediately after purchasing the Starter Kit, which will top-up the amount conveniently. Users will not have to pay monthly fees.

Currently, the company sells all SIM cards in the AIS network only.

C. Other services

- (1) Services received under the franchise rights of Telewiz which the company will be able to provide various services For all mobile phone systems of AIS, only the branches that are telewiz shops, AIS Shop and AIS BUDDY, there are 21 branches, consisting of:

- Refill On Mobile.
- New mobile number registered service.
- Payment service, such as the fee for requesting a number, monthly number, rental fee, monthly service fee, additional service fees, various fees.
- Temporarily suspend service.
- SIM Card change service.
- Invoice delivery address registration change service.
- Owner transfer service.
- International Roaming service (IR)
- Claim/change promotion service.
- Installment payment service.
- Reactivate the service after the suspension service (Re-New)
- Payment service via Pay-Station.
- Maintain the number rights service.
- Mobile Number Portability Service to maintain the right to use the same number but can change the service provider, location or type of service (change camp, don't change number)
- Close the number service.
- Multi-Sim service - Service of one number, multiple SIM cards, with 1 primary SIM card and 4 additional SIM card.
- 1-2-Call Registered service.

(2) Service Dealer Center

After-sales service centre under the trademark TWZ Service Center is currently located at Ratchadaphisek Road, and all retail chain stores can accept the product that needs repairing. And send it to the after-sales service centre for repair where customers do not have to go to the service centre by themselves, thus increasing the convenience for customers to receive service.

Marketing and Competition

Competitive strategy

1. Emphasis on providing quality, fast and comprehensive services

Due to the fact that the company has been granted franchise rights to operate under the name TELEWIZ and AIS SHOP, which are considered as a dealership shop affiliated with AIS, that comes with the right to sell products. Including providing various services of AIS, which is superior to the general dealers that cannot be entitled to provide these services. Each branch of the company is equipped with a Computer Online system to link data with AIS, thus enabling the company to offer various services to customers quickly because the company can immediately enter the customer's information into the AIS mobile phone registration system. At the same time, general dealers must register via the Internet on the website www.ais.co.th, which take longer to process.

Moreover, the Company also provides after-sales services to customers, such as mobile phone repair services. Or equipment both under warranty and at the end of the warranty period. Customers can bring damaged mobile phones to be repaired at all branches of the Company. The Company will deliver the damaged product to the after-sales service centre for repair. It can be seen that the Company's service will be comprehensive. It is a quality service that increases the convenience of customers. as well as able to respond to the needs of customers entirely and efficiently.

2. Having a comprehensive and comprehensive distribution channel.

2.1 Choosing a suitable location to open a branch

Because part of the company's income comes from retail sales to general retail customers (Retail) by choosing to open a branch only in the community with purchasing power, It is convenient to use the service. Currently, the company has 22 branches.

2.2 Having a good relationship with dealers.

The dealer is an important channel to distribute the Company's products and from the fact that the Company was the first mobile phone distributor. The Company has established good relationships with these dealers for a long time. The Company also has a sales department directly responsible for overseeing these dealers. They will contact and visit dealers regularly. To acknowledge various problems to develop and improve the service to be satisfied both in terms of speed in delivering new products to keep up with demand, product quality,

including product prices. In addition, the Company has continually organized promotional activities among its dealers, to increase the incentive to buy products from the Company.

3. Having good relationships with major mobile operators.

The company has been granted Telewiz shop rights from AIS since 1994, and during the past, The company has received various awards from AIS continuously. As a result, the company has a good relationship and has consistently received support from AIS. Both in terms of organizing promotions together Budget for decorating a Telewiz shop Advertising through various media to create Brand Loyalty under the name TELEWIZ and AIS SHOP.

4. Effective inventory management.

The Company attaches great importance to inventory management because mobile phones are products that change technology all the time. Consequently, consumers tend to change their popularity quickly as well. Therefore, companies may experience problems arising from obsolete or obsolete products. Thus, the Company has developed an inventory management system to be more efficient by using the Inventory Online system that links the inventory of all branches, which makes it possible to control the amount of inventory efficiently. In addition, the Company has an inventory count of every piece in every branch at the end of the day. The Company will divide the counting staff for the warehouse according to the product type. It will do a random counting of products by unit (box) to compare the inventory balance with the inventory report from the Company's inventory system. In addition, the Company's internal audit department will count products in each branch, and at the warehouse regularly according to the internal audit plan from such measures; as a result, the Company has a shallow inventory loss.

5. Product variety and ability to select products to sell.

The Company has procured mobile phones from many significant distributors. At the same time, products from China are imported to sell under the Company's brand "TWZ", allowing the Company to have a variety of products that can meet the needs of all groups of consumers. And the Company's management has been in the mobile phone business for more than 20 years. With sedentary news and information from various leading mobile operators and mobile phone manufacturers. It is causing knowledge and understanding about the needs of consumers, consumer trends and movements of the mobile phone market as a whole. Therefore, it is possible to select products that meet the market's needs very well.

6. Quality and competence of human resource.

In order to be able to provide services according to the standards set by the service centre, the Company places importance on developing personnel to be competent and ready to deliver quality services to customers before and after-sales. In this regard, all employees in the Company's branches must undergo basic training to learn about the ability and quality of service with a standard. All employees will be trained to understand the phone's potential, how to use mobile phones and accessories, including updating information about the mobile phone market from time to time to convey to customers a complete understanding as for the after-sales service staff. In

particular, mobile phone repair technicians will receive training from the manufacturer and AIS to provide them with knowledge, expertise and skills.

7. Integrated Marketing Communication.

The company has organized promotional activities, continuous advertising both for dealers and consumers, which is a way to increase sales. And it also creates familiarity with the company's brand.

Characteristics of customers and target customers.

The Company's customers can be divided into two groups as follows:

1. General retail customers (Retail)

The Company will sell products to general retail customers through various branches of the Company, which is located in shopping centres and supercenters. The Company offers instalment loans for purchasing the Company's products. Both from AEON Thana Sinsap Public Company Limited, Ayutthaya Capital Services Company Limited, Tesco Card Services Company Limited and other financial institutions providing instalment loans to help facilitate more retail customers.

2. Dealer

In addition to selling mobile phones and accessories to general retail customers, the Company also sells products to the Company's mobile phone dealers in all regions of the country. The fact that the Company has a large volume of orders per time allows the Company to receive marketing support from distributors. And have bargaining power in terms of the product model, price and speed of delivery. Therefore, when the dealers order products from the Company, they will be allocated new products, both the products that the Company is the distributor itself and products that the Company purchases from another large distributor. Due to the Company's fast delivery and reasonable price, including the fact that the Company regularly organizes promotional activities for dealers, the Company has continuously gained the trust of dealers.

Price Policy

For mobile phones imported from China to be sold under that Company's brand, the Company has the policy to determine product prices based on cost price plus an appropriate profit margin. And will be considered to adjust the price according to the valuable features of the mobile phone. And the popularity of customers according to the competitive conditions of the market.

The rapid change in the technology of mobile phones causes the product distributors to have to adjust the product prices all the time. However, suppose the Company is a dealer of those distributors. In that case, the Company can adjust the selling price to compete in the market according to the model, condition and time agreed upon.

Distribution and distribution channels

The Company has distribution channels for its products which can be divided into 3 main channels as follows:

1. The Company's branch channels

The Company sells products directly to general retail customers through the Company's branches that are currently open for service. A total of 22 branches are located in important business areas that are suitable because general customers have behaviours that focus on the convenience of choosing products or services. The fact that the Company's branches are located in such locations has the advantage of selling and providing services that general customers can reach easily and quickly. Selling products to available customers will focus on providing services. The Company will offer products of various brands and models to customers to compare both functionality and price to suit and meet the needs of each customer.

2. Dealer channels

The Company sells its products to distributors in a wholesale manner. The Company has customers who are distributors of mobile phones in all country regions. In the selection of dealers, The Company will consider the preliminary information of each dealer, such as the nature of business, reseller's financial position and payment, the capable areas in the distribution of dealers' products. To assess the financial status of those who will become the Company's distributors. The Company will give a trade discount if the customer pays in cash. And the Company will give 7-120 days of credit to dealers who have regular purchases and have been doing business with the Company for a long time and have no history of a payment default.

3. Online channels

The company sells products through online channels, including RS Mall Company Limited, Shopee (Thailand) Company Limited, Lazada Company Limited, Central Department Store Company Limited, Robinson Public Company Limited, OfficeMate Company Limited (Thai) Co., Ltd., Power Buy Co., Ltd., Central JD Commerce Co., Ltd. The company will plan marketing together with such companies by considering the appropriateness of the quantity and the mobile phone model per customer behaviour.

The company has always understood and developed continuously. Whether developing a full range of products under the concept of pulling in value Tangible and consistent with the lives of Thai people who play a role in the current mobile phone distribution business can be divided into four groups as follows:

1. Affiliated dealers of mobile phone service operators

The three major mobile operators in Thailand are AIS, DTAC and True, which sell mobile phones, SIM cards, top-up services and accessories through stores that are affiliated with their distributors. Both in the form of branches that operate by themselves and franchise model with a management system after-sales service Clear and systematic pricing policies and marketing policies. The dealers in this group will have a good relationship with the service provider and make it possible to receive helpful information in sales

and customer service. It also receives regular business and marketing support from service providers. As a result, dealers who belong to the service provider's affiliates get the customers' trust.

2. Distributor / Dealer

Operators belonging to the distribution group are appointed directly by foreign mobile phone manufacturers, mainly focusing on the wholesale of mobile phones. The pricing and marketing policies are mutually exclusive between the mobile phone manufacturer and the appointed distributor. The distributor will buy the product directly from the mobile phone manufacturer, to be sold to dealers or general retailers.

3. Dealer with its own retail shop / retail chain store

This group of operators will also be appointed as distributors directly from foreign mobile phone manufacturers. But focus on selling by their own retail shops and selling points. At the same time, some products are sold to dealers. This group of operators will understand the usage behaviour and customer needs because they have to deal directly with the manufacturer and the consumer. As a result, it can adapt to the rapid changes of the mobile phone distribution business.

4. Online channels

These retail stores employ a small investment, and there is no management system and after-sales services. The owner of the shop deals with the customer himself. Thus, the price is negotiable. The competition among the players in this group is only focusing on the price. Therefore, the credibility of this group is less than others.

TWZ has competitive advantages as the Company plays a major role in 3 groups in mobile phone distribution industry which are:

1. TWZ has the most Telewiz shops in Bangkok. The Company is an affiliated dealer of the major mobile phone operator, AIS, by granted franchising to open 24 branches. The Company has a good relationship and always get strong support from AIS.
2. The Company is the distributor of mobile phones "TWZ" which the Company has imported such products from China to distribute under its brand names. Such products are cheaper and provide various functions, and they can serve all consumers' requirements. Besides, the group are directly appointed as a dealer by the foreign mobile phone manufacturer. The Company also purchases from other distributors in Thailand. Therefore, the Company has a variety of products and can control costs more efficiently.
3. The Company has its retail shops, TWZ Shops, all located in prime areas. And with a network of dealers covering the whole country, including a quality after-sales service centre that can support both dealers and consumers. As a result, the Company has the potential to compete with other operators as well.

Product procurement

Product procurement and Product source

1. Mobile phone

Mobile phone procurement can be separate as 2 methods as follows:

(1) Buying directly from mobile phone manufacturers in China

The company focuses on purchasing products from mobile phone manufacturers in China. To be distributed under the name "TWZ", which is the company's brand, instead of the company can buy products directly from the manufacturer—resulting in a lower cost advantage.

(2) Buying from a distributor and dealers

The Company purchases mobile phones from major distributors, subsidiaries of AIS because each distributor is entitled to sell specific mobile phone brands and only some models. Therefore, for the Company to have products available for all models and brands, the Company's purchase of products from each distributor depends on the brand and popular mobile phone models, Volume Discount. Including various offers from distributors such as the allocated quantity. In addition, the Company also purchases additional products from other distributors in the country to diversify the distribution of products. and can respond well to the needs of each group of customers.

2. Mobile phone accessories

The company procures accessories from many sources. For the company's brand (House Brand), the company will order accessories directly from the manufacturer. Part of the company will order from dealers in the country.

3. SIM card and top-up service

The Company has a top-up service and sells all AIS SIM cards distributed by Affiliates of AIS.

4. Other services

The company has been granted the right to open branches under Telewiz and AIS SHOP, enabling it to provide various services. For all mobile phone systems of AIS and the company has an after-sales service centre. To provide services to customers who purchase products from the company.

Assets used in business

1. Details of assets used in business operations

As of December 31, 2021, the Company has assets used in its business operations as follows:

Property Type/Characteristics	Ownership	Obligation	Mortgage limit (Million Baht)	Net book value as of December 31, 2021 (Million Baht)
Land	Own	-	-	62.06
Building	Own	-	-	54.12
Building Renovation (Renovate branches and offices)	Own	-	-	0.36
Inventories	Own	-	-	1.16
Office supplies	Own	-	-	0.28
Office decorations	Own	-	-	0.38
Vehicles	Own	-	-	14.92

2. Details of the lease agreement

As of December 31, 2021, the Company has assets which are leased spaces used in its business operations from several lessors which can be summarized as follows:

Lessor	Purpose	Location	Lease area (Sq.m.)	Lease period
Ek-Chai Distribution System Company Limited	Telewiz Shop	1 st Fl, Tesco Lotus, Srinakarin Branch	42.00	16 Nov20 - 15 Nov 23
		1 st Fl, Tesco Lotus, Rattana Thibet branch	13.00	05 Dec20 - 04 Dec 23
		2 nd Fl, Tesco Lotus, Chaengwattana Branch	15.00	23 Jul21 - 22 Jul 24
		2 nd Fl, Tesco Lotus, Sukhumvit 50 Branch	19.00	01 Apr21 - 31 Mar 24
		2 nd Fl, Tesco Lotus, Sukhumvit 50 Branch	17.00	01 Aug21 - 31 Jul 24
		2 nd Fl, Tesco Lotus, Rama 3 Branch	34.00	01 Aug20 - 31 Jul 23
		2 nd Fl, Tesco Lotus, Bangna-Trad Branch	27.00	01 Aug 21 - 31 Jul 24
Siam Retail Co. Development Co., Ltd.	Telewiz Shop	3 rd Floor, Fashion Island Shopping Center, Room 3033	77.17	01 May 21 - 30 Apr 25
		3 rd Floor, Fashion Island Shopping Center, Room 3033A	74.00	01 Jun 20 - 31 May 23
CPN Retail Growth Property Fund	Telewiz Shop	2 nd Floor, Room 225, Central Plaza Building Ratchada-Rama 2	119.53	22 Dec. 20 - 21 Dec. 22
All seasons company Property Co., Ltd.	Telewiz Shop	3 rd Floor All Seasons Complex Building Room 334/3	10.31	29 Sep. 20 - 28 Sep. 23
Big C Supercenter Public Company Limited	Telewiz Shop	Room F1/10, Carrefour, Rama 2 branch basement	32.50	08 Feb 21 - 07 Feb 23
	Telewiz Shop	Room 2CR220/1 Shopping Center Big C Supercenter Bangplee	115.00	01 Nov 21 - 31 Oct 24

Lessor	Purpose	Location	Lease area (Sq.m.)	Lease period
	Telewiz Shop	Room F1/10, Carrefour, Rama 2 branch basement	19.31	01 Nov 20 - 31 Oct 23
	Telewiz Shop	Big C Super Shopping Center Center Don Mueang Saphan Mai Branch	14.06	09 Mar 21 - 08 Mar 23
Bangna Central Co., Ltd. Property Co., Ltd.	Telewiz Shop	5 th Floor, Room 529, Central City Bangna Shopping Center	44.88	01 Jul 21 - 30 Jun 22
Central Pattana Public Company Limited	Telewiz Shop	3 rd Floor, Room 309/1, Central Ramintra Shopping Center Building	53.75	01 Feb 21 - 30 Apr 22
	Telewiz Shop	3 rd Floor, Room 345, Central Pinklao Shopping Center	89.48	01 Jun 21 - 31 May 24
Home Product Center Public Company Limited	Telewiz Shop	2 nd Floor, Room R252, Market Village, Suvarnabhumi Branch	129.00	01 Jun 21 - 31 May 24
Kaitak Narita Co., Ltd.	office and warehouse	47/377 4th Floor, Room 411, Industrial Condominium, Narita Building, Pak Kret District, Nonthaburi Province	180.00	01 Jul 21 - 30 Jun 22
		47/341 4th Floor, Room 401, Industrial Condominium, Narita Building, Pak Kret District, Nonthaburi Province	308.00	15 Sep 21 - 15 Sep 24
Piyachat Company Limited	Office and after- sales service department	273,273/1 Room B1-B2, THE WIZ RATCHADA Project, Ratchadaphisek Road Ratchadaphisek Subdistrict, Din Daeng District, Bangkok	345.30	01 Mar 20 - 28 Feb 23
Kaitak Narita Co., Ltd. (TZ Trading Co., Ltd.)	Warehouse	47/341 4th Floor, Room 402, Industrial Condominium, Narita Building, Pak Kret District, Nonthaburi Province	208.00	15 Sep 21 - 14 Sep 22
Piyachat Company Limited (TZ Trading Co., Ltd.)	Office	273/2 Room B3, THE WIZ RATCHADA Project, Ratchadaphisek Road Ratchadaphisek Subdistrict, Din Daeng District, Bangkok	172.65	1 May 20 - 30 Apr 23

3. Details of leasehold rights

As of December 31, 2021, the Company has assets which are leasehold rights of areas used in business operations from the providers which can be summarized as follows:

Location	Purpose	Area (Sq.m.)	Lease period	Obligation	Net book value as of December 31, 2021 (Million Baht)
Room 305, 3 rd Floor, Central Plaza Shopping Center, Rama 3	Telewiz Shop	75.20	10 Oct. 97 - 10 Oct. 22	Mortgage with bank	0.18
Room 509A, 5 th Floor, Central City Bangna Shopping Center	Telewiz Shop	110.00	1 Oct. 01 - 30 Jun 23	Mortgage with bank	0.38

In addition, the Company entered into a land lease agreement with the State Railway of Thailand on Ratchadaphisek Road, an area of approximately 6,126 square meters. And Piyachat Company Limited, the Company bought shares from the existing shareholders on October 1, 2013. As a result, the Company will benefit from land lease rights contracts from the State Railway of Thailand on Ratchadaphisek Road, an additional area of approximately 5,909.20 square meters for the construction of a home office, office building for commercial. The leasehold right consists of 4 lease agreements:

1. Land lease agreement for building construction Starting from March 10, 2008, to December 31, 2012, 2 issues
2. Land lease agreement with building construction to carry out the procurement of benefits Starting from January 1, 2013, to August 14, 2031, 2 issues

All buildings in the leased area, in any case, shall be owned by the State Railway of Thailand when it is built or installed. And the Company and its subsidiaries have to pay annual rental fees under the 4 lease agreements with the State Railway of Thailand.

1.3 Structure of shareholding and subsidiaries

The Company has 6 subsidiaries as follow:

1. TZ TRADING CO., LTD. : The Company invested in a 100% stake. It was registered as a limited company under Thai law on 20 September 2013 to operate as a procurement and distribution of mobile phones and communication devices.
2. PIYACHART CO., LTD. : Is a registered company established as a limited company under Thai law on March 27, 1991, to operate property development business for sale and rent. And the Company, holding 100% of the shares by investing on October 1, 2013.
3. GEAR 2 CORPORATION CO., LTD. (GEAR2) : The Company invests in a 100% stake. It was registered as a limited company under Thai law on April 5, 2019 in order to operate an investment in the production and distribution of electric power.

As of December 31, 2021, The Company has 4 indirect holding companies through GEAR2 as follow:

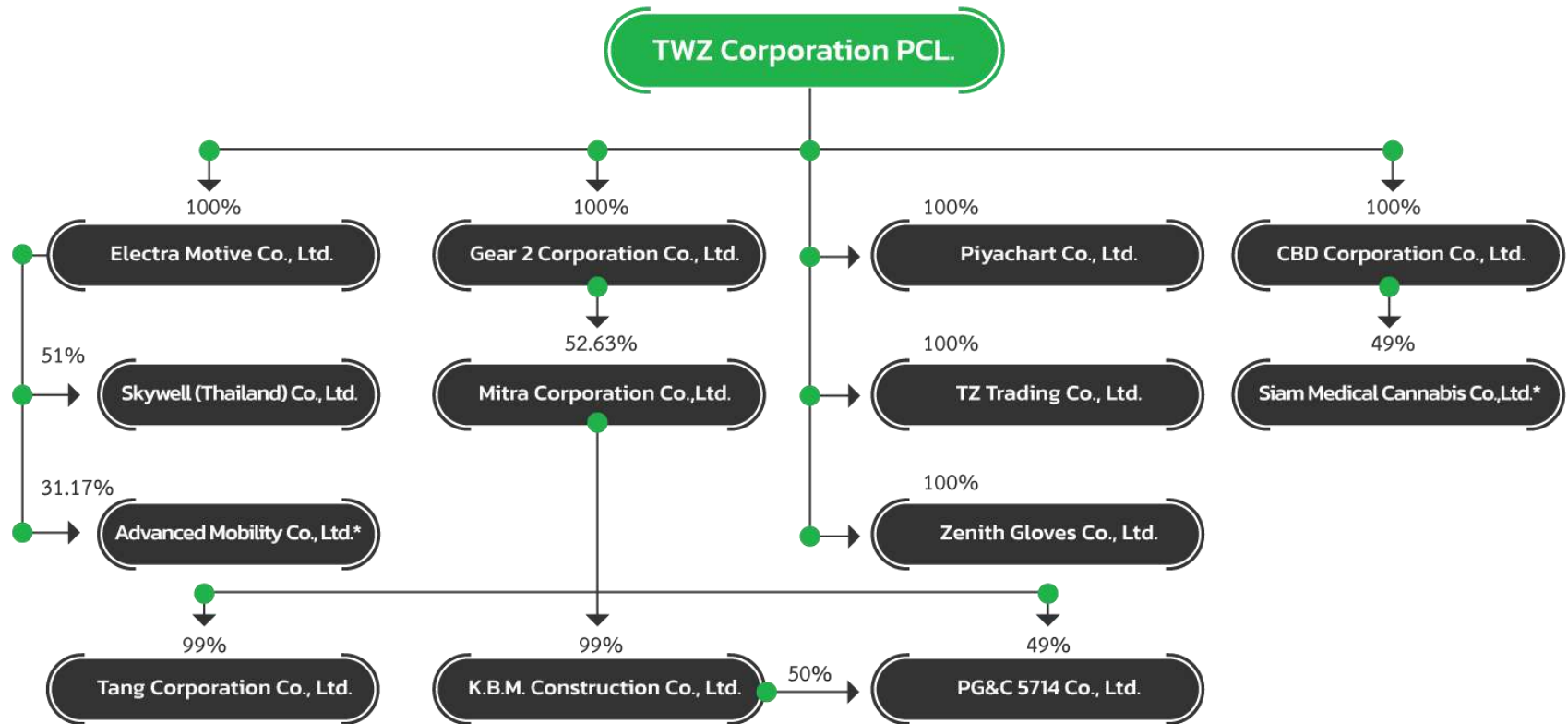
- 3.1 MITRA CORPORATION CO., LTD. (MITRA) : Indirectly held through Gear2 with a 52.63% shareholding, which established a limited company under Thai law on January 9, 2019, to invest in the production and distribution of electric power.
- 3.2 TANG CORPORATION CO., LTD. : Indirectly held through MITRA with a 99% stake. Registered a limited company under Thai law on 25 August 2017 in order to operate community waste and industrial waste.
- 3.3 K.B.M. CONSTRUCTION CO., LTD. (KBM) : Indirectly held through MITRA with a 99% shareholding, which established a limited company under Thai law on December 24, 2012, to invest in the production and distribution of electric power.

- 3.4 PG&C 5714 CO., LTD : Indirect holding via MITRA with 49% shareholding and indirect holding through KBM Holding 50% shareholding, a total of 99% shareholding, which established a limited company under Thai law on November 6, 2015 to engage in the business of producing and distributing electric power. Currently, there is a power purchase agreement with the Provincial Electricity Authority.
4. ELECTRA MOTIVE CO., LTD. (ELME) : The Company invests in a 100% stake. It was registered as a limited company under Thai law on February 19, 2020 in order to operate an investment in the motor vehicle sales.

As of December 31, 2021, The Company has 2 indirect holding companies through ELME as follow:
 - 4.1 SKYWELL (THAILAND) CO., LTD. (“SKY-TH”) : Indirectly held through ELME with a 1% shareholding, which established a limited company under Thai law at July 4, 2020, to invest in the automotive trading.
 - 4.2 RICH ASIA INDUSTRY CO., LTD. (“RAI”) : Indirectly held through EKME with a 31.17% shareholding, by paying for the shares at the rate of 25% of the capital increase share value, Already on June 30, 2020, amounting to 50 million baht and completed the share transfer on July 8, 2020, to operate the business of importing parts and assembling electric vehicles under Board of Investment’s resolution. Which are recognized as investments in associated.
5. ZENITH GLOVE CO., LTD. : The Company invests in 100% stakes, was registered as a limited company under Thai law on March 16, 2021, to carry on the business of manufacturing, importing and distributing drugs, pharmaceuticals, chemicals, medical devices, rubber gloves.
6. CBD CORPORATION CO., LTD. : The Company invests in 100% stakes, was registered as a limited company under Thai law on April 28, 2021, to carry on business for production, distribution, wholesale, retail, sales representative, import, export, possession, planting, analysis, research, extraction and development of cables. All types of medicinal plants, including hemp, cannabis and other related businesses which the Company may own and/or acquire shares in other companies.
 - 6.1 SIAM MEDICAL CANNABIS CO., LTD. : It is a registered company incorporated as a limited company under Thai law. It is held indirectly through CBD Corporation Company Limited and recognized as an investment in an associated company in the proportion of holding 49%. The Company purchased 4,900 ordinary shares in Siam Medical Cannabis Company Limited with a par value of 100 baht per share to carry on commercial and industrial hemp business for domestic sales and export abroad. And on October 11, 2021, the Company paid for the purchase of such ordinary shares.

Structure of shareholding and subsidiaries

As of 31 December 2021



Note : * Advanced Mobility Co., Ltd. and Siam Medical Cannabis Co., Ltd. consider it as an investments in an associated.

1.4 Securities and Shareholder information

As of December 31, 2021, the Company has total paid-up capital of ordinary shares. 1,489,342,794.10 baht with a par value of 0.10 baht per share and a list of the top 10 major shareholders as of the book closing date on March 21, 2022, can be summarized as follows:

Name of Shareholders	On March 21, 2022	
	No. of shares	%
1. Rungkasiri Group		
Mr. PuttachatRungkasiri	1,744,960,073	8.79
Miss NuttanujRungkasiri	3,337,098	0.00
Total Rungkasiri Group	1,748,297,171	8.79
2. Mr.VivatKovitsophon	721,699,166	3.63
3. Mr.VichaiAmornthun	600,000,000	3.02
4. Thai NVDR Company Limited	561,763,554	2.83
5. Mr. YuttasakOhannitiku	246,700,033	1.24
6. Mrs. PetchatratThongtang	184,333,333	0.93
7. Mr.SippakornKhaosaard	163,243,300	0.82
8. Mr.KritsadaUkarapattayakul	160,845,600	0.81
9. Miss WaluneeSangseela	150,035,000	0.76
10. Mr. NattavitVutthilulpanich	134,253,000	0.68

1.5 Dividend Policy

The Company's dividend payout policy is at a minimum of 40% of net profit after tax and legal reserve. However, the Board of Directors has the power not to follow the policy or change the policy occasionally under the condition that it has to maximize the benefit of the shareholders such as have to reserve for loan repayment or business expansion or in case that there are any changes of the market conditions which may affect the Company's cash flows in the future.

2. Risk Factors

2.1 Risk associated with the termination of franchise contract with Advance Info Service Plc.

The Company granted Telewiz franchise from Advance Info Service Plc. (“AIS”) which could be terminated if any events that violate the terms and conditions of the contract occur or either party may terminate this contract by giving written notice 60 days prior the termination date to the other party. At present, there are 21 Telewiz shops, and AIS Shop under TWZ management. Therefore, the revenues of the Company might decrease if the contract is terminated. But due to the prime locations of the Company’s is able to operate these shops in form of TWZ shop if the termination of contract occurs.

The Company’s business consistently supports AIS’s business as it sells only SIM card and top up mobile of AIS network. The Company has most Telewiz shops in Bangkok. Therefore, the management believes that there is a minimal chance that the contract will be terminated and the Company’s business will be consistently supported by AIS.

2.2 Risk from depending on major distributors

Each distributor obtains the exclusive right to sell specific products/ models, therefore, to have variety of products, the Company has to purchase from various distributors. However, the decision to purchase from any distributor depends on the popularity of the products/ models of each period, discount and other sales promotions provided by each distributor.

The Company realizes the risk from depending on major distributors; therefore, the Company still maintains its relationship with other suppliers by diversifying its purchase to other distributors. Besides, the Company is the distributor of its own brand names “TWZ”. As a result, the Company has up-to-date products which can serve customers’ needs as well as decrease the dependence from major distributors.

2.3 Risk from Foreign Exchange Rate

The Company imported some mobile phones and accessories by paying in foreign currencies, thus, the Company might have the currency exchange risk. Therefore, the Company has followed exchange rate movement closely. The Company also has a policy to purchase forward contract to cover the exposure of foreign purchasing based on the situation as well as the appropriateness in order to mitigate the risk from foreign exchange rate that may occur.

2.4 Risk from product obsolescence

Mobile phone is the fast-paced technological change product, thus, the manufacturer has to consistently develop new models to serve customers’ need. Therefore, the Company might encounter problems with the inventory management for the out of dated models which the Company could not sell and eventually has to decrease the price to compete with new models.

As the Company's management is in the mobile phone distribution industry more than 20 years, they understand thoroughly of the mobile phone industry. They realize the importance of carefully product selection of each brand/model to sell. Moreover, the Company consistently surveys opinions and needs of both distributors and dealers. Meanwhile, the Company obtains information about the new mobile phone model, new technology of mobile phone from well-known mobile phone manufacturers which enable the Company to be able to select products that are needed. Besides, the Company has the efficient inventory management by establishing inventory online system which linked to all the Company's branches in order to be able to check each branch's stock. The Company also has distribution channels through its dealers; therefore, the Company can sell the products very fast before they are out-of-dated. Moreover, if its mobile phone manufacturers as well as major distributors who appoint the Company to be their dealers decrease their selling prices in order to be competitive in the market, the Company will be compensated the price change of each model in accordance with the condition that agreed with those manufactures and/or distributors.

2.5 Risk from competition

The fast growing of mobile phone and accessory distribution business Especially the growth of smart phones, therefore, mobile phone can be purchased from any sources, not only from operators. Thus, there are new players, who mostly are small retailers, participating in mobile phone business which will increase the competition especially the price competition in the industry.

The Company is the affiliated dealer of AIS who is the largest mobile phone operator, has various products to serve customers and has covered distribution channels as all the Company's retail shops located at the prime area over Bangkok and has dealers over the country. Besides, the Company has quality one-stop service centers, which are able to support all the Company's products and enable the Company to make consistently services revenues. As the Company's management understands thoroughly about the mobile phone industry as well as the customers' needs, they are able to solve all the problems very quickly. Due to the above reasons, the Company believes that it is ready and capable to compete with other players in the industry.

2.6 Risk associated with the rental contracts

The Company distributes its products to its retail customers via its 23 retail shops located in department stores and super centers; therefore, the Company has to rent the shop area both short term and long term. The Company may have risk of expiration of rental contracts or change in conditions that cause more expenses. Therefore, there is risk for contract extension in the future. However, as the Company is the good business partner with the area owner as well, the probability of this risk is considered low.

3. Driving business for sustainability

3.1 Visionary Sustainability Management Policy and Goals

The Board of Directors plays a key role in decision-making in the Company's best interests and stakeholders. And to be the one who sets policies and directions for sustainability by setting The vision, mission and operating policy framework with the Chief Executive Officer and the management team. Drive the organization by cultivating employees' awareness of participation and awareness of the importance of sustainability and operations. Enhance employee understanding to lead sustainability practices for the Company's business operations to impact the economy, society, and environment positively.

The Company frames the operating to achieve the Sustainable Development Goals (SDGs) covering the dimensions of environment, society and good governance, and integrated into the main operations according to the mission of the organization to drive efficiency 9 goals as follows:

1. Good Health and well-being
2. Quality Education
3. Gender Equality
4. Clean Water and Sanitation
5. Affordable and Clean Energy
6. Decent Work and Economic Growth
7. Industry Innovation and Infrastructure
8. Responsible Consumption and Production
9. Peace and Justice Strong Institutions

3.2 Managing impact on stakeholders in the business value chain

3.2.1 Business value chain

Supply chain management is like the heart of an organization's business operations. That helps drive its business operations to achieve the goals by building and maintaining good long-term relationships between them and seeking continuous cooperation with stakeholders in the supply chain from upstream, midstream and downstream.

The Company has a policy not to take advantage of trading partners. Straightforward trading balances the Company and all partners. In addition, the Company does business with partners like friends; when a partner has a new product or new technology will also deliver those products to the Company as the first distributor. As a result, the Company has modern products that are up to date with technology to create economic growth and strength, upgrade operations to meet the needs of consumers. The Company is committed to selling quality products and certified to international standards, conducting sales that do not take advantage of consumers. There are after-sales services and a product warranty to make consumers more confident in purchasing products from the Company with quality service to create maximum customer satisfaction.

3.2.2 Business Value Chain Stakeholder Analysis

The Company gives importance to all groups of stakeholders by conducting business based on ethics and morality. As a guideline for fair treatment to all stakeholders, both inside and outside the Company.

Stakeholder	Expectations	Respond	Participation Channel
Shareholder / Investor	<ul style="list-style-type: none"> • Good profit • Good corporate governance • Transparency • Good management • Information corrects, complete and up-to-date • Sustainability • Organizational adaptation to keep up with the changes in technology and other risks. 	<ul style="list-style-type: none"> • Reviewing and formulating strategic plans with clear goals as well as good corporate governance • Expand investment into other businesses to increase revenue and diversify the risk of investing in a single business. • Build business alliances to fulfill the Company's operational potential. 	<ul style="list-style-type: none"> • Annual General Meeting. • Quarterly Operating Results • Annual report • Management interview • Complaint centre • Communication channels that can be contacted at any time, such as email, telephone, website, Facebook.
Partner	<ul style="list-style-type: none"> • Conduct business with honesty, transparency, and fairness. • Get quality products and services at fair prices. • Not taking advantage of partners and payment on time • Professional 	<ul style="list-style-type: none"> • Do the business with ethics. • Build professionalism in business operations and good partnerships. • Support and promote partners who are socially and environmentally responsible. 	<ul style="list-style-type: none"> • Meeting • Activity with partners • Company media such as newsletters, magazines, and social media • Website
Customer	<ul style="list-style-type: none"> • Consulting and consistently meet the needs of customers • Professional • Quality products and services • Easy accessibility when customers have problems • Business Transparency and treat customers with equality do not take advantage of customers 	<ul style="list-style-type: none"> • Conduct business by morality and ethics, selling quality products with international standards. • Build confidence in products and services. including after-sales service with a product warranty and there are many channels to complaints 	<ul style="list-style-type: none"> • Customer services centre • Company media such as newsletters, magazines and social media • Activities with customers

Stakeholder	Expectations	Respond	Participation Channel
		<ul style="list-style-type: none"> Adhere to the principle of fair treatment of customers, equal, not taking advantage of consumers. 	
Business Alliance	<ul style="list-style-type: none"> Credibility, reputation, and corporate governance Transparency Financial stability Fair compliance with the terms of the contract 	<ul style="list-style-type: none"> Establishment of a fair procurement system to prevent conflicts of interest Evaluation and selection of partners Negotiating with partners to reach an agreement 	<ul style="list-style-type: none"> Meeting Study tour and review the operations of partners and reflect Supplier Evaluation
Creditors and financial institutions	<ul style="list-style-type: none"> Reliable credit Efficiency and ability to generate income and profit Ability to pay back debt Investment plans and the company's fundraising to use for project investments Continued good business relationship The ability to comply with the terms of the contract; 	<ul style="list-style-type: none"> Strict adherence to debt repayment plans to build confidence in creditors and financial institutions Analyzing and forecasting revenues as well as managing financial risks. Choose a source of funds with low financial costs and suitable for the project. and comply with the loan conditions Comply with the company's financial and tax policies. 	<ul style="list-style-type: none"> Arrange a meeting between the management and the creditor company Quarterly report and Annual report Project Viewing to track project progress
Government and government agencies	<ul style="list-style-type: none"> The Company's business operations must not contravene the relevant laws and regulations. 	<ul style="list-style-type: none"> Comply with the law and other requirements or applicable international guidelines to be correct. 	<ul style="list-style-type: none"> Conducting media communication activities through all forms of communication tools
Social and environment	<ul style="list-style-type: none"> Operations with environmental and social responsibility Transparent Disclosure and up-to-date 	<ul style="list-style-type: none"> Create volunteer employees to join in arranging committees to improve the quality of life in the community and society 	<ul style="list-style-type: none"> meeting to build relationships Quality of Life Improvement Activities

Stakeholder	Expectations	Respond	Participation Channel
	<ul style="list-style-type: none"> Valuable use of natural resources Reducing environmental impact 	<ul style="list-style-type: none"> Anti-corruption policy Environmental management and safety in accordance with applicable laws and regulations, and to prevent potential risks to the community Systematic environmental management Use of substitute materials 	<ul style="list-style-type: none"> Social and environmental activities
Employee	<ul style="list-style-type: none"> Income and Compensation, Benefits and Security. Job security Opportunities for advancement in the field Career stability 	<ul style="list-style-type: none"> Requires regular review of the rate of return and benefits. Communicating through electronic media within the organization on a regular basis Employee potential assessment every 6 months and 1 year Discussion between heads of departments and employees in the organization. Prepare training plans to develop employees' potential Receive comments and suggestions from operators. 	<ul style="list-style-type: none"> Annual Performance Assessment Training to develop the competence of personnel at the executive and employee level Safety promotion activities and promote health Communication of press releases can be useful through various channels.

3.3 Sustainability Management in Environmental Dimensions

3.3.1 Environmental Policies and Practices

The Company is aware of the importance of the environment. It is committed to eliminating or reducing pollution to the ecosystem that may arise from the Company's business operations. Set environmental policy To

be a framework and guideline for business operations of environmentally responsible organizations both energy and utilities To create sustainability further as follows:

- 1) Drive work processes or related activities that help to promote the reduction of waste and pollution and the maximum use of natural resources.
- 2) Campaign and encourage employees to have awareness or activities Both in the corporate and private sectors that help reduce the amount of waste and pollution. Whether in the form of reducing the amount of use reuse.
- 3) Prevent pollution from operations or activities that may affect the environment.
- 4) Support Procurement of goods and services environmentally friendly

3.3.2 Environmental performance

The company realizes the importance of the environment. Therefore, we have continuously campaigned and instilled a sense of responsibility for the environment in our employees to encourage the reduction of resource use and the reuse of used resources. Including finding alternative materials or methods to reduce resource use and using materials that help reduce global warming and cultivate common consciousness as follows:

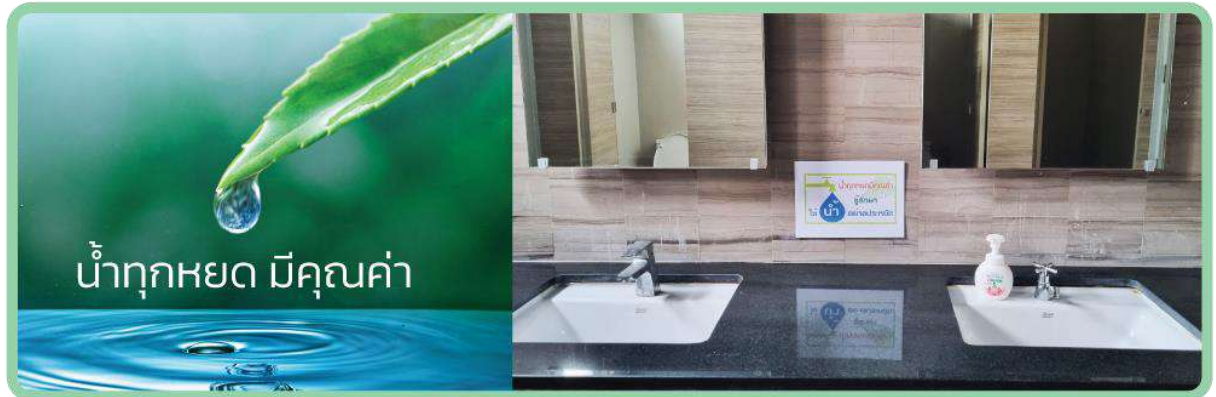
1) Energy saving and electrical system management

The company aims to foster a positive attitude in energy efficiency by cultivating employees to realize, understand, and cooperate in complying with the energy conservation policy within the organization to reduce energy consumption and maximize the use of energy, for example: going up and down the stairs instead of using the elevator, turn off the lights during lunch breaks, unplug immediately after work or unplug all electrical appliances after use, and adjust the air conditioner at 25°-26°C to save energy



2) Water system management, campaign water saving

The company has campaigns to reduce unnecessary water use through public relations to stimulate the consciousness of employees and instill good values among employees.



3) Waste management

The company campaigns for employees to be aware of garbage disposal. By cultivating employees to understand the management of waste discarded in the company through the guidelines used worldwide to reduce the amount of garbage and waste that will affect the environment, causing pollution and germs in the office. There is publicity for employees to learn how to dispose of waste according to the designated sorting system. Separate into food waste, plastic waste and paper waste by arranging for garbage disposal points at clearly specified locations. Gather used office equipment such as used calendars in the company to the Foundation for the Blind in Thailand under royal patronage for use in the production of braille books.



4) Cost-effective management of office equipment

The company manages various office equipment. It is worthwhile to reuse office equipment still in good condition, such as document folders and envelopes. Reduce paper usage by campaigning for employees to edit on-screen and contact via E-mail. Think before print or copy; print and copy as little as

possible. Send and store documents such as required documents and business proposals electronically rather than paper. When printing or copying, do it on both sides. Rotate documents instead of making specific copies for everyone.

5) Management to reduce greenhouse effect

The Company is well aware of global climate change and its impact on people's livelihoods. Therefore, the Company is committed to operating based on creating positive change for both the community and environment to run the business appropriately. At present, the Company is preparing policies and guidelines for the greenhouse gas problem. Because the Company has a group of subsidiaries that operate the business of industrial waste power plants, waste sorting plants, and electric vehicle business under construction, it is expected that the policy will impact operations in such matters within 2022. Then, the Company will disclose environmental information to the Company's stakeholders each year and improve measures to reduce the Company's greenhouse gas emissions further.

6) Awareness Project on the Use of Resources and the Environment with Value.

The Company has a plan to conduct CSR activities regularly by stipulating that diversity and inclusion of activities related to the environment include:

6.1 Campaign for using cloth bags instead of plastic bags

The company is aware of environmental problems and the importance of reducing the amount of plastic bag waste that is one of the causes of global warming that affects the entire ecosystem. Therefore, a project to use cloth bags instead of plastic bags has been implemented. The objective is to allow employees to create an organization that saves the world by campaigning for all employees to work together to use resources worthwhile, whether saving energy—reusing some resources (Reuse) to reduce the use of paper. Including a campaign to reduce the use of plastic within the organization.



6.2 TWZ Thinks GREEN Project

To campaign for users of mobile phones of all brands and models to dispose of old batteries at the battery receiver box at all TWZ Shop and Telewiz Shop branches, to be sent to an appropriate disposal site for e-waste recycling, which is safe for the environment.



3.4 Sustainability management in social dimensions

The Company has realized and given importance to being a part of Thai society and social responsibility in all activities of the Company towards the community, partners, customers and employees of the Company by adhering to fair treatment and Does not cause any impact or burden on society, including not contrary to morals and related laws.

3.4.1 Conducting business with fairness

The Company has the policy to purchase products for sale from business partners that do business legally as products that do not infringe on the intellectual property of others, including products that have passed quality checks from those manufacturers. The Company has the policy to request a visit to the establishment or factory before making a purchase decision. In addition, the Company has also inspected the quality of the product again before selling it to its customers to ensure that such products are of quality, meet acceptable criteria and do not cause harm to customers or users.

As for the Company's offering of products, the Company supports free and fair-trade competition for all parties without monopoly or requiring business partners to sell only the Company's products. Wholesale pricing to dealers is standardized under the same conditions for all partners, such as order volume, payment history, and retail customer pricing is standardized for all the same prices. In addition, the Company does not support the illegal or unethical acquisition of competitors' information.

3.4.2 Respect for human rights

The Company respects the human rights and freedoms of employees at all levels. And does not obstruct the expression of employees' rights and privileges to join any association, group or organization that operates appropriately within the framework of the law. And open for employees to exercise their right to take leave to participate in expressing their rights and freedoms. However, it must be done to benefit society or the nation. In

addition, the Company respects employees' privacy rights by not disclosing personal information of employees such as personal history, family history, medical history, salary to outsiders or unrelated persons, unless authorized by the employee or solely by law.

3.4.3 Fair treatment of labor

The Company realizes the value of personnel working together to perform their duties for the Company, therefore attaching importance to enhancing the potential of employees' knowledge and abilities as well as building morale and morale in their work equally.

To make employees happy in working with the Company in addition to the primary benefits. The Company has also provided welfare and occupational health and safety at work for employees as required by law, including taking care of employees in terms of the workplace, working environment, working equipment, and necessary facilities. The Company also provides other appropriate additional benefits for employees, such as a free lunch program to encourage employees to have the opportunity to learn and exchange with each other apart from their regular working hours and to help alleviate the burden. The cost of living for employees as well.

As for the development of employees' knowledge and abilities, the Company has continually provided training to employees within the organization as appropriate and necessary to enhance the employees' capabilities, attitudes and coexistence in society, which would benefit the Company and society.

3.4.4 Consumer responsibility

The Company recognizes the importance of responsibility to consumers as an essential factor in business operations. The Company's products sold to consumers have passed the quality check from the manufacturer, passed the inspection and authorized by the relevant government agencies, and given the quality check again by the Company before they are delivered to the consumers. In addition, the Company has the policy to guarantee the quality of every product according to the type of product under the specified time and conditions to give consumers confidence and safety in using the Company's products.

3.4.5 Anti-Corruption

The Company has established a policy against corruption, bribery, and corruption at all levels of employees, which has been communicated to employees on a regular basis and imposed penalties for employees whose violation is strictly prohibited. The Company's executives have attended the training on Anti-Corruption: The Practical Guide (ACPG) to clearly define policies and ensure the Company's anti-corruption practices are of high quality.

The Company operates its business by adhering to the principles of good corporate governance and has established anti-corruption policies that may arise from operations and dealing with stakeholders. The Company and its subsidiaries must strictly adhere to the following practices:

1. Political Neutrality and Political Aid

The Company has a policy of conducting business with political neutrality, supporting compliance with the law and democratic governance with the King as head of the board, executives and employees have political rights and freedoms according to the law. However, they will not take any action that causes the Company loss of impartiality or damage from political involvement, including using any company's resources to do.

2. Charitable donations and grants

Performance

1. The company has organized training for employees. To develop the potential of personnel within the organization as follows:

Concept

- Training Roadmap is the company's concrete human resource development plan. It will specify training courses for employees from the company's start onwards. The program will determine which training courses employees in each position need to receive and which courses will continue for a period of not more than 5 years, subject to review. And continually improve training plans to keep them up-to-date and in line with changing business conditions.
- Objectives to organize training courses for company personnel to be more precise and more concrete. It will result in an overview of the training courses that personnel need to undergo continuous training in the first year. It is also a preparation for advanced employees in stepping up to the higher position and liability in the future.

The procedure for preparing a Training Roadmap consists of 4 steps as follows:

- Analyzing Needs & Requirement from Job Descriptions and Work Process to determine the content that needs training.
- Designing Training Course by separate to Functional and Managerial Course
- Establishing Roadmap Develop the Roadmap to provide continuity courses in each job position and at different times of the year
- Implementing & Follow up Conduct roadmap training and follow-up to develop and modernize the Roadmap.

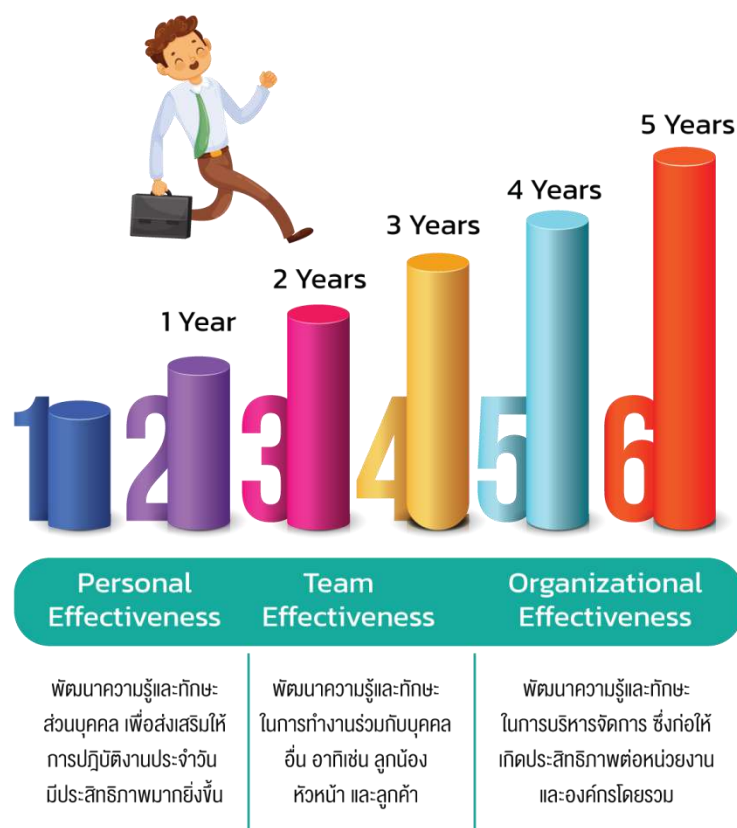
Training Roadmap consist of:

- 1) Functional Skills
- 2) Soft Skills
- 3) Management Skills

Functional Skills Roadmap Framework



Managerial & Soft Skills Roadmap Framework



2. Support the implementation of the anti-corruption policy by requiring the Company to provide training for employees to promote honesty and guidelines for good behaviour standards and employee codes of conduct. Including the Company's business ethics through the orientation of new employees. Supervision and monitoring, and evaluation of policy compliance by assigning the internal audit unit to summarize the investigation results on the corruption of each team in the past year. Then, report to the Audit Committee annually and suggest solutions to the problem. In the past year, there have been some defects due to non-operation per the Company's regulations. By the way, they have been corrected and informed employees to acknowledge. As for the directors and executives-no wrongdoings or resignations were found due to corporate governance issues, nor did they find any cases that could cause damage to the Company from performing their duties in the Company.
3. Annual Health Checkup Program. The Company recognizes that its personnel are The Company's Most Valuable Resource Having good health will lead to readiness to work at full capacity. And good health is an indicator of a good quality of life. Therefore, the Company has continuously conducted annual health check-ups for employees every year. And inform employees of their health information. It is also to find the risk of disease or abnormalities from the beginning, which will prevent complications and reduce the severity of the disease to receive treatment since the symptoms are not severe.



4. Due to the pandemic of coronavirus-19 (COVID-19), the Company has supported and taken care of employees' health in a preventive manner. Create a safe environment to conduct good health. The Company has announced to allow employees to work from home because it concerns employees' health and uses digital systems to reduce the

risk of travelling to work. Provide alcohol gel, hygienic mask, record temperature measurement, and systematically enter and exit the office in case of necessity or urgency. The Company provide public relations media to educate employees about the pandemic of the COVID-19 virus and what to do in the pandemic situation. Including providing vaccinations and screening with Antigen Test Kit (ATK) to monitor and screen for initial risks for employees.



4. Management Discussion and Analysis

Operating Results

In 2021, the company and its subsidiaries had total revenue Baht 3,445.89 million, increased from Baht 3,302.38 million in the same period which was Baht 143.51 million or equivalent to increase of 4.35%, as follows

- Revenues from sales and services. The company and its subsidiaries have revenues from sales and services was Baht 3,412.84 million for the year 2021 increased from Baht 3,247.54 million of the same period last year which was Baht 165.30 million or equivalent to the increase of 5.09 %. Because in the year 2021, the company was hit by the Covid-19 epidemic, resulting in lower sales revenues. In 2021, in addition to revenue from the sale of mobile phones and accessories. The company also generated income from the electric vehicle business of Baht 69.72 million, revenue from real estate development projects of Baht 160.65 million, and income from investment properties of Baht 11.48 million baht.

- Sales support income was Baht 13.12 million decreased from Baht 28.96million of the same period last year which was Baht 15.84 million or equivalent to the decrease of 54.70 %. Because the company has arranged marketing activities in order to accelerate the distribution of mobile phones and accessories. Therefore, it is supported to reduce sales from distributors according to the promotions that the distributors set as well.
- Other income was Baht 19.93 million which was 0.58 % of Total revenue decreased from Baht 25.88million of the same period last year which was Baht 5.95 million or equivalent to the decrease of 22.99 %. Other income of the company in 2021 mainly consists of Profit from foreign exchange rates Interest earned on fixed deposits and interest received under the financial lease agreement
- The cost of sales and services was Baht 3,095.51 million increase from Baht 2,953.99million of the same period last year. Because in 2021, the Company and its subsidiaries' revenues from sales and services increased from the previous year.
- Distribution costs were Baht 63.20 million decreased from Baht 63.25million of the same period last year. The company has Distribution costs to total revenue was 1.83% and 1.92 % in 2021 and 2020 respectively.
- Administrative expenses were Baht 142.40 million decreased from Baht 142.54million of the same period last year, which Administrative expenses to total revenue of the Company accounted for 4.13% and 4.32% in 2021 and 2020, respectively.
- Finance cost was Baht 123.94 million decreased from Baht 147.77million of the same period last year. which was Baht 23.83 million or equivalent to the decrease of 16.13%, Which is the result of borrowing in the normal operation of the company.
- Share of profit (loss) from investments in associates amounted to 24.92, increasing from a loss of Baht 0.39 million in the previous year. Arising from the investment in Advance Mobility Company Limited for holding 31.17% of the shares to operate electric vehicle business.
- Income tax expenses in 2021 was Baht 9.93 million increased from Baht 3.92million of the same period last year which was Baht 6.01 million because the operating result as described above.
- An amount of net loss was approximately Baht 35.83 million which was deducted by a deficit of non-controlling interests at Baht 3.00 million Accordingly total net loss was Baht 38.83 million. because the company and its subsidiaries have the operating results as mentioned above.

Financial Status

The total assets of the Company in 2021 were Baht 6,497.95 million increased from Baht 5,758.67million of the same period last year which was Baht 739.28 million or equivalent to the increase of 12.84%. The Company's total assets at the end of year 2021 consisted of current assets with the portion of 82.46% and non-current assets with the portion of 17.54%. The Company's major assets were summarized as follows:

- Accounts receivable of the Company were Baht 1,733.35 million decreases from Baht 1,734.02million of the same period last year. Most of the Company's trade accounts receivable are account receivables arising from the sale of mobile phones and accessories. Other receivables for most operations consist of Advance payments for purchases of goods Other receivables Prepaid expenses accrued income Operating Advances and accrued interest.
- Inventories of the Company and its subsidiaries consisting of mobile phones and accessories including waste that is raw materials for electricity generation of subsidiaries. Inventories were Baht 2,058.24 million in the year 2021, which increased from Baht 1,781.64 million in the last year was Baht 276.60 million or increase 15.53%. In 2020, there is no electric vehicle inventories. and mobile phone inventories and accessories according to the company's product management policy Currently, the cost of mobile phone products per unit is higher than in the past year.
- Other current assets in 2021 amounted to Baht 272.36 million, decrease from Baht 336.05 million from the previous year was Baht 63.69 million baht or 18.95% due to the classification of deposits for machinery in the power generation and distribution business with energy. Plasma is another non-current asset.
- Non-current assets or asset classes to be disposed of classified as assets held for sale amounting to Baht 3.95 million, decreased from Baht 180.25 million because in 2021 the company sold real estate development projects.
- Investments in subsidiaries and associates amounted to Baht 75.80 million, an increase from Baht 50.39 million from the previous year was Baht 25.41 million or an increase of 50.43% because the company received a share of profit from the associated company.
- Right-of-use assets amounted to Baht 51.33 million, increase from Baht 8.50 million from the previous year was Baht 42.83 million. Consideration of lease contracts shall be in accordance with Thai Financial Reporting Standard No. 16.
- Goodwill was Baht 63.29 million, decrease from Baht 66.31 million from the previous year was 3.02 million baht due to impairment of goodwill from investments that the company invested in Piyachart Company Limited, a subsidiary doing real estate business.
- Other non-current assets amounted to Baht 79.86 million, increased from Baht 22.95 million from the previous year was Baht 56.91 million due to the classification of deposits for machinery in the business of producing and selling electric power with energy. Plasma comes from other current assets.

Liquidity

The company and its subsidiaries have cash and cash equivalent as December 31, 2021 was Baht 911.30 million increases from the year ended of 2020 amount Baht 560.13 million or equivalent to the increase of 159.50%. The details of the sources and uses of cash as follows

- Net cash provided from operating activities was Baht 157.68 million. Mainly due to Increase inventories and payment of operating interest.
- Net cash used from investing activities was Baht 123.55 million. Mainly due to cash received from the sale of assets held for sale.
- Net cash provided from financing activities was Baht 594.26 million. Mainly due to the cash received from the issuance of the issued capital. advance payment of the issued capital and cash received from the issuance of convertible debentures.

Current ratio of the Company in year 2020- 2021 equaled to 2.27 times and 2.74 times, respectively. The Company has current assets in cash and cash equivalents. and increased inventories and current liabilities for bank overdrafts and short-term loans from financial institutions decreased.

Source of Capital

The total liabilities of the Company as of December 31, 2021, amounted to Baht 2,437.49 million decreased from the year 2020 was 10.61%. reduction of such debt This was mainly due to decrease in bank overdrafts and short-term loans from financial institutions. while the shareholders' equity of the Company was Baht 4,060.46 million, resulting in the debt to equity ratio of 0.60 times, decrease from 0.90 times in 2020.

CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY

STATEMENTS OF FINANCIAL POSITION

details (Unit : million baht)	2021		2020		2019	
	amount	%	amount	%	amount	%
ASSET						
Current assets						
Cash and cash equivalents	911.30	14.02	351.17	6.10	411.62	7.57
Trade and other current receivables	1,733.35	26.68	1,734.02	30.11	1,583.06	29.12
Short - term loans to related parties	5.00	0.08	5.50	0.10	-	-
Current contract assets	5.74	0.09	-	-	-	-
Inventories	2,058.24	31.68	1,781.64	30.94	1,606.88	29.56
Current tax assets	0.87	0.01	-	-	-	-
Other current financial assets						
- Account receivables of real estate project under financial lease agreement	5.81	0.09	4.80	0.08	2.43	0.04
- Real estate development project for rental under financial lease agreement	10.04	0.15	10.04	0.17	21.08	0.39
- Other current financial assets	351.53	5.41	351.40	6.10	379.00	6.97
Non - current assets or disposal groups classified as held for sale	3.95	0.06	180.25	3.13	180.25	3.32
Other current assets	272.36	4.19	267.36	4.64	336.05	6.18
Total current assets	5,358.19	82.46	4,686.18	81.38	4,520.37	83.15
Non-current assets						
Other non - current financial assets						
- Account receivables of real estate project under financial lease agreement	65.86	1.01	66.95	1.16	67.91	1.25
- Other non - current financial assets	7.16	0.11	7.15	0.12	7.15	0.13
Investments in subsidiaries and associates	75.80	1.17	50.39	0.88	-	-
Non-current contract asset	5.46	0.08	-	-	-	-
Long - term loans to related parties	20.00	0.31	-	-	-	-
Investments property	112.70	1.73	114.90	2.00	104.80	1.93
Property, plant and equipment	171.65	2.64	176.66	3.07	177.35	3.26
Right of use assets	51.33	0.79	8.50	0.15	-	-
Goodwill	63.29	0.97	66.31	1.15	42.71	0.79
Other intangible assets other than goodwill						
- Leasehold land	9.49	0.15	10.65	0.18	20.38	0.37
- Leasehold areas	0.56	0.01	1.05	0.02	1.53	0.03
- Other intangible assets	451.85	6.95	453.50	7.88	450.33	8.28
Deferred tax assets	1.12	0.02	1.15	0.02	1.91	0.04
Other non - current assets						
- Land held for development	23.63	0.36	23.63	0.41	23.63	0.43
- Other non - current assets	79.86	1.23	91.65	1.59	18.45	0.34
Total non - current assets	1,139.76	17.54	1,072.49	18.62	916.15	16.85
Total assets	6,497.95	100.00	5,758.67	100.00	5,436.52	100.00

STATEMENTS OF FINANCIAL POSITION(continue)

details (Unit : million baht)	2021		2020		2019	
	amount	%	amount	%	amount	%
<u>LIABILITIES</u>						
<u>Current liabilities</u>						
Bank overdrafts and short-term borrowings from financial institutions	1,089.34	16.76	1,572.28	27.30	1,704.33	31.35
Trade and other current payables	325.48	5.01	311.90	5.42	261.46	4.81
Current contract liabilities	5.47	0.08	-	-	-	-
Current portion of lease liabilities	19.87	0.31	3.30	0.06	-	-
Current portion of long - term liabilities						
- Bonds	419.43	6.45	-	-	62.51	1.15
- Loans from financial institutions	15.22	0.23	-	-	-	-
Short term loan from related parties	69.51	1.07	69.51	1.21	84.56	1.56
Short term loan from unrelated parties						
- bill of exchange	-	-	-	-	96.92	1.78
- Promissory note	-	-	-	-	25.00	0.46
- Other short term loan	0.41	0.01	94.64	1.64	81.47	1.50
Corporate income tax payables	3.74	0.06	2.62	0.05	3.88	0.07
Other current financial liabilities						
- Financial lease - Movable assets	2.73	0.04	3.57	0.06	3.01	0.06
- Financial lease - Real Estate	3.40	0.05	2.28	0.04	0.88	0.02
Total current liabilities	1,954.60	30.08	2,060.10	35.77	2,324.02	42.75
<u>Non - current liabilities</u>						
Long term loan	23.90	0.37	20.00	0.35	-	-
Lease liabilities	25.09	0.39	4.73	0.08	-	-
Non-current contract liabilities	5.21	0.08	-	-	-	-
Bonds	-	-	410.80	7.13	-	-
Convertible bonds	199.39	3.07	-	-	-	-
Deferred tax liabilities	117.82	1.81	116.18	2.02	118.08	2.17
Non - current provisions for employee benefits	14.09	0.22	11.34	0.20	12.62	0.23
Other non - current financial liabilities						
- Financial lease - Movable assets	2.99	0.05	5.87	0.10	8.95	0.16
- Financial lease - Real Estate	93.84	1.44	97.24	1.69	99.97	1.84
Other non - current liabilities	0.56	0.01	0.61	0.01	0.43	0.01
Total non - current liabilities	482.89	7.43	666.77	11.58	240.05	4.42
Total liabilities	2,437.49	37.51	2,726.87	47.35	2,564.07	47.16

STATEMENTS OF FINANCIAL POSITION(continue)

details (Unit : million baht)	2021		2020		2019	
	amount	%	amount	%	amount	%
SHAREHOLDERS' EQUITY						
Share capital						
Issued and paid-up share capital						
14,893,427,941 ordinary shares of Baht 0.10 each	1,489.34	22.92				
9,906,689,250 ordinary shares of Baht 0.10 each			990.67	17.20		
8,548,952,743 ordinary shares of Baht 0.10 each					854.89	15.72
6,259,073,061 ordinary shares of Baht 0.10 each						
Share premium on ordinary shares	1,215.17	18.70	1,215.17	21.10	1,215.17	22.35
Retained earnings						
Legal reserve	55.25	0.85	53.62	0.93	53.37	0.98
Treasury stock	-	-	-	-	3.60	0.07
Unappropriated	537.67	8.27	500.48	8.69	501.25	9.22
Treasury stock	-	-	-	-	(3.60)	(0.07)
Other equity interest	494.16	7.60	-	-	-	-
Other components of shareholders' equity	-	-	-	-	0.06	-
Total shareholders' equity of parent company	3,791.59	58.35	2,759.94	47.93	2,624.74	48.28
Non - controlling interests	268.87	4.14	271.86	4.72	247.71	4.56
Total shareholders' equity	4,060.46	62.49	3,031.80	52.65	2,872.45	52.84
Total liabilities and shareholders' equity	6,497.94	100.00	5,758.67	100.00	5,436.52	100.00

STATEMENTS OF COMPREHENSIVE INCOME

Details (Unit : million baht)	2021		2020		2019	
	amount	%	amount	%	amount	%
<u>Revenues</u>						
Revenues from sales and services	3,412.84	99.04	3,247.54	98.34	3,697.10	97.58
Other income						
Sales promotion income	13.12	0.38	28.96	0.88	39.91	1.05
Others income	19.93	0.58	25.88	0.78	51.80	1.37
Total revenues	3,445.89	100.00	3,302.38	100.00	3,788.81	100.00
<u>Expenses</u>						
Cost of sales and services	3,095.51	89.83	2,953.99	89.45	3,359.45	88.67
Selling expenses	63.20	1.83	63.25	1.92	89.94	2.37
Administrative expenses	142.40	4.13	142.54	4.32	169.44	4.47
Finance cost	123.94	3.60	147.77	4.47	112.73	2.98
Share of profit (loss) of investment associates	(24.92)	0.72	(0.39)	(0.01)	-	-
Total expenses	3,400.13	98.67	3,307.16	100.14	3,731.56	98.49
Profit (loss) before income tax expenses	45.76	1.33	(4.78)	(0.14)	57.25	1.51
Income (Expense) tax	(9.93)	(0.29)	(3.92)	(0.12)	(15.50)	(0.41)
Net profit (loss) for the year from continuing operations	35.83	1.04	(8.70)	(0.26)	41.75	1.10
Net Profit (loss) for the year	35.83	1.04	(8.70)	(0.26)	41.75	1.10
canceled operation						
Profit (loss) for the year from Canceled operations net of taxes	-	-	-	-	4.25	0.11
Net Profit (loss) for the year	35.83	1.04	(8.70)	(0.26)	46.00	1.21
Other comprehensive income						
Non - classified item to profit or loss in the after						
Actuarial gains arising from post-employment benefit obligations	-	-	2.92	0.09	2.59	0.07
Total non - classified item to profit or loss in the after	-	-	2.92	0.09	2.59	0.07
Classified item to profit or loss in the after						
The difference of exchange rate from translating financial statement	-	-	-	-	(0.30)	(0.01)
Other comprehensive income (loss) for the year	-	-	2.92	0.09	2.29	0.06
Total comprehensive income (loss) for the year	35.83	1.04	(5.78)	(0.18)	48.29	1.27
Profit (loss) attributable to						
part belonging to the parent company						
Profit (loss) for the year from continuing operations	38.83	1.13	(7.50)	(0.23)	42.12	1.11
Profit (loss) for the year from discontinued operations	-	-	-	-	1.79	0.05
Profit (loss) attributable to shareholders of the Company	38.83	1.13	(7.50)	(0.23)	43.91	1.16
Non-controlling interests						
Profit (loss) for the year from continuing operations	(3.00)	(0.09)	(1.20)	(0.04)	(0.37)	(0.01)
Profit (loss) for the year from discontinued operations	-	-	-	-	2.46	0.06
Total	35.83	1.04	(8.70)	(0.27)	46.00	1.21

STATEMENTS OF COMPREHENSIVE INCOME(continue)

Details (Unit : million baht)	2021		2020		2019	
	amount	%	amount	%	amount	%
Total comprehensive income (loss) attributable to\ part belonging to the parent company						
Profit (loss) for the year from continuing operations	38.83	1.13	(4.58)	(0.14)	44.41	1.17
Profit (loss) for the year from discontinued operations	-	-	-	-	1.79	0.05
Profit (loss) attributable to shareholders of the Company	38.83	1.13	(4.58)	(0.14)	46.20	1.22
Non-controlling interests						
Profit (loss) for the year from continuing operations	(3.00)	(0.09)	(1.20)	(0.04)	(0.37)	(0.01)
Profit (loss) for the year from discontinued operations	-	-	-	-	2.46	0.06
Total	35.83	1.04	(5.78)	(0.18)	48.29	1.27
Basic earnings (loss) per share	0.0029		(0.0008)		0.0051	

STATEMENTS OF CASH FLOWS

Details (Unit : million baht)	2021	2020	2019
Cash flows from operating activities	(157.69)	(244.08)	39.69
Cash flows from investing activities	123.55	(99.39)	53.29
Cash flows from financing activities	594.26	283.02	(114.03)
Cash and cash equivalents at the ending of the year	560.12	(60.45)	(21.33)

Important Financial Ratios

Details	2021	2020	2019
Net Profit Ratio (Loss) %	1.13	(0.23)	1.16
Return on Assets Ratio : ROA (%)	0.63	(0.13)	0.84
Return on Equity Ratio : ROE (%)	1.09	(0.25)	1.58
Net debt to earnings before interest income tax and amortization Ratio	7.70	14.65	11.24
Interest Coverage Ratio : ICR	1.60	1.10	1.70
Debt Service Coverage Ratio : DSCR	0.11	0.07	0.09
Interest Bearing Debt to Quity : IBD/E Ratio	0.45	0.71	0.72
Net Debt to Equity Ratio	0.21	0.56	0.53
Debt to Equity Ratio : D/E	0.60	0.90	0.89
Current atio	2.74	2.27	1.95
Quick Ratio	1.73	1.45	1.29
BE Size to Interest Bearing Debt Ratio	-	-	0.05
The Ratio of Interest-Bearing Debt due within One year to Total Interest-Bearing Debt	0.88	0.80	1.00
Ratio of Loans from Financial Institutions to Total Liabilities	0.64	0.58	0.69
Account Receivable Turnover Ratio	1.98	1.98	2.49
Average Collection Period (Day)	182	182	145
Inventory Turnover Ratio	1.68	1.83	2.20
Average Inventory Period (Day)	214	197	164
Account Payable Turnover Ratio	3.19	2.75	2.93
Average Payment Period (Day)	113	131	123
Cash Cycle (Day)	173	248	186

General Information

Name	TWZ Corporation Public Company Limited
Head Office	269 Ratchadapisek Road, Ratchadapisek Sub-District, Din Daeng District, Bangkok 10400
Nature of Business	Core business is a distributor of telecommunication devices which are mobile phones, SIM cards, pre-paid cards, and accessories.
Registration No.	0107548000285
Telephone No.	0-2275-9789
Facsimile No.	0-2275-9798
Home Page	www.twz.co.th
E-mail	Contact independent director: independentdirector@twz.co.th Contact IR : IR@twz.co.th Contact Secretary Company : secretary@twz.co.th
Paid-up Stock	1,489,342,794.10 baht, divided into ordinary shares 14,893,427,941 shares Par value of 0.10 baht per share (as of December 31, 2021) 1,489,342,794

Share Registrar	Thailand Securities Depository Company Limited, 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400, Thailand Telephone (66) 2009 9999
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Auditor	Mr. Jirote Sirirorote Certified Public Accountant Registration No. 5113 Karin Audit Company Limited 72 CAT Telecom Tower, Floor 24, Charoen Krung Road, Bangrak, Bangkok 10500 Telephone (66) 2105-4661 Facsimile (66) 2026-3760
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Legal Dispute	None
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6. Corporate Governance Policy

The Company realizes the importance to operate and manage the business in relation to the good corporate governance in a firm and concrete manner. The Company has set the good corporate governance policy in order to increase the transparency of its operation and comply with the principles of good corporate governance for listed companies.

In 2021, the Company implemented the good governance practices following the regulations and the best practice of corporate governance for listed companies. There are five categories as follows:

1. Rights of Shareholders

The Company realizes the importance of the basic shareholder rights by operating as follows:

1. The Company will send an invitation letter with adequate supports for the shareholders in advance. The invitation letter has details and meeting agendas as well as documents related to rules and regulations and opinions from the Board of Directors. The proxy form and the map of the meeting place are also included and the letter notifies shareholders to prepare documents to be shown at the meeting and used when exercising their rights and voting including the Company's Articles of Associations regarding the shareholders meeting. The shareholders can look for information about the meeting rules and agendas on the Company's website before they get the invitation letter. Moreover, the Company will open for advance registration at least two hours before the meeting.
2. Before every meeting, the Chairman of the meeting will explain the voting method and the vote-counting method. The Chairman also informs the meeting the voting result for every agenda.
3. The Chairman of the meeting has to arrange sufficient time for the meeting and manage it properly and transparently. During the meeting, the Chairman will give chances for shareholders to express their opinions and ask questions before voting and concluding the meeting resolution for each agenda.
4. The Company will disclose information to shareholders regularly through the Stock Exchange of Thailand and the Company's website.
5. The Company will provide minor shareholders with access to information directly via electronic mail of the Company's investor relation department.
6. The Company will operate with efficiency in building sustainable growth for the organization and generating appropriate returns for the shareholders.

2. Equitable Treatment of Shareholders

The Company emphasizes on providing fair and equitable treatments for all shareholders as follows:

1. The Company will arrange the shareholders' meeting following the sequence of agendas notified in the invitation letter and having no policy to add more agendas without informing shareholders in advance providing shareholders with enough time to study details and related information in each agenda before making a decision.
2. The Board of Directors encourages the shareholders, who could not attend the meeting, to appoint their power of attorney to attend and vote for them. The Board of Directors will provide an option to shareholders by nominating independent directors for their choice as their proxy and using the proxy form on which the shareholders are able to specify their votes. The Board of Directors encourages the using of voting cards for important agenda items such as related party transactions, acquisition or disposal of significant assets, etc. for the transparency and be able to examine in case there is any argument later.
3. The minute of meeting is to be made precisely before submission to the Stock Exchange of Thailand within 14 days after the meeting which it will also be disclosed via the Company's website.
4. The Company shall outline the measures regarding information security and prevention of insider trading in the Company's corporate governance policy to create fairness for shareholders. Director, executive, employee and staff are prohibited to trade, transfer, accept the Company's share by using the Company's confidential information and/or inside information and/or to enter into any contractual agreement by using the confidential information and/or inside information which may cause any direct or indirect damages to the Company by prohibiting director, executive, employee and staff to trade the Company's shares for a period of 1 month prior to the release of financial statements to the public. This prohibition includes their couples as well as their minor children.

3. Role of stakeholders

The Company realizes the importance of role of stakeholders including shareholders, staff, trading partners, competitors, customers, the community, the society and the environment. Treatments for each stakeholder have been notified clearly in the corporate governance policy which staff at all levels will use it as a guideline of their duties and responsibilities.

- | | | |
|--------------|---|--|
| Shareholders | : | The Company is determined to take responsibility and to satisfy the shareholders by making a sustainable growth and an appropriate return constantly along with transparency in management and reliable accounting system. |
| Customers | : | The Company will ensure customer satisfaction and confidence about quality products and services at reasonable prices. It will build long-term good relationship with customers. |

- Trading partners : The Company is concerned about fairness, honesty and mutual benefit with its trading partners. Thus, the trading partners shall strictly comply with related rules and regulations as well as have business ethics.
- Competitors : The Company will follow rules of fair competition.
- Staff : The Company considers staff as one of key factors for success. Staff will feel that they have good working environment and friendly corporate culture and this will promote a strong teamwork and staff confidence.
- Community and Society : The Company realizes the responsibility to the community and society by considering the growth of the Company together with the development of the community.

4. Disclosure and Transparency

The Board of Directors shall ensure that all relevant information, both financial and non-financial, is disclosed correctly, accurately, on a timely basis and transparently by disclosing through the SET's channel and the Company's website (www.twz.co.th). Such information will be consistently updated so that the investor and related party have sufficient and equal information for the decision.

The material information both financial and non-financial that have to be disclosed are as follows:

1. Annual statements and annual report
2. Corporate governance policy and the implementation of the policy
3. A statement of the Board of Directors' responsibilities concerning the Company's financial reports presented alongside the auditor report of the Company's annual report
4. Disclosure of the roles and responsibilities of the Board of Directors and other committees, including the number of the meetings and attendances of each director
5. Disclosure of the remuneration of the Board of Directors and the management

Besides, the Company has set up the Investor Relation unit to communicate and promote useful information to the shareholders, investors, analysts and general public through various channels including analyst meeting, conference call, answer question through phone and the Company's website, etc.

5. Responsibilities of the Board of Directors

The Board of Directors is the key of the Company's good corporate governance practices. The Board of Directors should comprise of those who possess knowledge and experience in the fields related to the Company's business and willing to contribute time for the Company.

7. Corporate Governance Report (Board of Directors, Sub-committees, executives, employees and others)

Board of Directors' structure

1. The Company's Board of Directors comprise of 9 directors, of which 3 director are the Company's management and the remaining 6 directors are non-management including 3 independent directors according to the Company's Articles of Association which indicated that the Company shall maintain at least 5 directors at all time and the good corporate governance of which at least 1/3 of the entire Board of Directors have to be the independent directors.
2. The Company has clearly set term of service of directors to be in line with the principles of good corporate governance for listed companies and regulations of the SET. At every annual general meeting, one-third of the directors shall retire. If the number of directors is not a multiple of three, the number of directors closest to 1/3 shall retire.
3. The Company clearly determines the qualifications of the Audit Committee; such qualifications are more restricted than minimum qualifications specified by the SEC and the SET.
4. The Company discloses details of each director in annual statement and be able to see the details from the SET's website (www.set.or.th)
5. The Chairman of the Board of Directors and the Managing Director are not the same person and their roles and responsibilities are different. The Board of Directors has clearly determined roles and responsibilities for both the Chairman of the Board and the Managing Director.

The Sub-Committee

To have a careful and efficient consideration on important plans and operation, the Company's Board of Directors appoints sub-committees as follows:

- The Audit Committee is appointed from at least three board directors and at least one among them must be an independent director and have knowledge and expertise on accounting and finance. The Audit Committee must have independence as required by the announcement of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee has a duty to monitor and supervise the Company's operation, financial statements and internal controls. It may also consider the nomination of auditor, consider conflict of interests and manage risks for the Company.
- The Executive Committee is appointed from 3 board directors and has duty and responsibility to screen business plans and financial budgets which, then, will be proposed to the Board of Directors. The Executive Committee will outline the investment policy to suit the Company's major policy. The Committee may work on other tasks as assigned by the Board of Directors.

The Company has not set the Remuneration Committee; however, the Company has set the preliminary consideration procedure for the appropriate remuneration by comparing its remuneration amount with the comparable firms in the same industry together with the Company's performance.

Roles and Responsibilities of the Board of Directors

The Board of Directors shall be responsible for their role in managing for the best interest of the Company. Role, duties and responsibility of the Board of Directors shall comply with legislations, Company's Articles of Association, resolutions of the shareholders' meeting and corporate governance principles. The Board of Directors shall perform with honesty, integrity, responsibility and accountability, along with transparent disclosure of information. It will supervise the management performance to meet the goal, maximize profits for shareholders and also concern about interests of all stakeholders. To enhance the Company's strength and efficiency, the Board of Directors has active roles and duties as follows:

1. To contribute time and emphasize the importance of vision, direction and strategy for the Company by jointly expressing opinions and gathering important information. The Board of Directors will also consider risk factors to make sure that the management is able to implement the Company's business vision, direction and strategy for the highest benefit.
2. To examine and grant approval on the Company's important strategy and policy as well as financial projections and business plans. The Board of Directors will regularly follow up the management to work and implement all action plans initiated to meet the Company's business direction and strategy.
3. To establish the reliable accounting system, financial statements and auditing and pursuing the procedure and assessments of internal controls efficiently and effectively.
4. To examine business risks which may happen in the future and carefully adopt risk management policy. The Board of Directors will supervise the management to arrange the efficient risk-management system and explore new business opportunities arisen from the risks.
5. To examine and solve problems arisen from conflict of interests and connected transactions. The Board of Directors should consider major transactions which will benefit the Company, shareholders and stakeholders the most.
6. To arrange the remuneration system for the Company's executives to create incentives to perform in both short and long term.
7. To evaluate the performance of the Managing Director regularly and proposing remunerations for the Managing Director which is in line with the Company's performance.
8. To provide a channel to communicate with each group of shareholders and to evaluate the information disclosure to ensure that it is accurate, precise, transparent and highly reliable.
9. To have leadership and be a role model by complying with the Company's corporate governance practices.

Board Meetings

1. The Board of Directors shall set its meeting schedule in advance and notify each director of the schedule so that each member of the board can manage time to attend the meetings. In case of emergency, the Company may call for an additional meeting.
2. In 2021, there were 14 meetings of the Board of Directors which was appropriate to the obligations and responsibilities of the Board and nature of the Company.
3. The Chairman of the Board and the Managing Director should set the Board meeting agenda together and ensure that all important issues are already included. Each member of the Board should be free to propose an issue for a meeting agenda.
4. Meeting documents should be sent to each director in advance of the meeting date. The document should be concise, with all relevant information. Any confidential issues should be brought to discuss during the meeting.
5. The Chairman of the Board should appropriately allocate the meeting time for complete management's presentation and comprehensive directors' discussion. The Chairman should encourage careful consideration in the meeting.
6. The Board should have access to additional information, under a prearranged condition, via the managing director, the company secretary or the executive designated as a contact person.
7. Non-executive directors should be able to meet, as necessary, among themselves without management team in order for them to debate their concerns. The meeting outcome should be notified to the Managing Director.

Board Self –Assessment

1. The Board of Directors conducts the Board self-assessment annually to discuss and consider the performance and problem for further improvement. The topics of the self-assessment are clearly defined in order to be benchmark for performance comparing.
2. The Board of Directors assesses the performance of the Board as a whole and on individual basis, such assessment shall be performed cautiously and carefully.

Remuneration

1. Board of Directors' remuneration is comparable to the industry level in which the Company operates; reflect experience, obligations, scope of work, accountability and responsibilities and contributions of each director.
2. Remuneration of the Executive Committee, the Chairman of the Executive Committee, Managing Director and top executives are in accordance with the principle and policy as specified by the Board of Directors. For the best interest of the Company, executives' salaries, bonuses, and other long-term compensation should correspond to the Company's performance and that of each executive.

Board of Directors and Executives Training

1. The Board of Directors encourages and facilitates training for all internal parties related to corporate governance such as directors, members of the Audit Committee, executives, the secretary of the Board, internal audit department, SET's coordinator, etc. Training will enable them to continuously improve their performances.
2. New directors shall be provided with all documents and useful information to perform their duties. Introduction to the nature of the business and the operations of the company is necessary.
3. The Board of Directors shall establish a development program for the Executives. The Managing Director and the Executives shall report to the Board in relation to the operation result during each quarter for operation achievement according to the target and objective of the Company.

Human Resources Development Policy

The Company supports and provides opportunities to all levels of employees to obtain additional knowledge and capability in order to be suitable with their positions and assigned duties as well as for the Company's and their own developments in the future by consistently arrange training which can be divided into 2 types as follows:

1. Internal Training which is trained by the supervisor or invite speaker in related business to share his knowledge, experience and give advises so that the staff can be able to apply the knowledge with his duty and responsibility. The inside training normally is arranged once in 1-3 months.
2. External Training which is held by the product owners such as AIS in order to educate the Company's staff to understand their products and services. The Company also provides other trainings to increase its staff efficiency when appropriate.

Social Responsibility Policy

The company was aware of the importance of being part of Thailand and social responsibility in every of activities to the community, suppliers, partners, customers and employees. By adhering treated with fairness and not cause impact or burden on society includes not contrary to morals and laws.

The operations with fairness.

The company has a policy of purchasing products to sell from suppliers who operate their businesses legally. A product that does not infringe intellectual property rights of others. These include the product quality inspection from the manufacturers. The Company's policy is asked to visit an establishment or producing factory before making a purchase. Moreover the Company had to check the quality of the product again before being sold to customers to ensure that such products qualified established quality and not be dangerous to customers or users.

For the sale of the company, the company supports the competition is liberalization and fairness to all parties. No monopoly, or assign a partner to sell only products of the company. Wholesale pricing to dealers as to the criteria standards under the same conditions for each partner such as the volume of orders, payment history, etc. And retail pricing to the retail

customer, it is compliant prices all the same. Moreover the Company does not support to acquire of competitor information illegally or against the good morals as well.

Anti-corruption.

The Company defines the policy against corruption, bribery, graft and corruption with all levels of employees, which clarified understanding in this matter with the staff regularly. And impose sanctions for employees who violate are strictly prohibited. The management of the company has attended the training. Anti-Corruption: The Practical Guide (ACPG) to clearly define policies and to counteract corporate fraud.

Respect for Human Rights.

The Company to respect human rights and freedom of employees at all levels. Do not block the expression of rights and freedom of employees to join any organization, group or association as action properly under the law. And provide opportunities for employees to exercise their right to vacations for participates the rights and freedom of expression. This must be done for the benefit of society or publicly. The companies are committed to respecting the privacy rights of employees by will not disclose the personal information of employees, such as family history, personal medical history, salary etc. to a third party or unrelated individuals, except with the permission of the employee or pursuant to law.

To treats labor fairly.

The company recognizes the value of collaboration in duty personnel for the company. It is important to strengthen potential, knowledge and competencies of employees. Also build moral and encouragement to perform equally.

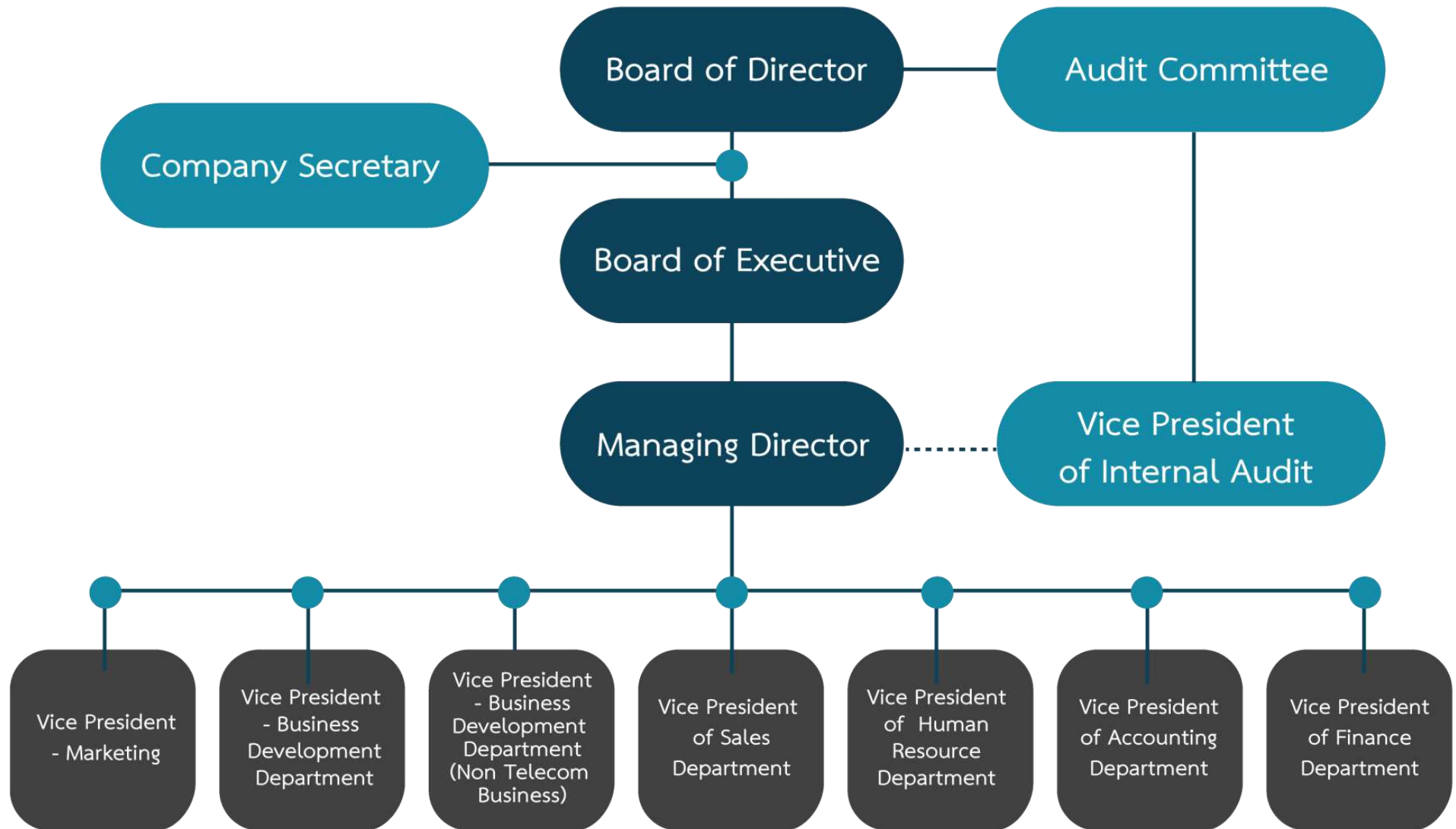
The company also has welfare, health care and safety in the working to employees under the laws. Including care employees in the workplace, working environment, equipment, facilities needed to perform for aim to employees, a pleasure to work with the company. In addition to basic welfare, the company also provides additional benefits to employees, such as the Free Lunch Program to encourage employees to have the opportunity to learn together interchangeable, apart from the normal practice. It also helps ease the burden of the cost of the livelihood of the employees another way.

For the development of knowledge and skills of employees. The company has provided training to employees within the organization to continually as appropriate and necessary to strengthen their capacity to live together in society and attitudes of employees, which will be helpful to development yourself, company and society.

Responsible to consumers.

The Company recognizes the importance of accountability to consumers is a key factor in business. Its products are sold to consumers through the quality inspection of the manufacturer, verified and authorized by the relevant governmental agencies and pass the quality check again before delivery to the consumer. Moreover the Company has a policy to guarantee the quality of all items by product type, under the terms and conditions set forth to give consumers confidence and security in the use of products.

Organization Structure



Management structure and Reports of key performance corporate governance

The Company's director's structure comprises of 3 groups of directors, which are Board of Director, Executive Committee and Audit Committee. The details are as follows:

(1) Board of Directors

As of December 31, 2021 the Company's Board of Directors consists of 9 persons as shown in the list as follows:

Name	Surname	Position
1. Mr. Puttachat	Rungkasiri	Chairman
2. Mr. Kittipong	Kittipassorn	Director and Deputy Managing Director
3. Asst. Prof. Dr. Tippakorn	Rungkasiri	Director and Authorized Director
4. Miss Kaikae	Cherdvisavapan	Director and Authorized Director
5. Mr. Nuttachai	Charoenkajonkul	Director
6. Mr. Pat	Lapanun	Director
7. Mr. Phongcham	Samphaongern	Independent Director and Chairman of Audit Committee
8. Mr. Bandal	Udol	Independent Director and Member of Audit Committee
9. Mr. Montree	Kailersin	Independent Director and Member of Audit Committee

Miss NalineePratubsornis the secretary of Company.

Note : Mr. Kittipong Kittipassorn resigned as director on January 31, 2022 and appoint Mr. Teerayot Suthisamdaengas director on February 1, 2022.

Authorized Directors

The authorized directors are Mr. Kittipong Kittipassorn jointly with Miss Kaikae Cherdvisavapan or Asst. Prof. Dr. Tippakorn Rungkasiri, totally two authorized persons, to sign on behalf of the Company with the Company's seal affixed.

Company Secretary

The Board has appointed Miss NalineePratubsorn, Vice President – Human Resource Department to the position Company Secretary on November 13, 2014 has a duty of care to the company compliance with laws and regulations related to the company and to adhere to the principles of good corporate governance as follows.

1. To adhere to good corporate governance.
2. To plan meetings and propose relevant agenda
3. To manage the Board of Directors' meeting And meeting notes in accordance with the rules and best practices.
4. To administer the Shareholders' meeting in line within the legal framework
5. To give advises on legal matters, Public Companies Act and all other rules and regulations of listed companies, the Company's affidavits aiming at full compliance with relevant laws

6. Become a contact point providing information to Directors and third parties
7. All matters concerning the Company's registrar and related document in safe keeping

Scope of Authority and Duty of the Board of Directors

1. To honestly manage the Company in accordance with the laws, objectives and articles of associations as well as resolutions of Shareholders' Meeting and to take precautions in order to protect the Company's benefits.
 2. To authorize an appointment a set of directors as Executive Committee to execute one or several tasks in order to implement the work assigned by the Board of Directors as well as to authorize an appointment the Chairman of Executive Committee together with other committee such as Audit Committee, Nomination and Remuneration Committee as deemed appropriate.
 3. To determine business goal, guideline, policy, plan and budget of the Company and monitor and ensure that the administration of the Executive Committee or the assigned person shall be according to the policy that set by the Board of Directors.
 4. To consider, review and approve the policy, direction, strategy, business plan, annual budget, expenditure budget and project investment that proposed by the Executive Committee
 5. To consistently follow up the performance according to the policy and budget that have been set
 6. To consider and approve other related material matters or any appropriate actions that benefit to the Company.
Except for the following tasks which can be implemented only obtain the approvals from Shareholders' Meeting.
Any directors or related persons who might be involved with either conflict of interest transaction or beneficial conflict transaction with the Company or its subsidiaries shall not be granted the right to vote in that matter.
- (a) Matters stipulated by Laws must be obtained the resolutions from Shareholders' Meeting.
 - (b) Transactions that any directors are involved with either conflict of interest or any other beneficial conflicts particularly stated by the Laws or regulations of the Stock Exchange of Thailand must be obtained the resolutions from Shareholders' Meeting.

The execution of the following matters must be approved by the Board of Directors and the Shareholders' Meeting with the votes not less than 3 over 4 of total votes of the eligible shareholders present in the meeting.

- (a) To sale or transfer all or major parts of the Company's business.
- (b) To purchase or acquire of other company or other private company
- (c) To make, amend or terminate the contract related to the rent of all or some major parts of the Company's business.
The appointment of other person who will manage the Company's business or the merging with other person in order to share profit and loss.
- (d) To amend the Memorandum of Associations or the Articles of Associations.
- (e) To increase or decrease capital, to issue debenture, to merge or to terminate the business.

(2) Executive Committee

The Company's Executive Committee comprised of 3 persons as follows:

Name	Surname	Position
1. Mr. Kittipong	Kittipassorn	Chairman of Executive Committee
2. Asst. Prof. Dr. Tippakorn	Rungkasiri	Executive Committee
3. Miss Kaikae	Cherdvisavapan	Executive Committee

Scope of Authority and Duty of the Executive Committee

The Executive Committee is assigned by the Board of Directors to be authorized to perform the following tasks for the Company.

1. To honestly manage the Company in accordance with the laws, objectives, articles of associations, resolutions of Shareholders' Meeting and resolutions of the Board of Directors' Meeting and to take precaution to protect the Company's benefits.
2. To determine organization structure, authority table and to ensure the coverage of details in terms of selection, training, recruitment, reshuffle and dismissal of the Company's personnel.
3. To plan and determine the business plan, business strategies and annual budget and propose to the Board of Directors for approval. Also, to consider and approve the allocation of annual budget, to amend, adjust, or increase annual expense budget in case of urgent needs and present to the Board of Directors accordingly.
4. To audit and monitor the Company's business operation, policy, and administrative guidance in a manner that is compatible to business situation.
5. To audit and to monitor in order to ensure that the company is operated in accordance with the approved business plans.
6. To authorize and approve the following financial implementations:
 - (1) The Executive Committee is entitled to approve unlimited financial amount in case that such implementation is stated in the business plan or annual budget.
 - (2) If not stated in documents mentioned in (1), the Executive Committee is entitled to approve an amount not exceeding Baht 40 million. Such approval shall include the approval on the expense occurred from general operations, investment on capital assets or fixed assets, borrowing, obtaining credit line including provision of guarantee, etc. and inform the Board of Directors for the acknowledgement accordingly.
7. To implement other tasks as periodically instructed by the Board of Directors.

Such assignment will not entitle the Chairman of the Executive Committee or the Executive Committee to approve on any matters that might be conflicts of interest to themselves or other party or matters that may cause any beneficial conflict whatsoever with the Company.

(3) The Audit Committee

The Company's Audit Committee comprised of 3 persons as follows:

Name	Surname	Position
1. Mr. Phongcharn	Samphaongern	Chairman of Audit Committee
2. Mr. Bandal	Udol	Member of Audit Committee
3. Mr. Montree	Kailerdsin	Member of Audit Committee (Has knowledge and experience in financial statements review)

Scope of Authority and Duty of the Audit Committee

1. To ensure that the Company has accurately and adequately disclosed its financial statements to public by cooperating with auditor and in charge executives to prepare financial reports quarterly and annually by reviewing the financial statements, related financial reports, accounting policy, accounting standard, the existence of the Company, the major change in accounting policy as well as the management's opinion on the accounting policy determination prior to present to the Board of Directors and eventually disclose to shareholders and general investors. The Audit Committee may suggest the auditor to examine or investigate any matters considered to be necessary and important during the auditing period.
2. To ensure that there are suitable and effective internal control and auditing system in the company by co – auditing with external auditor and internal auditor (if any). To determine and review the Company's audit plan and to evaluate the audit result with the auditor and internal auditor (if any) regarding any problems or limitations arise during the financial statements auditing. To determine and control on the electronic data processing as well as the security of the information in order to protect the fraud or misuse the computer by the Company's employees or external persons.
3. To ensure that the company is operated in accordance with Laws governing Securities and Exchange, the regulations of the Stock exchange of Thailand and the laws pertaining to the business of the Company.
4. To select and make suggestions regarding the appointment of the Company's auditor together with the audit fee by taking into consideration the credibility, personnel sufficiency, work load of auditing firm as well as experience of the personnel to be appointed as the Company's auditor.
5. To consider and approve any connected transaction and/or any acquisition or disposal of the Company's assets as well as consider the disclosure of the information should there be any connected transactions or any conflict of interest transactions to be accurate and complete. In addition, to approve such transactions in order to propose to Board of Directors' meeting and/or shareholders' meeting as stipulated under the laws or related regulations of the Stock Exchange of Thailand.

6. To conduct other tasks as instructed by the Board of Directors and/or agreed by the Audit Committee, i.e. to make revisions on financial policies and risk management, make revisions on compliance with business ethics, make co – revisions with the Company’s directors on important issues which need to be disclosed to public as stated by laws, for instance, report and analysis of the management team.
7. To prepare the Audit Committee report by disclosing on the Company’s annual report. The report shall be signed by the Chairman of Audit Committee and should contain following information:
 - Comments on the preparation process and disclosure of information in the Company’s financial statements regarding the accuracy and reliability.
 - Comments on the sufficiency of the Company’s internal control system.
 - Reasons to believe that the Company’s auditor is appropriate to be re-appointed for another term.
 - Comments on the compliance with Laws governing Securities and Exchange, the regulations of the Stock Exchange of Thailand and the laws related to the Company’s business.
 - Report on other matters that shareholders and investors should be concerned within a scope of duties and responsibilities appointed by the Board of Directors.
8. To evaluate the Audit Committee’s performance.
9. To perform any matters, which stipulated under the laws governing Securities and Exchange and/or regulations of the Stock Exchange of Thailand.

(4) Executives

As of December 31, 2021 the Company’s executives comprised of 6 persons as follows:

Name	Surname	Position
Mr. Kittipong	Kittipassorn	Deputy Managing Director Acting Managing Director Acting Vice President - Marketing Department
Miss Nalinee	Pratubsorn	Vice President – Human Resource Department
Mr. Nuttachai	Charoenkajonkul	Vice President – Business Development (Non Telecom Business) Department
Mr. Sakon	Pawitranon	Vice President –Business Development Department
Mr. Thanachit	Dechpongprom	Assistant Vice President - Sales Department Acting Vice President - Sales Department
Miss Ponpun	Rungroj	Assistant Vice President – Accounting and Finance Department Acting Vice President – Accounting and Finance Department

Scope of Authority and Duty of the Managing Director

1. To manage and supervise general administration of the Company.
2. To perform as assigned by the Board of Directors in accordance with the Company's regulations and articles of associations.
3. To have the power to employ, transfer, remove, expel, determine wage rates, give gratuities and rewards, raise salaries, considerations, and bonuses for all employees except the executives.
4. To authorize an approval on the overall purchase and the expenditure which not exceeding Baht 30 million on general matters as stated in the Company's Authority Table.
5. To authorize the issuance of instructions, regulations, announcements, memorandums so that the Company is operated in compliance with the policy and for the Company's interest as well as for the discipline of the organization.
6. To have the power to represent the Company to deal with external individual for any related business that is useful to the Company.
7. To have the power to appoint advisor in various fields that are necessary for the Company's business.
8. To implement other tasks as periodically instructed by the Board of Directors or the Executive Committee.

Managing Director is not entitled to approve any matters that might be a conflict of interest transaction or conflicts to related party or may cause any beneficial conflicts whatsoever with the Company or subsidiaries.

Selection of the directors

The directors shall be elected by shareholders' meeting as at the shareholders' meeting will select the directors under the procedures stated in the Company's articles of associations that can be summarized as follows:

1. The Board of Directors consists of at least 5 persons wherein the directors not less than half of the number of total directors must be domiciled in the Kingdom and they shall have qualifications as provided by law.
2. The Shareholders' meeting shall elect directors in accordance with the criteria and procedures as follows:
 - a. Each shareholder shall have one vote per one share.
 - b. Shareholders shall vote to elect each individual director.
 - c. The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the directors positions are filled. Where the votes case for candidates in descending order are tied, which would otherwise cause the number of directors to be exceed, the chairman of the meeting shall make the final decision.
3. At every annual general meeting, one-third of the directors shall retire. If the number of directors is not a multiple of three, the number of directors closest to one-third shall retire. The directors that must retire from office within the first and second year after the listed of the Company shall be selected by casting lots. In subsequent years, the director who has held office longest shall retire. The directors who retire from the position may be re-elected.

4. Any directors who want to resign from the office have to submit the resignation letter to the Company and shall be effective on the date the resignation letter reached the Company.
5. The shareholders' meeting may pass a resolution removing any director from office prior to retirement as a result of the expiration of the director's term of office, by a vote of not less than three quarters of the number of shareholders attending the meeting who have the right to vote and who have shares totaling not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

Selection of independence directors

The Company's Board of Directors shall consider the preliminary qualifications of the persons to be elected as the independence directors by considering according to the qualifications as stated in the Public Limited Companies Acts, the laws governing Securities and Exchange as well as all related announcements, objectives and/or related regulations. The Board of Directors shall consider selecting the independence directors who are capable, experienced and appropriate in all aspects and then propose to the shareholders' meeting for appointment as the Company's Board of directors accordingly.

The definition of the independence of the Company's director is complied with the regulations of the Notification of the Capital Market Supervisory which are as follows:

1. Holding shares not more than 1% of the total shares with voting rights of the Company, its subsidiaries, which shall be inclusive of the shares held by related persons.
2. Not being or having previously been a director who takes part in management, an employee, a staff member or advisor who receives a regular salary, or a controlling person of the Company, its subsidiaries unless the termination of being in such position had occurred at least 2 years before an appointment as the Company's independent director.
3. Not being a person related by blood or registration under laws in the form of fatherhood, motherhood, spouse, sibling and child as well as child's spouse, of its executives, its major shareholders, its controlling persons or such other persons who will be nominated to be executives or controlling persons of the Company or its subsidiaries.
4. Having no current or previous business relationship with the Company, its subsidiaries, its major shareholders or its controlling persons which may interfere his /her independent discretion, and not being or having previously been a major shareholder or controlling person of the company which has a business relationship with the Company, its subsidiaries, its major shareholders or its controlling persons, unless the termination of being in such position had occurred at least 2 years before the appointment as the Company's independent director.
5. Not being or having previously been an auditor of the Company, its subsidiaries, its major shareholders or its controlling persons and not being a major shareholder or partner of the audit office of the auditor of the Company, its subsidiaries, its major shareholders or its controlling persons unless the termination of being in such position had occurred at least 2 years before the appointment as the Company's independent director.
6. Not being or having previously been any professional service provider including legal advisor or financial advisor who receives more than 2 million baht annually from the Company, its subsidiaries, its major shareholders or its controlling persons and not being a major shareholder, controlling person or partner of such professional service

provider unless the termination of being in such position had occurred at least 2 years before the appointment as the Company's independent director.

7. Not being a director appointed as a representative of the Company's directors, major shareholder or a shareholder who is related to the Company's major shareholder.

8. Not operating any business which has the same nature and significant in competition with the Company, its subsidiaries or not being a major shareholder in partnership or a director who takes part in the management, an employee, a staff member or advisor who receives a regular salary or holding shares more than 1% of total shares with voting rights of other company who operates same business and significantly competes with the Company and its subsidiaries.

9. Having no characteristics that may affect the giving of independent opinions on the operation of the Company and its subsidiaries.

Selection of Audit Committee

The Board of Directors shall appoint at least 3 audit committees from independence directors who have qualifications according to the law governing Securities and Exchange including all related announcement, regulations of the Stock Exchange of Thailand regarding the qualifications and scope of duties of the Audit Committee. Besides, at least one of the Audit Committee has to have financial and accounting knowledge. The office term of each committee is 2 years.

Remuneration of Directors and Executives

(1) Monetary Remuneration

Board of Directors' Remuneration

The Company's Board of Directors comprised of 10 persons in 2021, the remunerations of each director were as follows:

Name	Position	Remuneration*	No. of Attendances	
		(Baht)	Regular	Additional
1. Mr. Puttachat Rungkasiri	Chairman	930,000.00	4/4	11/11
2. Mr. Kittipong Kittipassorn	Director	180,000.00	4/4	11/11
3. Asst. Prof. Dr. Tippakorn Rungkasiri	Director	480,000.00	4/4	11/11
4. Miss Kaikae Cherdvisavapan	Director	480,000.00	4/4	11/11
5. Mr. Nuttachai Charoenkajonkul	Director	100,000.00	3/4	3/11
6. Mr. Pat Lapanun	Director	300,000.00	3/4	3/11
7. Assoc. Pachara Pacharavanich **	Independent Director and Chairman of Audit Committee	275,000.00	2/4	7/11
8. Mr. Phongcharn Samphaongern ***	Independent Director and Chairman of Audit Committee	570,000.00	4/4	11/11
9. Mr. Bandal Udol	Independent Director Member of Audit Committee	480,000.00	4/4	11/11
10. Mr. Montree Kailerdsin	Independent Director Member of Audit Committee	175,322.55	1/4	3/11
Total		3,970,322.55		

Remark:

* Board of Directors' remuneration consists of meeting allowances and gratuities.

** Assoc. Pachara Pacharavanich resigned as Chairman of Audit Committee on May 14, 2021.

** Mr. Phongcharn Samphaongern appoint as Chairman of Audit Committee on May 14, 2021.

According to the resolution of the Annual General Meeting of shareholders No. 1/2021 on April 19, 2021, the shareholders approved the Board of Directors' remuneration for not more than Baht 6 million per year.

Executives' Remuneration

Executives' remunerations in 2020 and 2021 were as follows:

Remuneration	2020		2021	
	No.	Total (Baht)	No.	Total (Baht)
Short term employee benefits	5	7,879,847	8	9,512,298
Post-employment benefits	5	508,174	8	606,971
Total		8,388,021		10,119,269

(2) Other Remunerations

- None -

Personnel

Number of Staff

As at December 31, 2021, the total staffs of the Company classified by each department are as follows:

Department	No. of Staffs
Administration	9
Internal Control Department	2
Human Resource Department	7
Marketing and Business Development Department	15
Accounting and Finance Department	22
Sales and After Sales Services Department	278
Total	333

Staff Remuneration

(1) Monetary Remuneration

Staff remunerations (exclude executives remuneration) in 2020 and 2021 were as follows:

Type of Remuneration	2020 (Baht)	2021 (Baht)
Short term employee benefits	104,776,251	108,568,720
Post-employment benefits	1,811,091	1,754,802
Total	106,587,342	110,323,522

(2) Other Remuneration

- None -

Audit Fee

Karin Audit Company Limited was the office of the auditor of the Company for year 2021, the remunerations are as follows:

1. Audit fee

The Company paid the audit fees to the office of the auditor for the year 2021 are as follows:

Company	Audit fees
TWZ Corporation Public Company Limited	1,634,000.00
TZ Trading Co.,Ltd	240,000.00
PiyachartCo.,Ltd	915,000.00
Gear 2 Corporation Co., Ltd.	325,000.00
Mitra Corporation Co.,Ltd.	120,000.00
PG&C 5714 Co., Ltd.	270,000.00
K.B.M. Construction Co., Ltd.	95,000.00
Tang Corporation Co., Ltd.	95,000.00
Skywell (Thailand) Co., Ltd.	140,000.00
Consolidated financial statements of Electra Motive Co., Ltd.	90,000.00
Electra Motive Co., Ltd.	200,000.00
Zenith Gloves Co., Ltd.	120,000.00
CBD Corporation Co.,Ltd.	110,000.00
Siam Medical Cannabis Co.,Ltd.	30,000.00
Questionnaire fee Investment in associated company	140,000.00
Total Audit fees	4,524,000.00

2. Non-Audit Fee

The Company has not received any other services from the office of the auditor or person or entity that related the auditor and the office of the auditor during the latest accounting period.

Person or entity that related to the auditor and the office of the auditor includes:

- 1) Spouse and children under support of the auditor
- 2) Juristic person that has control over the office of auditor, juristic person that is under control of the office of auditor and juristic person that is under the same control of the office of auditor both direct and indirect control
- 3) Juristic person that is significantly controlled by the office of auditor
- 4) Partner or equivalent of the office of auditor
- 5) Spouse and children under support of person in (4)
- 6) Juristic person that the auditor, person in (1), (4) or (5) has significant control power over both direct and indirect control

8. Internal Control and Connected Transactions

Internal Control

At the Board of Director's Meeting No. 1/2022 on February 25, 2022 the Board of Directors together with the Audit Committee had considered and assessed the sufficiency of the Company's internal control for 7 main areas as follows:

1. Financial reports
2. Internal control and risk management
3. Compliance with applicable laws, regulations and laws
4. Connected transaction
5. Auditor
6. Internal Audit
7. Performance of the Audit Committee

From the above assessment, the Board of Directors viewed that the Company has sufficient and proper internal control system of 7 main areas including the adequate internal control system on transaction done with the major shareholders, directors, executives or related persons. Besides, the Board of Directors encourages and supports the management to keep improving the quality on internal control system in order to obtain the Good Corporate Governance.

Connected Transactions

Connected Transaction Approval Procedure

The Company has set a procedure to enter into any connected transactions with any related persons that the executives and the related persons shall not participate for the approval for any mentioned transactions. The Company shall arrange the Audit committee to provide the comment on the necessity, reasonableness, and price appropriateness of the transaction by stating the conditions to be in accordance with the normal business operation at the market price and be comparable to others. In case that the Audit Committee has no expertise to review such connected transaction, the Company will hire an independent expert or auditor to express the opinion for the transaction occurred in order to use for further consideration at the Board of Directors' meeting or shareholder's meeting. In addition, the Company will disclose the connected transaction in the notes of the financial statements audited by the Company's auditor.

Additionally, the Board of Directors has to ensure that the Company abides by the laws governing Securities and Exchange and rules, announcement, declaration and regulations of the Stock Exchange of Thailand concerning the information disclosure of the connected transaction as well as the acquisition and disposal of the assets according to the accounting standard set by the Federation of Accounting Profession.

Policy for Future Connected Transaction

In the future, the Company might borrow short-term loan from its related persons in case of any urgent or necessity matters. If there are other connected transactions in the future, the Company will follow the procedure that has been set in the Connected Transaction Approval Procedure.

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of TWZ Corporation Public Company Limited

Opinion

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

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of TWZ Corporation Public Company Limited and its subsidiaries as at December 31, 2021, the consolidated and separate operating results and consolidated and separate cash flows for the year then ended, in accordance with 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 Consolidated Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the consolidated 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 judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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Intangible Assets in the consolidated financial statement

Risk

As discussed in Note 13.1 and 18.3 to the financial statements, during the year 2019 the Group has acquired a plasma energy business unit from a group of company and the amount was recorded as intangible assets in consolidated financial statement consist of:

1. Raw material purchase agreement with three suppliers, of Baht 255 million
2. Agreement with Provincial Electricity Authority, of Baht 192 million
3. Identifiable intangible assets (Goodwill), of Baht 24.13 million

The Company's management has assessed that there aren't the reasons to deduct the value of intangible assets as mention above, although the operation has been delayed by the impact from COVID-19. The reason for unreduced value of intangible assets cause the consideration in

- Raw material purchase agreement with sellers that specified period referring to Electricity purchase agreement.
- Agreement with Provincial Electricity Authority, the Company has extended the Scheduled Commercial Operation Date (SCOD) that unaffected to the agreement was made (According to Note 13.1).

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are as follows:

- I have audited Raw material purchase agreement with sellers by audited obligation period was mention that sellers will provide raw materials as amounting were agreed on agreement to the subsidiary to generate electricity "Throughout the term of the Electricity purchase agreement".
- I audited extension time request letter of Scheduled Commercial Operation Date as SCOD contract by The meeting of Energy Regulatory Commission of Thailand no.47/2564 (Issue no.756) held on October 31, 2021 has resolved to extend SCOD for 12 months after the original SCOD due date from October 1, 2021 to October 31, 2022 (According to Note 13.1).
- I have inquired the management and also audited the projected future cash flows, discounted to present value, and found that there are no significant factors that affect the value of the investment in the project. If the company is still able to implement a plan for a plasma power plant project (For this reason, it can be said that Goodwill has no indication of impairment yet).
- I have audited the assumption to consider the reasonableness of projected future cash flows.

Intangible Assets in the consolidated financial statement (Cont.)

- I was concerned about the progress of that project. Therefore, I have audited the progress of importing the machinery from abroad that was delay from the original schedule, by requesting pictures of the machinery which completely prepared from manufacturer and will be imported into Thailand but delayed by the effects of COVID-19.
- I have compared the imported machinery item list that obtained investment promotion (BOI) compared with the machinery was imported from abroad as the same item.

Allowance for goodwill

Risk

As discussed in Note 17 the Company reviewed the goodwill and recorded impairment of Goodwill amounting to 3.03 million Baht in the consolidated financial statements, because of the fair value of the assets at the acquisition date has decreases follow with the remaining lease term. A decreasing in fair value will affected to the recoverable amount from investment in that subsidiary, affect the said goodwill to decrease.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are as follows:

- Consider the cash-generating unit which is the smallest unit at the business acquisition date
- Compare the expected recoverable value using the estimated future cash flows discounted rate to present value compared to fair value by choosing a higher value
- Assess the knowledge of independent experts and the credibility of the assessor's work and to review the reasonableness of the assumptions which used to assess the fair value of assets and sources of fair value
- Review events after the end of the reporting period, to assess whether the fair value is still appropriate
- Test the calculation to record the impairment of goodwill.

Emphasis of matters

I draw attention to Note 13.2 in the financial statements which indicates that the Company has invested in Ordinary shares of Siam Medical Cannabis Company Limited via CBD Corporation Company Limited. As at December 31, 2021, the Company is considering the fair value of the business by the management has appointed an independent appraiser to appraise the fair value. However, as of the date the consolidated financial statements were approved, the Company is still considering such information. Therefore, the fair value of the assets acquired and liabilities are estimated values as of the acquisition date and subject to adjustments as described in the notes to the financial statements.

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Other Information

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

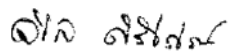
As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation, whether.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I certify to those charged with governance that I have complied with the code of conduct related to independence and communicate with those responsible for overseeing all relationships as well as other matters. I believe that there are reasons that outsiders may consider affecting my independence and the measures I take to prevent me from being lack of independent. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated 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 consider that the matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to have a greater negative impact than the public interest of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Jirote Sirirorote



(Mr. Jirote Sirirorote)

Certified Public Accountant

Registration No. 5113

Karin Audit Company Limited

Bangkok, Thailand.

February 25, 2021

TWZ CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

		(Unit : Baht)			
		Consolidated		Separate	
	Notes	2021	2020	2021	2020
ASSET					
Current assets					
Cash and cash equivalents	6	911,295,689	351,171,611	904,898,416	340,580,119
Trade and other current receivables	7	1,733,349,000	1,734,016,317	1,797,121,032	1,789,172,737
Short - term					
- loans to related parties	5.1	5,000,000	5,500,000	239,500,501	220,000,501
Current contract assets	8	5,744,255	-	-	-
Inventories	9	2,058,238,387	1,781,639,024	1,965,713,092	1,699,799,352
Current tax assets		865,922	-	-	-
Other current financial assets					
- Account receivables of real estate project					
under financial lease agreement	10.1	5,813,519	4,797,389	4,041,329	2,725,208
- Real estate development project for rental					
under financial lease agreement	10.2	10,041,694	10,041,694	-	-
- Other current financial assets	10.3	351,528,402	351,402,905	351,030,127	350,928,079
Other current assets	11	272,357,871	267,357,871	5,000,000	-
Non - current assets or disposal groups classified					
as held for sale	12	3,949,387	180,249,734	3,949,387	192,349,734
Total current assets		5,358,184,126	4,686,176,545	5,271,253,884	4,595,555,730

TWZ CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

(Unit : Baht)

		Consolidated		Separate	
	Notes	2021	2020	2021	2020
Non-current assets					
Other non - current financial assets					
- Account receivables of real estate project					
under financial lease agreement	10.1	65,860,491	66,949,522	41,863,248	42,678,940
- Other non - current financial assets		7,163,786	7,161,906		-
Investments in subsidiaries and associates	13.1, 13.2.1	75,799,122	50,387,177	407,999,400	406,000,000
Non-current contract asset	8	5,460,977	-	-	-
Long - term loans to related parties	5.1	20,000,000	-	20,000,000	-
Investments property	14	112,700,000	114,900,000	15,500,000	15,900,000
Property, plant and equipment	15	171,665,164	176,665,496	68,988,457	80,010,370
Right of use assets	16	51,331,167	8,501,807	52,300,392	11,748,263
Goodwill	17	63,285,951	66,312,526	-	-
Other intangible assets other than goodwill					
- Leasehold land	18.1	9,486,461	10,649,682	-	-
- Leasehold areas	18.2	561,886	1,047,812	561,886	1,047,812
- Other intangible assets	18.3	451,847,495	453,504,031	4,847,490	6,501,176
Deferred tax assets	19	1,117,571	1,146,667	-	-
Other non - current assets					
- Land held for development	20	23,625,000	23,625,000	-	-
- Other non - current assets		79,858,929	91,645,761	7,735,911	20,760,375
Total non - current assets		1,139,764,000	1,072,497,387	619,796,784	584,646,936
Total assets		6,497,948,126	5,758,673,932	5,891,050,668	5,180,202,666

TWZ CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

(Unit : Baht)

		Consolidated		Separate	
		2021	2020	2021	2020
	Notes				
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	21	1,089,341,193	1,572,279,599	1,086,480,984	1,562,806,823
Trade and other current payables	22	325,478,264	311,899,306	157,666,251	152,395,414
Current contract liabilities	8	5,474,789	-	-	-
Current portion of lease liabilities	23	19,867,135	3,296,074	20,540,311	4,440,390
Current portion of long - term liabilities					
-Bonds	24	419,425,117	-	419,425,117	-
-Loans from financial institutions	26	15,221,523	-	15,221,523	-
Short term loan from related parties	5.1	69,509,346	69,509,346	35,723,213	42,407,575
Short term loan from unrelated parties					
-Promissory note	27.1	-	-	-	-
-Other short term loan	27.2	412,157	94,640,770	-	94,228,613
Corporate income tax payables		3,741,646	2,619,067	3,250,955	2,190,458
Other current financial liabilities					
- Financial lease - Movable assets	28.1	2,731,212	3,570,607	2,731,212	3,570,607
- Financial lease - Real Estate	28.2	3,398,987	2,283,416	1,650,426	1,108,744
Total current liabilities		1,954,601,369	2,060,098,185	1,742,689,992	1,863,148,624
Non - current liabilities					
Long term loan	26	23,900,568	20,000,000	23,900,568	20,000,000
Lease liabilities	23	25,094,117	4,726,498	24,729,412	6,181,570
Non-current contract liabilities	8	5,204,800	-	-	-
Bonds	24	-	410,802,579	-	410,802,579
Convertible bonds	25	199,384,424	-	199,384,424	-
Deferred tax liabilities	19	117,819,608	116,177,910	9,413,326	6,815,537
Non - current provisions for employee benefits	29	14,089,700	11,345,070	13,297,129	10,795,076
Other non - current financial liabilities					
- Financial lease - Movable assets	28.1	2,985,610	5,871,396	2,985,610	5,871,396
- Financial lease - Real Estate	28.2	93,841,541	97,240,529	45,566,056	47,216,482
Other non - current liabilities		563,401	608,401	246,600	246,600
Total non - current liabilities		482,883,769	666,772,383	319,523,125	507,929,240
Total liabilities		2,437,485,138	2,726,870,568	2,062,213,117	2,371,077,864

TWZ CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

(Unit : Baht)

	<i>Notes</i>	Consolidated		Separate	
		2021	2020	2021	2020
Shareholders' equity					
Share capital					
Authorized share capital	<i>30.1</i>				
29,772,379,903 ordinary					
shares of Baht 0.10 each		<u>2,977,237,990</u>		<u>2,977,237,990</u>	
16,442,246,820 ordinary					
shares of Baht 0.10 each			<u>1,644,224,682</u>		<u>1,644,224,682</u>
Issued and paid-up share capital					
14,893,427,941 ordinary					
shares of Baht 0.10 each		1,489,342,794		1,489,342,794	
9,906,689,250 ordinary					
shares of Baht 0.10 each			990,668,925		990,668,925
Share premium on ordinary shares		1,215,168,242	1,215,168,242	1,215,168,242	1,215,168,242
Retained earnings					
Appropriated					
-Legal reserve		55,252,273	53,622,358	54,966,387	53,622,358
-Treasury stock	<i>30.2</i>	-	-	-	-
Unappropriated		537,671,937	500,477,313	575,201,830	549,665,277
Treasury stock		-	-	-	-
Other equity interest	<i>30.1</i>	494,158,298	-	494,158,298	-
Other components of shareholders' equity		-	-	-	-
Total shareholders' equity of parent company		<u>3,791,593,544</u>	<u>2,759,936,838</u>	<u>3,828,837,551</u>	<u>2,809,124,802</u>
Non - controlling interests	<i>13.3</i>	<u>268,869,444</u>	<u>271,866,526</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>4,060,462,988</u>	<u>3,031,803,364</u>	<u>3,828,837,551</u>	<u>2,809,124,802</u>
Total liabilities and shareholders' equity		<u>6,497,948,126</u>	<u>5,758,673,932</u>	<u>5,891,050,668</u>	<u>5,180,202,666</u>

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

1. General information

The Company was registered as a juristic entity in accordance with the civil and commercial code on December 22, 1993, with registration no. (1) 2785/2536. Under the name of P.C. Communication and Transport Co., Ltd. Later, on July 8, 2004, the Company changed its name to TWZ Corporation Co., Ltd. and became a public company limited on April 12, 2005, with the registered no.0107548000285 (formerly no. 0107574800285). Its head quarter is located at 269 Ratchadapisek, Din Daeng, Bangkok.

The Group conducts business as an distribution agent of mobile phones, spare parts and related accessories, as a service center of telecommunication equipment and as counter service for payment of service fee of GSM Cellular 900 and GSM 1800 system mobile phones. Project development real estate and investing in companies, whose objectives are to generate and sell electricity.

For reporting purposes, the Company and its subsidiaries are referred as "The Group".

2. Basis of financial statement preparation and principles of consolidation

2.1. 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 group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2.2. Basis for financial statement

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.3. New financial reporting standards

A. Financial reporting standards that became effective in the current year

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

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

B. Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2022

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

The management of the Group is currently in process of evaluating the plan to be executed and considering the impact of these standards on the financial statements in the year when they are adopted.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

2.4. Principle of consolidation

The consolidated financial statements include the financial statements of TWZ Corporation Public Company Limited and its subsidiaries which are under its control with more than 50 percent voting rights as follows:

Company’s name	Type of business	Percentage of investment (%)		Country of incorporation
		As at	As at	
		December 31, 2021	December 31, 2020	
<u>Direct shareholding</u>				
TZ Trading Co., Ltd.	Supplier and distributor of mobile phone and all kinds of communication device	100	100	Thailand
Piyachart Co., Ltd.	Project development real estate for sale and rent	100	100	Thailand
Gear 2 Corporation Co., Ltd.	Investing in the generating and selling electricity	100	100	Thailand
Electra Motive Co., Ltd.	Sales of new vehicles, passenger cars, pickup trucks, vans and similar small cars	100	100	Thailand
Zenith Gloves Co., Ltd.	Business of manufacturing, importing and distributing drugs, pharmaceuticals, chemicals, medical instruments, rubber gloves	100	-	Thailand
CBD Corporation Co.,Ltd.	Business of import, export, procurement, purchase, distribution, planting, analysis, extraction, and development of all kinds of medicinal plants.	100	-	Thailand

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Company’s name	Type of business	Percentage of investment (%)		Country of incorporation
		As at	As at	
		December 31, 2021	December 31, 2020	
<u>Subsidiaries by shareholding through</u>				
<u>Gear 2 Corporation Co., Ltd.</u>				
Mitra Corporation Co., Ltd.	Investing in the generating and selling electricity	52.63	52.63	Thailand
<u>Subsidiaries by shareholding through</u>				
<u>Mitra Corporation Co., Ltd.</u>				
PG&C 5714 Co., Ltd.	Generating and selling electricity	49	49	Thailand
Tang Corporation Co., Ltd.	Municipal solid waste (MSW) and industrial waste sorting plant	99	99	Thailand
K.B.M.Construction Co., Ltd.	Investing in the generating and selling electricity	99	99	Thailand
<u>Subsidiaries by shareholding through</u>				
<u>K.B.M.Construction Co., Ltd.</u>				
PG&C 5714 Co., Ltd.	Generating and selling electricity	50	50	Thailand
<u>Subsidiaries and associates</u>				
<u>by shareholding through</u>				
<u>Electra Motive Co., Ltd</u>				
Skywell (Thailand) Co., Ltd.	distributor electric vehicles	51	51	Thailand
Advanced Mobility Co., Ltd. (Formerly: Rich Asia Industry Co., Ltd.)	Production and distribution of steel pipe, steel product and service of steel production and production of battery electric vehicles	31.17	31.17	Thailand

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Company's name	Type of business	Percentage of investment (%)		Country of incorporation
		As at	As at	
		December 31, 2021	December 31, 2020	
<u>Subsidiaries by shareholding through CBD Corporation Co.,Ltd.</u>				
Siam Medical Cannabis Co.,Ltd.	Import-export business procurement, purchase, distribution, planting, analysis, research, extraction and development of all kinds of medicinal plant species	49	-	Thailand

Significant transactions with subsidiaries have been eliminated in the consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies for the separate financial statements for the same accounting transactions or accounting events.

3. Significant accounting policies

3.1. Cash and cash equivalents

Cash and cash equivalents are carried on the statement of financial position at cost. Cash and cash equivalents comprise of cash on hand, deposits held at call at banks and other short-term highly liquid investments with maturities of three months or less from the date of acquisition and are not used as collateral.

3.2. Financial instruments

Accounting policies adopted since January 1, 2020

The Group and the Company initially measures financial assets at its fair value plus transaction costs, in the case of financial assets that are not measured at fair value through profit or loss. 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

The Group and the Company have the classified financial assets, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group and the Company is business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group and 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 fair value through other comprehensive income (FVTPL)

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

These financial assets include derivatives, security investments held for trading, equity investments which the Group and the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

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

Classification and measurement of financial liabilities

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

The Group and the Company may select to measure financial liabilities at FVTPL to eliminates or significantly reduces a recognition inconsistency (sometimes referred to as an accounting mismatch).

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 has transferred substantially all the risks and rewards of the asset, include transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

The Group and the Company have derecognised a financial liability 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, by recognition the difference in the respective carrying amounts in the statement of profit or loss.

Impairment of financial assets

For trade receivables and contract assets, the Group and the Company applies a simplified approach in calculating ECLs. Therefore, the Group and the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

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

Accounting policies adopt before January 1, 2020

Trade receivables

Trade accounts receivable are stated at the net realisable value. The Group and the Company have recognised allowance for doubtful accounts that provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

Investments

Other long-term investments in non-marketable equity securities are stated at cost net of allowance for impairment loss (if any). The weighted average method is used for computation of the cost of investments.

Account receivables of real estate project under financial lease agreement

Account receivables of real estate project under financial lease agreement are showed at net realizable value and unearned interest income shown as a deduction from a finance lease receivables.

Real Estate Development Project for Rental under Financial Lease Agreement

Real estate development project for rental under financial lease agreement is showed at cost, which consisted of cost of land development, costs of constructions of building and rental under financial lease agreement.

Other financial assets

Other financial assets consist of collateral deposits and fixed deposits with maturity dates of 3 months from the end of an accounting period.

3.3. Derivatives and hedge accounting

The Group uses interest rate swaps as a derivative to hedge its interest rate 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.

Derivative is presented as a non-current asset or a non-current liability 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.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedging relationship, the Group and the Company formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group and the Company will assess whether the hedging relationship meets the hedge effectiveness requirements, including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in profit or loss.

Any adjustment to the carrying value of fair value hedges relating to items carried at amortised cost, is amortised through profit or loss over the remaining term of the hedge using the effective interest method. The amortisation may begin as soon as an adjustment exists or no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

3.4. Inventories

Inventories of financial statement are valued at lower of moving average cost or net realizable value.

The net realizable value is from estimate of selling price in the ordinary course of business, minus the costs of completion and selling expenses.

The cost of purchase comprises both the purchase price and direct cost which related to that purchasing expenses, such as transportation charge less all attributable discounts and rebates from purchase goods (if any).

The Group and the Company shall set aside allowance for obsolete inventories by calculating at the higher of mark-to-market price or inventory aging value. Allowance for obsolete inventories shall be established according to following criteria:

Aging of inventory	Rate of Allowance for obsolete inventory
181-270 Days	25 %
271-365 Days	50 %
over 365 Days	100 %

3.5. Non - current assets or disposal groups classified as held for sale

Real estate development project for sale

Real estate development project for sale in consist of land and cost of real estate development project progress are stated at cost less provision for loss on diminution in value of projects. The details of cost calculation are as follows:

Land, The cost of land is recorded by separating the sale area of each project.

Cost of real estate development consist of cost of construction, public utility costs and interest capitalised to cost of projects (if any) by records cost of construction and public utilities based on the actual cost incurred.

3.6. Investments in subsidiaries and associates

Investments in subsidiaries undertaking dertakings are accounted for in the separate financial statements by using the cost method of accounting less an allowance for impairment in value. Under the cost method, income from investments in subsidiaries will be recorded when dividends are declared.

Investments in associates are presented by the equity method. That is, the initial cost is adjusted with a share of profit or loss and dividend income.

Purchase and sales of investment are recognized on the trade date, which is the date that the Company commits to purchase or sell the investment, cost of investment includes transaction costs.

The Group and the Company a test for impairment in carried out when there is a indicating factor that an investment might be impaired. If the carring value of the investment is higher than its recoverable amount, impairment loss is charged to the statements of comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carring amount is charged or credited to the statements of comprehensive income. When disposing of part of the Company of a particular investment in debt or equity securities, the carring amount of the disposed part is determined by the weight average carring amount of the total holding of the investment.

3.7. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property of the parent company is land held for a currently undetermined future use, and undetermined that it will use the land as owner-occupied property or for short-term sales.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Investment property is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at cost deduct with accumulated impairment losses (if any).

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

All other repairs and maintenance costs are expensed when incurred.

3.8. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on the straight line method to write off the cost of each asset, to their residual values over their estimated useful lives as follows :

	Year
Building (Except office building depreciation that will be calculated base on the right of railway lease agreement)	20
Building Improvement	5
Machineries and equipment	5
Office Equipment	5
Office Furniture	5
Motor Vehicle	5
Equipment of electric from solar power	10 - 20

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains – net' in profit or loss.

The Group and the Company recognizes borrowing costs which are interest or other financial expenses that are directly related to the acquisition of assets resulting from the construction or production of assets with specified qualifications. In order to make the assets available for use as objectives, recorded as cost of assets.

3.9. Borrowing costs

Borrowing costs of loans obtained for construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Capitalization rates are calculated based on the weighted average of the interest expenses incurring during the year on loans for development of projects. (If any)

3.10. Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liability of the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognized as gain in profit or loss.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

In the impairment test of goodwill, goodwill is allocated to the units that generate to cash flows, that unit may be the same unit or multiple units combined, which is expected to get benefit from the business combination. Goodwill arises from the identified operating section.

3.11. Other intangible assets other than goodwill

Computer software

Acquired computer software licences are capitalised as intangible assets on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful life 5 years.

Electricity supply contract

The Group acquired ownership of the power purchase agreement from purchasing of investment in a subsidiary. Power purchase agreements are amortized on a straight-line method over the term of the power purchase agreement, the amortization will begin when the group has begun to distribute electricity to the commercial system.

Leasehold rights

Leasehold rights is recorded at cost and deducted by accumulated amortization and leasehold rights shall be amortized in accordance with the lease period of each contract.

3.12. Land held for development

Land held for development is stated at cost. It is consisted of cost of land and related expenses.

3.13. Lease

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 Group and the Company assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

3.13.1. The Group and the Company as a lessee

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

a) Right-of-use assets

Right-of-use assets are measured at cost, less any 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.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

b) 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, and amounts expected to be payable under residual value guarantees, include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group and the Company calculating the present value of lease payments, the Group and the Company uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. 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.

c) 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.

3.14. Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Other assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3.15. Employee benefit

Short term employee benefits

Salaries, wages, bonuses and contributions to the social security fund and provident fund are recognized as expenses when incurred Post-employment benefits.

Defined contribution plans

The Group and the Company and its employee have jointly established a provident fund. The fund is monthly contributed by employee and by the Company. The fund's assets are separate from trust fund and the Company and recognised as expenses when incurred.

Defined benefit plans

The Group and the Company has obligations in respect of the severance payments which paid to employees when their retirement have incurred under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The Group and the Company calculated the obligation under the defined benefit plan by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rates.

The actuarial gains and losses arising from defined benefit plans in other comprehensive income and all. Expenses related to defined benefit plans in profit or loss.

3.16. Provision

Provision are recognized when the Group and the Company have a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimation of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

3.17. Share Capital

Ordinary shares is classified as equity.

3.18. Legal reserve

Parent company

Section 116 of the public companies Act B.E. 2535 requires that the Company shall allocate not less than 5 percent of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10 percent of the registered authorized capital. The legal reserve is not available for dividend distribution.

Subsidiary company in Thailand

The subsidiary companies shall allocate not less 5 percent of its annual net profit each time a dividend is declared, to a reserve account (“legal reserve”) until the reserve reaches 10 percent of authorized share capital. The legal reserve is not available for dividend distribution.

3.19. Treasury stock

Treasury shares are valued in the statement of financial position at cost as a deduction from equity. If the selling price of the treasury shares is higher than the purchase price of the treasury shares, the Company will recognize the difference into the account of the premium on treasury shares. If the selling price of the treasury shares is lower than the purchase price of the treasury shares, the company will deduct the difference from the premium treasury shares first, then deduct the remaining difference from the retained earnings account.

3.20. Dividends

Dividend distribution to the Company’s shareholders is recognised as a liability in the Group’s financial statements in the period in which the dividends are approved by the Company’s shareholders.

3.21. Revenue and expenses recognition

Revenue from sales

Sales of goods are recognised at the point in time when control of the asset is transferred to the customer. Sales income are presented as an invoice value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Revenue arrangements with multiple deliverables are allocated between the element in proportion to the delivered products and the obligations to be performed in providing services that are included in the contract using the basis of standalone selling prices of different products or services as obligated in the contract.

Revenue recognized but not yet due for payment under the contract is shown as “Contract assets” in the statement of financial position which classified as other receivables when the entity has an unconditional right to get paid.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

The amount that an entity receives or is entitled to receive from a customer but still has a performance obligation to the customer is shown as “Contract liabilities” in the statement of financial position, this will be recognized as income when the obligations specified in the contract have been fulfilled.

Revenue from service

Service income is recognized when the Company and its subsidiaries have provided the service. By considering the ratio of work completed. Which is calculated in accordance with the total cost of service incurred to the total estimated cost that will be used in providing the service under the contract.

Revenues from interest are recognized by timing which concern the effective interest rate.

Interest Income under Financial Lease Agreement is recognized on effective interest rate method in accordance with the lease period of contract.

In determining the cost of real estate development project for sale sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to real estate development project for sale sold on the basis of the salable area and then recognised as costs in the income statement concurrently with revenue from sales.

Development costs are stated at cost, consisting of cost of land, design fees, utilities, construction and related interest (if any.)

Cost of sales and expenses are recognized by accrual basis of accounting.

3.22. Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements and separate financial statements are presented in Thai Baht, which is the Group and the Company’s functional and presentation currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When the Group and the Company a gain or loss on a non-monetary item in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

The Group

- Assets and liabilities in both monetary and non-monetary items are all converted at the prevailing closing exchange rates at the end of the relevant accounting periods.
- Share capital is converted at the prevailing exchange rate on the date such capital fund is received.
- Revenues and expenses are converted at the average exchange rate of each month.
- All resulting exchange differences are recognised in statements of comprehensive income.

3.23. Income tax

Income tax

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

Current tax

The Group and the Company record current tax at the amount expected to be paid to the government's taxation authority, by calculating tax profits in accordance with the criterion prescribed in the tax laws of each country.

Deferred tax

The Group and the Company record 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 or highly probable to be effective at the end of the reporting period.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

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

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

At the end of reporting period, the Group and the Company will review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group and the Company record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.24. Earnings (loss) per share

Primary earnings (loss) per share

Primary earnings (loss) per share is calculated by dividing net profit (loss) with weighted average the number of issued and paid-up shares.

Diluted earning (loss) per share

The diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has dilutive potential ordinary shares are warrants for existing shareholder. The convertible share is assumed to have been converted into ordinary shares. For the warrant, a calculation is made to determine the number of shares that could have been acquired at fair value based on the monetary value of the subscription rights attached to outstanding share options. (Determine from average price of ordinary shares of the Company shares in these periods.) The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the warrant. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to earnings.

3.25. Executive benefit expenses

Executive benefit expenses represents the benefits paid to the Company's executive such as salaries and related benefit including the benefit paid by other means. The Company's executive is the persons who are defined under the law on Securities and resources to those segments.

3.26. Operating segments

Operating Segments is requires the presentation and disclosure of segment information based on the internal reports regularly reviewed by the Company's chief operating decision maker in order to assess each segment's performance and to allocate resources to those segments.

3.27. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group and the Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group and the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

3.28. Related companies

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

They also included associated companies and individuals which directly or indirectly own a voting interest in the Company and subsidiary that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and directing the Group and the Company's operations.

3.29. Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

Business combinations

The group applies the acquisition method for all business combinations accounting record, when control is transferred to the group.

Control means the power to control. The group must take the voting rights into the consideration. The acquisition date is the date that the controlling authority is transferred to the buyer. Determining the acquisition date and specifying the transfer of control from the acquiree to the buyer, requires discretion to get involved.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquire.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

Non controlling interests

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

4. Use of estimates and judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the effect on the amount recognised in the financial statements is included in the following notes:

4.1. Leases

In determining the lease term, the management is required to exercise judgment in assessing whether the Group and the Company is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for The Group and the Company to exercise either the extension or termination option. After the commencement date, The Group and the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

To consider the type of lease agreement as either a operating lease or financial lease, The management of The Group's and the company will be consider by reviewing the condition term and detail on agreement that who transfer the risk and advantage of leased asset agreement.

4.2. Impairment loss

In estimating the expected credit loss allowance of trade receivables and contract assets. Management is required to exercise judgment in estimating the expected credit losses to each debtor by taking into the past collection experience, the age of outstanding debt and expected economic conditions of customers with similar credit risk, etc. However, historical credit loss data and the Group's economic projections may not imply actual future breach of the customer contract.

4.3. Allowance for impairment of real estate development project for sale

The Group and the Company estimates allowance for impairment of real estate development project for sale to reflect the impairment of real estate development project for sale based on net realisable value.

4.4. Allowance for obsolete, slow-moving and defective inventories

The Group and the Company maintains an allowance for obsolete, slow-moving and defective inventories to reflect impairment of inventories. The allowance is based on consideration of inventory turnover and deterioration of each category.

4.5. Impairment of assets

The Group and the Company treats assets as impaired when the management judges that there has been a significant decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” requires.

4.6. Building improvement and equipments and Depreciation

In determining depreciation of building improvement and equipments, management is required to make estimates of the useful lives and residual values of the Company’s building improvement and equipments and to review estimate useful lives and residual values when there are any changes.

4.7. Deferred tax assets

The Group and the Company recognized a deferred tax assets when it is probably the future taxable profit will be available against which these differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future profits.

4.8. Retirement employee benefits

The Group and the Company has commitments on retirement benefits to employees under the Labour Law. The amount of provision presented in the statement of financial position represents the present value of employee benefit

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

obligations which is determined on an actuarial basis using various assumptions. The assumptions used in determining the net period cost for employee benefits includes the discount rate, the rate of salary inflation, employee turnover and others. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis the Company determines those assumptions i.e. the appropriate discount rate, which should represent the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Group and the Company considers the current yields on long-term government bonds.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

5. Related party transactions

The followings are relationships with enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

Company's name and related persons	Relationship
<u>TWZ Corporation Public Company</u>	
<u>Limited Group</u>	
TZ Trading Co., Ltd.	Subsidiary company by direct holding
Piyachart Co., Ltd.	Subsidiary company by direct holding
Gear 2 Corporation Co., Ltd.	Subsidiary company by direct holding
Electra Motive Co., Ltd. ⁽¹⁾	Subsidiary company by direct holding
Zenith Gloves Co., Ltd. ⁽⁴⁾	Subsidiary company by direct holding
CBD Corporation Co.,Ltd. ⁽⁵⁾	Subsidiary company by direct holding
<u>Gear 2 Corporation Co., Ltd. Group</u>	
Mitra Corporation Co., Ltd.	Subsidiary company, by indirect hold in Gear 2 Corporation Co., Ltd.
PG&C 5714 Co., Ltd.	Subsidiary company, by indirect hold in Mitra Corporation Co., Ltd.
Tang Corporation Co., Ltd.	Subsidiary company, by indirect hold in Mitra Corporation Co., Ltd.
K.B.M.Construction Co., Ltd.	Subsidiary company, by indirect hold in Mitra Corporation Co., Ltd.
<u>Electra Motive Co., Ltd. Group</u>	
Skywell (Thailand) Co., Ltd. ⁽²⁾	Subsidiary company, by indirect hold in Electra Motive Co., Ltd.
Advanced Mobility Co., Ltd. ⁽³⁾	Associated company, by indirect hold in Electra Motive Co., Ltd.
<u>CBD Corporation Co., Ltd. Group</u>	
Siam Medical Cannabis Co., Ltd. ⁽⁶⁾	Associated company, by indirect hold in CBD Corporation Co., Ltd.
<u>Related persons</u>	
Mr. Puttachat Rungkasiri	Director and shareholder
Mr. Parin Sathianpagilanagorn	Director and shareholder of subsidiaries (Resigned from director of Skywell (Thailand) Co., Ltd. on October 30, 2020)
Mr. Suthee Luangrattanacharoen	Director and shareholder of subsidiaries
Mr. Teera Phoncharoensuk	Director and shareholder of associated

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Company's name and related persons	Relationship
<u>Related companies</u>	
Sutee Holding Co., Ltd.	Director and Shareholder in Mitra Corporation Co., Ltd. Group
Rich Asia Corporation Public Co., Ltd.	Director and Shareholder in Electra Motive Co., Ltd. Group
G.Y.T. Engineering Co., Ltd.	Director and Shareholder in Electra Motive Co., Ltd. Group
EV Smart Management Co., Ltd.	Director in Electra Motive Co., Ltd. Group
AA Bio Co., Ltd.	Director and Shareholder in Siam Medical Cannabis Co., Ltd.

The pricing policies for particular types of transactions were as follows:

Transactions	Pricing policy
Revenue from sales	Cost plus pricing
Purchases	Cost plus pricing
Interest income and expense	According to the contract agreed
Right of use assets	According to the contract agreed
Management income	5% of revenues from sales and services

⁽¹⁾ During the year 2020, The Parent Company established a subsidiary company, Electra Motive Co., Ltd. As a result, the control on February 19, 2020.

⁽²⁾ During the year 2020, the subsidiary (Electra Motive Co., Ltd.) purchased the investment in Skywell (Thailand) Co., Ltd. As a result, the control on July 4, 2020.

⁽³⁾ During the year 2020, the subsidiary (Electra Motive Co., Ltd.) purchased the investment in Advanced Mobility Co., Ltd. on July 8, 2020 (The Company has no control) (Formerly: Rich Asia Industry Co., Ltd.).

⁽⁴⁾ During the year 2021, The Parent Company established a subsidiary company, Zenith Gloves Co., Ltd. As a result, the control on March 16, 2021.

⁽⁵⁾ During the year 2021, The Parent Company established a subsidiary company, CBD Corporation Co., Ltd. As a result, the control on April 28, 2021.

⁽⁶⁾ During the year 2021, the subsidiary (CBD Corporation Co., Ltd.) purchased the investment in Siam Medical Cannabis Co., Ltd. on October 24, 2021 (The Company has no control).

The Group had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon between the Company and those companies. The summary of those transactions are as follows:

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

5.1. Asset and liabilities

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<u>Transactions with subsidiaries</u>				
TZ Trading Co., Ltd.				
Accrued income	-	-	-	-
Account payable	-	-	310,000	-
Advance received	-	-	30,641,293	28,210,794
Piyachart Co., Ltd.				
Advance payment	-	-	29,905,561	33,405,761
Accrued interest income	-	-	30,750,835	30,327,032
Loan	-	-	48,000,000	48,000,000
Accrued expenses	-	-	4,442,879	3,313,153
Rights of use assets	-	-	6,364,944	6,364,944
Accumulated depreciation				
- Rights of use assets	-	-	3,435,021	1,561,373
Lease liabilities	-	-	2,394,000	4,446,000
Deferred interest expenses	-	-	87,431	286,593
Service contract deposit	-	-	36,000	36,000
Gear2 Corporation Co., Ltd.				
Advance payment	-	-	1,804,021	1,470,021
Accrued interest income	-	-	21,428,000	13,123,000
Loan	-	-	151,000,000	151,000,000
Electra Motive Co., Ltd.				
Accrued interest income	-	-	3,152,518	726,869
Advance payment	-	-	100,000	-
Loan	-	-	40,500,501	20,500,501

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<u>Transactions with subsidiaries</u>				
Mitra Corporation Co., Ltd.				
Advance payment	-	-	55,390	-
Zenith Gloves Co., Ltd.				
Advance payment	-	-	79,425	-
CBD Corporation Co.,Ltd.				
Advance payment	-	-	6,740	-
Skywell (Thailand) Co., Ltd.				
Accrued interest expenses	-	-	1,661,628	564,650
Loan	-	-	35,723,213	42,407,575
<u>Transactions with associated companies</u>				
Advanced Mobility Co., Ltd.				
Advance payment for goods	373,664	6,190,841	-	-
Accrued interest income	2,078,689	1,778,689	-	-
Loan	5,000,000	5,000,000	-	-
Account payable	5,565,600	734,000	-	-
<u>Transactions with related companies</u>				
Sutee Holding Co., Ltd.				
Loan	69,509,346	69,509,346	-	-
Accrued interest expenses	3,171,958	2,129,345	-	-
Accrued expenses	137,000,000	137,000,000	-	-
EV Smart Management Co., Ltd.				
Accrued interest income	-	14,104	-	14,104
Loan	-	500,000	-	500,000
Accrued expenses	125,001	-	-	-

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
<u>Transactions with related companies</u>				
Rich Asia Corporation PCL.				
Rights of use assets	1,788,017	-	-	-
Accumulated depreciation -				
Rights of use assets	670,506	-	-	-
Lease liabilities	1,200,000	-	-	-
Deferred interest expenses	53,400	-	-	-
AA Bio Co., Ltd.				
Loan	20,000,000	-	20,000,000	-
Accrued interest income	155,205	-	155,205	-
<u>Transactions with related persons</u>				
Mr. Suthee Luangrattanacharoen				
Advance payment	95,215	95,215	-	-
Advance received	1,037,710	1,037,710	-	-
Accrued interest income	2,815,717	2,815,717	-	-
Mr. Parin Sathianpagilanagorn				
Advance received	8,000,000	8,000,000	-	-
Accrued expenses	218,000	290,000	-	-

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Movements during the year ended December 31, 2021 on loans to Subsidiaries and related companies were as follows:

(Unit : Baht)

	Consolidated financial statements			
	As at			As at
	January 1, 2021	Increase	(Decrease)	December 31, 2021
<u>Loans to associated companies</u>				
Advanced Mobility Co., Ltd.				
Loan	5,000,000	-	-	5,000,000
Accrued interest income	1,778,689	300,000	-	2,078,689
Total	6,778,689	300,000	-	7,078,689
<u>Loans to related companies</u>				
EV Smart Management Co., Ltd.				
Loan	500,000	-	(500,000)	-
Accrued interest income	14,104	17,826	(31,390)	-
Total	514,104	17,826	(531,930)	-
AA Bio Co., Ltd.				
Loan	-	20,000,000	-	20,000,000
Accrued interest income	-	155,205	-	155,205
Total	-	20,155,205	-	20,155,205

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statements		
	As at January 1, 2021	Increase	(Decrease)
			As at December 31, 2021
<u>Loans to Subsidiaries</u>			
Piyachart Co., Ltd			
Loan	48,000,000	-	48,000,000
Accrued interest income	30,327,032	2,647,233	30,750,835
Total	78,327,032	2,647,233	78,750,835
Gear 2 Corporation Co., Ltd.			
Loan	151,000,000	-	151,000,000
Accrued interest income	13,123,000	8,305,000	21,428,000
Total	164,123,000	8,305,000	172,428,000
Electra Motive Co., Ltd.			
Loan	20,500,501	20,000,000	40,500,501
Accrued interest income	726,869	2,425,649	3,152,518
Total	21,227,370	22,425,649	43,653,019
<u>Loans to related companies</u>			
EV Smart Management Co., Ltd.			
Loan	500,000	-	(500,000)
Accrued interest income	14,104	17,826	(31,390)
Total	514,104	17,826	(531,930)
AA Bio Co., Ltd.			
Loan	-	20,000,000	20,000,000
Accrued interest income	-	155,205	155,205
Total	-	20,155,205	20,155,205

As at December 31, 2021, The Company has loans to Piyachart Co., Ltd and Gear 2 Corporation Co., Ltd. under loans agreement and repayment when called with interest rate at 5.50% per annum.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

As at December 31, 2021, The Company has loans to EV Smart Management Co., Ltd. and Electra Motive Co., Ltd. under loans agreement and repayment when called with interest rate at 7.15% per annum. Subsequently, on July 1, 2021, the Company received the full amount repaid of loan from EV Smart Management Co., Ltd.

As at December 31, 2021, the Company has loans to Advanced Mobility Co., Ltd. under loans agreement by the due date for repayment on December 27, 2022 with interest rate at 6.00% per annum.

On August 23, 2021, the Company entered into a short-term loan to agreement with AA Bio Co., Ltd. with a credit limit of 20 million baht, with the objective of providing a capital for the construction and procurement of tools for the hemp plant and chemical production business, hemp extract processing all kinds of herbal products. A loan term is 5 years 2 months with an interest rate at 5% per annum. According to the contract, the principal and interest must be repaid within 30 days from the date that receive the letter of claim. A loan is secure by collateral, the paid-up ordinary shares of the said company in the amount of 10,000 shares at a par value of 100 baht per share.

Movements during the year ended December 31, 2021 on loans form Subsidiaries and related companies were as follows:

	(Unit : Baht)			
	Consolidated financial statements			
	As at January 1, 2021	Increase	(Decrease)	As at December 31, 2021
<u>Loans from related party</u>				
Sutee Holding Co., Ltd.				
Loan	69,509,346	-	-	69,509,346
Accrued interest expenses	2,129,345	1,042,640	-	3,171,985
Total	71,638,691	1,042,640	-	72,681,331

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statements		
	As at January 1, 2021	Increase (Decrease)	As at December 31, 2021
<u>Loans from Subsidiary</u>			
Skywell (Thailand) Co., Ltd.			
Loan	42,407,575	-	35,723,213
Accrued interest expenses	564,650	2,161,834	1,661,628
Total	42,972,225	2,161,834	37,384,841

As at December 31, 2021, the Group and the Company has short-term loans from Suthee holding Co., Ltd. under loans agreement and repayment when called with interest rate at 1.50% per annum.

As at December 31, 2021, the Group and the Company has short-term loans from Skywell (Thailand) Co., Ltd. under loans agreement totaling 2 contracts, with interest rate at 5.50% per annum, due date for repayment on March 26 and March 27, 2022, respectively.

Movements during the year ended December 31, 2021 on Lease liabilities with Subsidiaries and related companies were as follows:

(Unit : Baht)

	Consolidated financial statements		
	As at January 1, 2021	Increase (Decrease)	As at December 31, 2021
<u>Lease liabilities with related party</u>			
Rich Asia Corporation PCL.			
Lease liabilities	-	1,920,000	1,200,000
<u>Less</u> Deferred interest expenses	-	131,983	53,400
Net Lease liabilities	-	1,788,017	1,146,600

During the period 2020, the subsidiary entered into a rental agreement with a related company since September 1, 2020 onwards until either party cancels the contract. Amount of payment accordance to contract per month at Baht 0.06 million. Subsequently, during the period 2021, the management intends to extend the contract for a period of 3

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

years, the subsidiary records rights of use assets and liabilities under the lease for a period of 3 years, which is in accordance with the intention of the management.

(Unit : Baht)

	Separate financial statements		
	As at		As at
	January 1, 2021	Increase (Decrease)	December 31, 2021
<u>Lease liabilities with Subsidiary</u>			
Piyachart Co., Ltd			
Lease liabilities	4,446,000	-	(2,052,000)
<u>Less</u> Deferred interest expenses	286,593	-	(199,162)
Net Lease liabilities	4,159,407	-	(1,852,838)

During the year 2020, TWZ Corporation Public Company Limited has entered into a building rental agreement with its subsidiary for a period of 3 years, starting from March 1, 2020, ending on February 28, 2023.

Amount of payment per month at Baht 0.17 million. Therefore, The Company records rights of use assets and liabilities under the lease for a period of 3 years, which is based on the lease term.

5.2. Revenue and expenses transactions as follows :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
<u>Transactions with subsidiaries</u>				
TZ Trading Co., Ltd.				
Purchases	-	-	3,704,519	2,369,022
Purchase return	-	-	-	925
Revenues from sales	-	-	174,164	32,243
Sale return	-	-	5,988	9,925
Management fee	-	-	4,911,315	4,109,076

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
<u>Transactions with subsidiaries</u>				
Piyachart Co., Ltd.				
Interest income	-	-	2,647,233	2,640,000
Rental fee	-	-	1,230,855	1,214,032
Other expenses	-	-	72,115	73,091
Amortization of rights of use assets	-	-	1,873,648	1,561,373
Interest expense – rights of use assets	-	-	199,162	248,463
Gear 2 Corporation Co., Ltd.				
Interest income	-	-	8,305,000	8,193,192
Electra Motive Co., Ltd.				
Interest income	-	-	2,425,649	726,869
Skywell (Thailand) Co., Ltd.				
Revenues from sales	-	-	-	3,720
Interest income	-	-	-	150,273
Interest expenses	-	-	2,161,834	1,298,333
<u>Transactions with associated company</u>				
Advanced Mobility Co., Ltd.				
Interest income	300,000	150,820	-	-
Consultant fee	672,897	224,299	-	-
Purchases	72,827,574	1,437,383	-	-
Decoration Cost	1,224	-	-	-
<u>Transactions with related companies</u>				
Sutee Holding Co., Ltd.				
Interest expenses	1,042,640	1,042,640	-	-
EV Smart Management Co., Ltd.				
Interest income	17,826	14,104	17,826	14,104

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
<u>Transactions with related companies</u>				
Rich Asia Corporation PCL.				
Electricity expenses	-	6,445	-	-
Amortization of rights of use assets	465,641	-	-	-
Interest expense - rights of use assets	58,449	-	-	-
Office rental fee	-	240,000	-	-
AA Bio Co., Ltd.				
Interest income	155,205	-	155,205	-
<u>Transactions with related persons</u>				
Mr. Parin Sathianpagilanagorn				
Consultant fee	870,000	870,000	-	-

5.3. Management remunerations

(Unit : Baht)

	Consolidated and Separate financial statement			
	For the year ended December 31,			
	2021	2020	2021	2020
Short term employee benefits	13,450,295	12,255,794	13,450,295	12,255,794
Post-employment benefits	606,971	508,174	606,971	508,174
Total	14,057,266	12,763,968	14,057,266	12,763,968

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

6. Cash and cash equivalents

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Cash	745,572	4,823,486	629,016	4,725,960
Bank - current accounts	809,078,009	334,164,208	806,157,868	331,122,590
Bank - saving accounts	101,472,108	12,183,917	98,111,532	4,731,569
Cheque on hand	-	-	-	-
Total	911,295,689	351,171,611	904,898,416	340,580,119

Cash at bank earn interest at the rate determined by the bank.

7. Trade and other current receivables

Trade and Other current receivables of the Group and the Company were as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Trade account receivables	1,304,552,126	1,348,932,128	1,299,326,114	1,346,656,107
<u>Less</u> Allowance for doubtful debt	(503,138)	(3,021,712)	(492,489)	(2,847,644)
Estimated goods return	(2,945,347)	-	(2,945,347)	-
Trade account receivables - net	1,301,103,641	1,345,910,416	1,295,888,278	1,343,808,463
Other current receivables				
Advance payment for goods	356,905,743	339,916,415	355,140,205	332,409,119
Other receivables	29,428,600	19,265,495	25,023,932	15,965,283
Prepaid expenses	1,684,686	1,476,795	1,508,232	1,292,037
Accrued income	32,011,653	17,528,423	28,489,011	14,354,437
Accrued interest income	5,662,281	5,286,519	55,790,092	44,559,804
Advance payment	3,488,611	2,010,216	35,187,086	36,702,184

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Account receivable - Revenue				
department	2,962,135	2,540,617	-	-
Deposits and guarantee	101,650	81,421	94,196	81,410
Total other receivables	432,245,359	388,105,901	501,232,754	445,364,274
Total trade and other current				
receivables	1,733,349,000	1,734,016,317	1,797,121,032	1,789,172,737

Outstanding trade accounts receivables of the Group and the Company can be identified the age as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Recourse trade account receivables	2,999,555	2,129	2,999,555	2,129
Trade account receivables :				
In due	1,035,693,649	1,270,281,660	1,035,053,388	1,270,279,410
Over due				
1 - 30 Days	208,853,494	76,641,668	205,155,333	75,593,516
31 - 60 Days	56,258,044	473,316	55,847,294	167,733
61 - 90 Days	74,289	279,275	2,289	135,274
More than 91 Days	673,095	1,254,080	268,255	478,045
Total	1,304,552,126	1,348,932,128	1,299,326,114	1,346,656,107
<u>Less</u> Impairment loss	(3,448,485)	(3,021,712)	(3,437,836)	(2,847,644)
Net	1,301,103,641	1,345,910,416	1,295,888,278	1,343,808,463

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Parent company

As at December 31, 2020 the Company sold the partial of trade receivables under the factoring agreement in the amount Baht 374.11 million, respectively, Advance payment for goods was the payment in advance according to normal commercial condition, which the Company agreed with manufacturers and distributors of mobile phones and accessories.

Impairment loss on trade accounts receivable have changed during the year as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Beginning balance	(3,021,712)	(6,846,944)	(2,847,644)	(4,092,880)
Increase	(2,945,347)	(314,172)	(2,945,347)	(227,801)
Decrease	2,518,574	4,139,404	2,355,155	1,473,037
Ending balance	(3,448,485)	(3,021,712)	(3,437,836)	(2,847,644)

During the year 2021, the Group and the Company have reduced allowance for doubtful accounts, trade accounts receivable. Because to receive payments from trade accounts receivable in the amount of Baht 2.52 million and Baht 2.36 million, respectively (2020 : amount of Baht 4.14 million and Baht 1.47 million, respectively).

8. Contract assets / contract liabilities

Contract Assets/Contract liabilities as at December 31, 2021 and December 31, 2020 consist of the following details:

	(Unit : Baht)	
	Consolidated financial statements	
	As at	As at
	December 31,	December 31,
	2021	2020
Contract assets		
Prepaid service cost	11,205,232	-
Total contract assets	11,205,232	-
Current contract assets	(5,744,255)	-
Non-current contract asset	5,460,977	-

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	(Unit : Baht)	
	Consolidated financial statements	
	As at	As at
	December 31,	December 31,
	2021	2020
Contract liabilities		
Advance income	10,679,589	-
Total Contract liabilities	10,679,589	-
Current contract liabilities	(5,474,789)	-
Non-current contract liabilities	5,204,800	-

During the year 2021, the Group recognized contract liabilities as revenues in the amount of Baht 0.25 million.

9. Inventories

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Mobile phones and accessories	1,988,316,860	1,725,544,069	1,981,243,840	1,722,109,328
Spare part for repairing	2,101,560	6,727,610	2,101,560	6,727,610
Raw material	77,200,000	77,200,000	-	-
Electric cars	8,417,037	1,439,653	-	-
Goods in Transit	1,131,156	-	1,131,156	-
Total	2,077,166,613	1,810,911,332	1,984,476,556	1,728,836,938
<u>Add</u> Estimated cost for goods return	876,653	-	876,653	-
Total	2,078,043,266	1,810,911,332	1,985,353,209	1,728,836,938
<u>Less</u> Allowance for diminution value				
of inventories	(18,647,793)	(28,240,767)	(18,483,031)	(28,006,335)
Allowance for obsolete inventories	(1,157,086)	(1,031,541)	(1,157,086)	(1,031,251)
Net	2,058,238,387	1,781,639,024	1,965,713,092	1,699,799,352

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Allowance for declining in value of inventories have changed during the year as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Beginning	(29,272,308)	(24,401,328)	(29,037,586)	(23,884,599)
Increase	(5,785,317)	(7,568,603)	(5,707,269)	(7,485,726)
Decrease	15,252,746	2,697,623	15,104,738	2,332,739
Ending balance	(19,804,879)	(29,272,308)	(19,640,117)	(29,037,586)

During the year 2021, The Group and the Company reverse allowance for value of inventories in the consolidated and separate statements of comprehensive income amounting to Baht 15.25 million and Baht 15.10 million, respectively, since the sale of inventories (During the year 2020, amount of Baht 2.70 million and Baht 2.33 million, respectively).

10. Financial asset

10.1. Account receivables of real estate project under financial lease agreements.

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Account receivables of real estate				
Project under financial lease				
agreement	124,535,778	130,260,477	88,795,899	92,205,991
<u>Less</u> Deferred interest income from				
financial lease agreement	(35,194,256)	(40,846,054)	(25,223,810)	(29,134,331)
Total	89,341,522	89,414,423	63,572,089	63,071,660
<u>Less</u> Current portion of account				
receivables of real estate project				
under financial lease agreement	(5,813,519)	(4,797,389)	(4,041,329)	(2,725,208)
Total	83,528,003	84,617,034	59,530,760	60,346,452
<u>Less</u> Allowance for loss	(17,667,512)	(17,667,512)	(17,667,512)	(17,667,512)
Net	65,860,491	66,949,522	41,863,248	42,678,940

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

The aggregate minimum lease receives under long-term financial lease agreements were as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Less than 1 year	5,813,519	4,797,389	4,041,329	2,725,208
More than 1 year but less than 5 years	24,521,215	18,572,605	16,613,454	12,995,088
More than 5 year	59,006,788	66,044,429	42,917,306	47,351,364
Total	89,341,522	89,414,423	63,572,089	63,071,660

Changes in the allowance for loss of the finance lease receivables during the year as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Beginning	(17,667,512)	(19,028,890)	(17,667,512)	(19,028,890)
Increase	-	(192,508)	-	(192,508)
Decrease	-	1,553,886	-	1,553,886
Ending balance	(17,667,512)	(17,667,512)	(17,667,512)	(17,667,512)

During the year of 2020, the impairment loss decreased due to receiving debt repayment amount of Baht 1.55 million.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

10.2. Real estate development project for rental under financial lease agreement

(Unit : Baht)

	Consolidated financial statement				As at December 31, 2021
	As at January 1, 2021	Increase	Decrease	Transfer in / Transfer out	
Building	14,036,183	-	-	-	14,036,183
Rental under financial lease agreement	896,304	-	-	-	896,304
Total	14,932,487	-	-	-	14,932,487
<u>Less</u> Allowance for impairment in real estate development project for rental under financial lease agreement	(4,890,793)	-	-	-	(4,890,793)
Net	10,041,694	-	-	-	10,041,694

The Company / Subsidiary

As at December 31, 2020, the Group and the Company transferred assets in the real estate development project for rent under the financial lease agreement to investment property amount to Baht 11.04 million.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

10.3. Other current financial assets

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Bank deposits under the				
guarantee obligation	341,296,538	340,932,360	340,908,384	340,822,669
Bank - fixed deposit	10,231,864	10,470,545	10,121,743	10,105,410
Total	351,528,402	351,402,905	351,030,127	350,928,079

As at December 31, 2021 and 2020, the Group and the Company pledged a fixed deposit as collateral for the credit facility from commercial banks and finance institutions. (Note.40.1)

Fix deposit have period 3 - 12 months, by interest rate 0.09 - 1.25% per annum.

11. Other current assets

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Land	259,614,872	259,614,872	-	-
Cost of development project				
(Construction expenses)	9,351,736	9,351,736	-	-
Total	268,966,608	268,966,608	-	-
<u>Less</u> Allowance for loss on decline in				
value of projects	(1,608,737)	(1,608,737)	-	-
Bond security deposit	5,000,000	-	5,000,000	-
Total	272,357,871	267,357,871	5,000,000	-

As at December 31, 2021 and 2020, The Company has pledged the subsidiary's land as a collateral for bonds (Note 24).

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

12. Non - Current assets or disposal groups classified as held for sale

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
Land	527,466	19,245,766	527,466	26,740,423
Cost of development project				
(Construction expenses)	3,421,921	162,736,746	3,421,921	167,342,089
Interest and financial expenses	-	4,519,263	-	4,519,263
has been recorded as cost				
Total	3,949,387	186,501,775	3,949,387	198,601,775
<u>Less</u> Accumulated cost of sales has been				
Recorded as cost of sales	-	(6,252,041)	-	(6,252,041)
Total	3,949,387	180,249,734	3,949,387	192,349,734
<u>Less</u> Allowance for impairment of assets				
held for sale	-	-	-	-
Net	3,949,387	180,249,734	3,949,387	192,349,734

On October 16, 2020, the Company entered into sale agreement with an unrelated company as a return rental agreement. The Company received an amount of Baht 100 million, recorded as a liability in the financial statements and the Company has the right to buy the property back at a price of Baht 100 million within April 2021. The company has already transferred the registration ownership of the above land and buildings to the unrelated company.

On April 12, 2021 the Company has repayment amount of Baht 100 million and on April 20, 2021 the Company has entered into an agreement to buy and sell assets with unrelated persons as amount of Baht 160 million, by this value is lower than book value for this reason the Company has recognised loss in impairment of asset as amount of Baht 28.4 million on the statement of comprehensive income for this period.

On October 29, 2021, the Company canceled the said purchase and sale agreement, and has entered into a purchase and sale agreement with another unrelated person, the contract value is Baht 163 million. The buyer will receive all shares of the company which has received transfer the assets. Currently, there are in the process of transferring the shares to the buyer.

As of December 31, the Company this the said assets by recognized profit and loss in the consolidated and separate financial statements amounting to 20.80 and 32.90 million Baht, respectively.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

13. Investments in subsidiaries, joint ventures and associates

13.1. Investments in subsidiaries

	Separate financial statements							
	Thousand Baht							
	Percentage of		Issue and paid up					
	Investment (%)		capital		Cost		Dividend received	
	Dec	Dec	Dec	Dec	Dec	Dec	Dec	Dec
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020
TZ Trading Co., Ltd.	100	100	3,000	3,000	3,000	3,000	-	-
Piyachart Co., Ltd.	100	100	250,000	250,000	320,000	320,000	-	-
Gear 2 Corporation								
Co., Ltd.	100	100	3,000	3,000	3,000	3,000	-	-
Electra Motive								
Co., Ltd.	100	100	80,000	80,000	80,000	80,000	-	-
Zenith Gloves Co.,								
Ltd.	100	-	1,000	-	1,000	-	-	-
CBD Corporation								
Co., Ltd.	100	-	1,000	-	1,000	-	-	-
Total					408,000	406,000	-	-

Mitra Corporation Co., Ltd

As at December 31, 2021, the Group has an outstanding balance of shares value of Baht 137 million which the payment will be paid when PG&C 5714 Co., Ltd. able to generate the power to a commercial system (COD).

In accordance with TFRS3, administrator has required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the acquirer will retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisation of the fair values for certain acquisitions of businesses acquired during 2019 is dependent on determination of the ultimate purchase price and result of the purchase price allocation.

The Company has assessed the fair value of assets which transferred from the business acquisition of Mitra Corporation Company Limited and appointing an independent external appraiser certified by the Securities and Exchange Commission (SEC), which has assessed the fair value of identifiable assets, by considering the

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

measurement of assets and considering the possibility that the group will reliably receive economic benefits from the assets. It is found that each identified asset has no significant difference between the book value and the fair value at the acquisition date. Except for the following assets list.

Property, Plant and Equipment

The fair value of Property, Plant and Equipment is determined by Cost Approach method according to the Current Replacement Cost, to estimate the residual value of the future economic benefits for assets of a similar nature and use in an entity's operation. Which this method is higher than the book value in amount of Baht 8 million.

Intangible assets

The fair value of the intangible assets that received from the business acquisition consists of the Power Purchasing Agreement (PPA) for power generation capacity of 2.5 MW throughout 20 years with Provincial Electricity Authority (PEA) in amount of Baht 192 million. PG&C 5714 Co., Ltd. expected to start the Commercial Operation Date (COD) on January 1, 2020 to December 31, 2039, which it is the expiration date of agreement including Refuse Derived Fuel Agreement (RDF) to the PG&C5714 Co., Ltd. By the way Tang Corporation Co., Ltd. has received income from waste segregation and product of Refuse Derived Fuel (RDF) of Baht 255 million for a period of approximately 20 years, ending on December 31, 2039, as PG&C 5714 Co., Ltd.'s the Power Purchasing Agreement (PPA) expiration date. Subsequent to the meeting of the Energy Regulatory Commission (ERC) held on January 17, 2020 has considered on PG&C 5714 Company Limited's requestion to the postponement for SCOD as a PPA which the former date within December 31, 2019 changed to the date within October 31, 2020. The Energy Regulatory Commission (ERC) has resolved to postpone the SCOD as a PPA and also approved the period for PPA to be 20 years as the previous. Notwithstanding the PAE has the same opinion as the resolution of the Energy Regulatory Commission (ERC).

The Group has issued a letter for requesting to extend the period of the power purchase agreement and the Schedule Commercial Operation Date (SCOD) including, clarify the reasons of necessity to the Energy Regulatory Commission (ERC). The ERC meeting No.47/2564 (No. 756) on October 26, 2020, resolved to extend the SCOD schedule for 12 months count next to the former SCOD deadline from October 1, 2021 to October 31, 2022, due to the coronavirus crisis (COVID-19), the international shipments were suspended and Russian manufacturers were unable to deliver plasma machines as originally scheduled, because of the aforementioned reasons and necessities according to the Power Purchase Agreement, Clause 7.1 (3) Force Majeure Due to the Epidemic and Article 7.2, paragraph 3, the contract specify that the period must be extended to comply with the contract equal to the time that the force majeure occurred and the time used to resolve the force majeure event unless the party entitled to an extension of the period but does not want to extend the period any longer. The Group will certainly be able to supply electricity to the system in time for further expansion.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Electra Motive Co., Ltd.

The Board of Director's Meeting of the Company No.5/2019 held on October 29, 2019 has passed the resolutions to the establishment of a subsidiary, Electra Motive Co., Ltd, regarding the business of Sale of new passenger motor vehicles pick-up trucks, vans and light motor vehicles. The Company has share holder of 100% and registered capital of Baht 80,000,000, registered with the Department of Business Development on February 19, 2020.

Skywell (Thailand) Co., Ltd.

Following the Board Meeting No.1/2020 on February 28, 2020, resolve to invest in electric vehicles business with a conditions for legal examinations, Tax audit and Accounting audit of Advanced Mobility Co., Ltd. (Formerly: Rich Asia Industry Co., Ltd.), The Company completed of it.

In the Board of Directors Meeting No. 4/2020 on May 15, 2020, has resolved to approve Electramotive Company Limited (“Subsidiary”) to invest in Advanced Mobility Co., Ltd. (Formerly: Rich Asia Industry Co., Ltd.) in the amount limit of not exceeding Baht 200 million, including investment in other companies in total business value of Baht 540 million, with details as follows:

Item 1 As at July 4, 2020, the subsidiary has entered into a subscription the capital increase agreement in order for Advanced Mobility Co., Ltd. (Formerly: Rich Asia Industry Co., Ltd.) to achieve the conditions of the Board of Investment, to increasing the registered capital of Baht 200 million before issuing promotion certificates. The subsidiary has been allocated 6,451,613 ordinary shares with a par value of Baht 31.00 per share, accounted for 31.17% of total issued and paid-up after the capital increase, by paying 25% of the additional share value on June 30, 2020, in the amount of Baht 50 million. The share transfer was completed on July 8, 2020. The remaining amount of Baht 150 million will be paid within 3 years since RAI issued the capital increase shares.

Item 2 As at July 4, 2020, the subsidiary has entered into a share purchase agreement of Skywell (Thailand) Company Limited (“SKY-TH”) from Pholboon Holding Company Limited (“Existing shareholder”) in the proportion of 3,060,000 shares, at a price of Baht 16.34 per share, totaling Baht 50 million, accounted for 51%. The deposit in the joint venture agreement between the Company and the existing shareholders as at January 30, 2020 in the amount of Baht 50 million as payment for shares under this share purchase agreement. The subsidiary agrees to pay a special compensation to the existing shareholders in the amount of Baht 105 million, if the existing shareholders are able to allow SKY-TH to have a financial budget of at least Baht 200 million within December 15, 2021 or any other date according to the two parties will agree in writing. And to guarantee the performance of the contract regarding the special compensation. The subsidiary has entered into an agreement to pledge 2,072,834 shares of SKY-TH to the existing shareholders. However, the pledged shares may be redeemed in proportion to the premium payment based on the performance, a pledge redemption at the par value of Baht 50.65 per share.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

On April 30, 2021, the Subsidiary has special payment to the existing shareholders according to the operating results as specify in the share purchase agreement with Pholbun Holding Company Limited, dated July 4, 2020 in the amount of Baht 20 million and request to issued a partial redemption letter of 394,844 shares (At a price of Baht 50.65 per share, totaling Baht 20 million) to the subsidiary company.

On December 10, 2021, the Company entered into an additional agreement append to the share purchase agreement stating that the seller must provide Skywell (Thailand) Co., Ltd. to get revenue from selling, importing, manufacturing or assembling of electric vehicles in the amount of not less than 40 million baht within December 31, 2022

For the year ended December 31, 2021, Skywell (Thailand) Co., Ltd. has a yearly operating income of 69.72 million baht, which is in accordance with the conditions of the memorandum. Therefore, the advance payment of 20 million baht was adjusted to be an expense in the period immediately.

Item 3 As at July 4, 2020, the subsidiary has entered into a share purchase agreement of EV Smart Management Company Limited (“EVSM”) from Pholboon Holding Company Limited (“Existing shareholder”) in the proportion of 300,000 shares at the price of Baht 16.66 per share, total amount of Baht 5 million, accounted for 60%. On August 14, 2020, the subsidiary has not yet paid for the shares. The subsidiary agrees to pay a special compensation to the existing shareholders in the amount of Baht 180 million, if the existing shareholders are able to allow EVSM to sell at least 6,000 electric vehicles within December 15, 2021 or any other date as specified by both parties would have agreed in writing.

Item 4 As at July 4, 2020, the subsidiary has entered into a share purchase agreement of Skywell Leasing Company Limited (“SKY-L”) from Pholboon Holding Company Limited (“Existing Shareholder”) in the proportion of 4,997 shares from SKY-L total of 5,000 shares, in the amount of Baht 5 million, on August 14, 2020 has not yet paid for shares.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Details of the net asset value arising from the purchase of investment in Skywell (Thailand) Co., Ltd. are as follow:

	(Unit : Baht)
Cash and cash equivalents	21,492,222
Trade and other current receivables	7,663,724
Short - term loans	35,000,000
Inventories	2,270
Property, plant and equipment	943
Trade and other current payables	(8,338,881)
Short term loan	(4,070,000)
Total net assets	51,750,278
Non controlling interests (49%)	(25,357,636)
Book value of net assets acquired (51%)	26,392,642
Total consideration paid	50,000,000
Goodwill	23,607,358

In accordance with TFRS3, management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisation of the fair values for certain acquisitions of businesses acquired during 2020, is dependent on determination of the ultimate purchase price and completion of the purchase price allocation exercise.

The Company has appraised the fair value of transferred assets which received from the acquisition of Skywell (Thailand) Company Limited by appointing an independent external appraiser certified by the Securities and Exchange Commission (SEC) to assesses the fair value of identifiable assets by measures the value of an asset and consider about the possibility that the group will gain reliable economic benefits of the asset. It was found that for each identifiable asset there was no significant difference between the book value and fair value as of the acquisition date.

As of the date of acquisition in Skywell (Thailand) Co.,Ltd., the management has studied the information of the automotive business including the return that will be received from the purchase of shares of the automotive business in the future, both the purchase demand of customers in the market which the company has purchase request information and the sales demand of the factories that the company has information for offering, considering the return that the company will receive comes from the possibility of trading electric vehicles. The management

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2021**

considers it to be a business that has to receive good returns as it reduces the pollution of fuel consumption according to the development of the automotive business that will be used around the world. Thus, the Board of Directors and the management are of the opinion that Goodwill which paid from this acquisition of shares in the automotive business, it is an expense that the company pays in order to get the benefits that will happen to the company in a worthwhile way.

Zenith Gloves Co., Ltd.

In accordance with the minutes of the Executive Committee Meeting No. 3/2021 held on February 25, 2021, there was a resolution approving the establishment of one subsidiary company, Zenith Gloves Company Limited, to operate the business of manufacturing, importing and distributing drugs, pharmaceuticals, chemicals, medical equipment, rubber gloves. The Company holds 100% shares and has a registered capital of Baht 1,000,000, divided into 10,000 ordinary shares with a par value of Baht 100 per share, registered with the Department of Business Development on March 16, 2021.

CBD Corporation Co., Ltd.

In accordance with the minutes of the Executive Committee Meeting No. 4/2021 held on March 8, 2021, there was a resolution approving the establishment of one subsidiary company, CBD Corporation Company Limited, to operate the Business of import, export, procurement, purchase, distribution, planting, analysis, extraction and development of all kinds of medicinal plants. The Company holds 100% shares and has a registered capital of Baht 1,000,000, divided into 10,000 ordinary shares with a par value of Baht 100 per share, registered with the Department of Business Development on April 28, 2021

13.2. Investments in associated

13.2.1. The movement of Investments in associated for the year ended December 31, 2021 are as follow :

(Unit : Baht)

	Consolidated financial statements	
	As at December 31, 2021	As at December 31, 2020
Investments at the beginning of the year	50,387,177	-
Purchase investment	490,000	50,000,032
Share of profit (loss) from investment in associated	24,921,945	387,145
Investments at the ending of the year	75,799,122	50,387,177

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

13.2.2. Details of Investments in associated company consist of :

(Unit : Baht)

Company's name	Paid-up share Capital	Holding Portion (%)	Consolidated financial statements	
			Equity Method	
			As at December 31, 2021	As at December 31, 2020
Advanced Mobility Co., Ltd. (Formerly: Rich Asia Industry Co., Ltd.)	491,701,237	31.17	75,323,822	50,387,177
Siam Medical Cannabis Co., Ltd.	1,000,000	49	475,300	-

13.2.3. Summarized financial information of associated company

(Unit : Baht)

Company's name	Consolidated financial statements			
	Total assets		Total liabilities	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Advanced Mobility Co., Ltd. (Formerly: Rich Asia Industry Co., Ltd.)	39,885,398	719,259,455	37,881,543	798,486,723
Siam Medical Cannabis Co., Ltd.	1,000,000	-	30,000	-

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

Company's name	Consolidated financial statements			
	Total revenues		Profit (loss)	
	2021	2020	2021	2020
Advanced Mobility Co., Ltd.				
(Formerly: Rich Asia Industry Co., Ltd.)	243,254,384	235,890,383	81,231,123	36,489,924
Siam Medical Cannabis Co., Ltd.	-	-	(30,000)	-

As at December 31, 2021, the associated company had profit (loss) from offsetting debt under the rehabilitation plan with related companies, resulting in the associate's gain (loss) recognized in the financial statements of Baht 81.23 million, which result to the Group recognized the share of profit (loss) under the equity method from the investment in the said associated company in the amount of Baht 24.94 million.

Advanced Mobility Co., Ltd.

On July 4, 2020, the subsidiary company entered into a share subscription agreement in order Advanced Mobility Company Limited ("AMT") to achieve the conditions of the Board of Investment, to increase registered capital of Baht 200 million before issuing promotional certificates. The subsidiary has been allocated 6,451,613 ordinary shares with a par value of Baht 31 per share, in the porportion of 31.17% of total issued and sold ordinary shares after the capital increase, by paid up 25% of the capital increase on June 30, 2020 in the amount of Baht 50 million and share were transferes completed on July 8, 2020. The remaining Baht 150 million will be paid within 3 years since AMT issued the capital increase shares this time.

The Company has appraised the fair value of transferred assets which received from the acquisition of Advanced Mobility Company Limited by appointing an independent external appraiser certified by the Securities and Exchange Commission (SEC) to assesses the fair value of identifiable assets by measures the value of an asset and consider about the possibility that the group will gain reliable economic benefits of the asset. It was found that for each identifiable asset there was no significant difference between the book value and fair value as of the acquisition date.

Siam Medical Cannabis Company Limited

On October 11, 2021, the Group purchased ordinary shares from the existing shareholders of Siam Medical Cannabis Company Limited under the Share Purchase Agreement and Shareholder Agreement with 2 existing shareholders at a price 100 baht per share, amounting to 4,900 shares out of a total share value of 10,000 shares,

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

registered with the Department of Business Development on October 25, 2021, representing a 49 percent shareholding of the ordinary shares issued and sold. Siam Medical Cannabis Company Limited.

In accordance with TFRS3, management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisation of the fair values for certain acquisitions of businesses acquired during 2021 is dependent on determination of the ultimate purchase price and completion of the purchase price allocation exercise.

The Company is considering the fair value of the business by the management has appointed an independent appraiser to appraise the fair value. However, as of the date the consolidated financial statements were approved, the Company is still considering such information. Therefore, the fair value of the assets acquired and liabilities are estimated values as of the acquisition date and subject to adjustments as described in the notes to the financial statements.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

13.3. Non controlling interests

Information about subsidiary companies in which the Group does not hold all of the shares which have significant non-controlling interests to the Group as at December 31, 2021 and 2020 are as follows:

Company	(Unit : Million Baht)							
	Proportion held by non-controlling interests		Accumulated non-controlling interests in subsidiaries		Profit (loss) allocated to non-controlling interests in subsidiaries during the year		Dividends paid to non-controlling interests during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
Mitra Corporation Co., Ltd.	47%	47%	246.23	247.06	(0.82)	(0.65)	-	-
Skywell (Thailand) Co., Ltd.	49%	49%	22.64	24.81	(2.17)	(0.56)	-	-

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Summarized financial information before eliminating inter-company transactions of each subsidiary in which the Group does not hold all shares with significant non-controlling interests for the years ended December 31, 2021 and 2020 are as follows:

Statement of financial position as at December 31, 2021 and 2020, Statement of comprehensive income for the year ended December 31, 2021 and 2020

Company	(Unit : Baht)			
	Skywell (Thailand) Co., Ltd.		Mitra Corporation Co., Ltd.	
	2564	2563	2564	2563
Statements of financial position -				
indirect method as at December				
31,				
Current assets	62,609,001	59,797,721	83,735,135	152,292,004
Non - current assets	13,441,091	13,147	167,736,186	98,229,617
Current liabilities	(24,182,046)	(9,182,150)	(96,151,746)	(93,472,353)
Non - current liabilities	(5,675,486)	-	-	-
Net assets	46,192,560	50,628,718	155,319,575	157,049,268
Statements of comprehensive income				
- indirect method for the year				
ended December 31,				
Total revenues	72,302,340	72,302,340	300,590	457,204
Net Profit (loss) for the year	(4,436,158)	(4,436,158)	(1,729,724)	(1,362,765)
Total comprehensive income	(4,436,158)	(4,436,158)	(1,729,724)	(1,362,765)

14. Investment property

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
Investment property at January 1, 2021	114,900,000	15,900,000
Gain (loss) from fair value adjustment	(2,200,000)	(400,000)
Investment property at December 31, 2021	112,700,000	15,500,000

At as December 31, 2020, subsidiary brought commercial buildings in 3 units out of a total of 13 units to lease to a client which have entered into 3 year short-term lease agreements. Originally, all buildings were recognized under real estate

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

development project for rental under financial lease agreement which the objective is for sale and uses the lower of cost or net realizable value either is lower as its value. Therefore, in preparing the financial statements commercial buildings were reclassified from the real estate development project for rental under financial lease agreement which the objective is for sale to investment property which the objective is the benefits from rental income under the contract in accordance with Thai Accounting Standards 40 about Investment Property.

As at December 31, 2021 and 2020, the fair value of investment properties, by using the appraiser's report of value According to the market price comparison method by bringing the land price, which can be compared at the nearby area, to adjust which is the fair value in level 2 of the fair value hierarchy. (Note 3.27)

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

15. Property, plant and equipment

(Unit : Baht)

	Consolidated financial statements							
	Land	Building	Building improvement	Machineries and equipment	Office Equipment	Office Furniture	Motor Vehicles	Work in Construction
Cost:								
January 1, 2021	62,062,853	77,192,792	14,069,234	1,552,451	2,634,427	4,677,618	43,225,889	38,381,784
Addition	-	-	113,000	601,198	140,318	21,900	6,589,500	-
Disposal/Write-off	-	-	-	-	-	-	(8,087,588)	-
December 31, 2021	62,062,853	77,192,792	14,182,234	2,153,649	2,774,745	4,699,518	41,727,801	38,381,784
Accumulated Depreciation:								
January 1, 2021	-	17,370,453	13,018,640	698,866	2,274,654	3,860,453	29,908,486	-
Depreciation for the year	-	5,698,146	802,417	299,120	221,436	461,379	4,983,746	-
Depreciation on disposals/write-off	-	-	-	-	-	-	(8,087,584)	-
December 31, 2021	-	23,068,599	13,821,057	997,986	2,496,090	4,321,832	26,804,648	-
Net Book Value:								
January 1, 2021	62,062,853	59,822,339	1,050,594	853,585	359,773	817,165	13,317,403	38,381,784
December 31, 2021	62,062,853	54,124,193	361,177	1,155,663	278,655	377,686	14,923,153	38,381,784
Depreciation are recognized in statements of comprehensive income for the year ended								
December 31,								
2021								12,466,244
2020								13,605,837

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

(Unit : Baht)

Consolidated financial statements

	Land	Building	Building improvement	Machineries and equipment	Office Equipment	Office Furniture	Motor Vehicles	Work in Construction	Total
Cost:									
January 1, 2020	62,062,853	77,192,792	15,917,440	966,295	2,526,963	4,512,942	41,736,889	27,325,185	232,241,359
Addition	-	-	-	586,156	106,263	164,676	1,489,000	11,056,599	13,402,694
Increase from acquisition of subsidiaries (Note 13.1)	-	-	-	-	1,201	-	-	-	1,201
Disposal/Write-off	-	-	(1,848,206)	-	-	-	-	-	(1,848,206)
December 31, 2020	62,062,853	77,192,792	14,069,234	1,552,451	2,634,427	4,677,618	43,225,889	38,381,784	243,797,048
Accumulated Depreciation:									
January 1, 2020	-	11,657,312	12,270,905	478,956	1,884,546	3,149,093	25,451,542	-	54,892,354
Depreciation for the year	-	5,713,141	2,114,632	219,910	389,850	711,360	4,456,944	-	13,605,837
Increase from acquisition of subsidiaries (Note 13.1)	-	-	-	-	258	-	-	-	258
Depreciation on disposals/write-off	-	-	(1,366,897)	-	-	-	-	-	(1,366,897)
December 31, 2020	-	17,370,453	13,018,640	698,866	2,274,654	3,860,453	29,908,486	-	67,131,552
Net Book Value:									
January 1, 2020	62,062,853	65,535,480	3,646,535	487,339	642,417	1,363,849	16,285,347	27,325,185	177,349,005
December 31, 2020	62,062,853	59,822,339	1,050,594	853,585	359,773	817,165	13,317,403	38,381,784	176,665,496
Depreciation are recognized in statements of comprehensive income for the year ended December 31,									
2020									13,605,837
2019									18,090,457

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	Separate financial statement							
	Land	Building	Building improvement	Machineries and equipment	Office Equipment	Office Furniture	Motor Vehicles	Total
Cost:								
January 1, 2021	4,380,108	78,499,892	14,069,235	492,461	2,233,748	3,670,549	39,793,802	143,139,795
Addition	-	-	113,000	34,028	137,931	21,900	-	306,859
Disposal/Write-off	-	-	-	-	-	-	(5,967,027)	(5,967,027)
December 31, 2021	<u>4,380,108</u>	<u>78,499,892</u>	<u>14,182,235</u>	<u>526,489</u>	<u>2,371,679</u>	<u>3,692,449</u>	<u>33,826,775</u>	<u>137,479,627</u>
Accumulated Depreciation:								
January 1, 2021	-	17,313,582	13,018,639	353,416	1,942,706	3,133,068	27,368,014	63,129,425
Depreciation for the year	-	5,698,145	802,417	50,416	192,261	367,462	4,218,068	11,328,769
Depreciation on disposals/write-off	-	-	-	-	-	-	(5,967,024)	(5,967,024)
December 31, 2021	<u>-</u>	<u>23,011,727</u>	<u>13,821,056</u>	<u>403,832</u>	<u>2,134,967</u>	<u>3,500,530</u>	<u>25,619,058</u>	<u>68,491,170</u>
Net Book Value:								
January 1, 2021	<u>4,380,108</u>	<u>61,186,310</u>	<u>1,050,596</u>	<u>139,045</u>	<u>291,042</u>	<u>537,481</u>	<u>12,425,788</u>	<u>80,010,370</u>
December 31, 2021	<u>4,380,108</u>	<u>55,488,165</u>	<u>361,179</u>	<u>122,657</u>	<u>236,172</u>	<u>191,919</u>	<u>8,207,717</u>	<u>68,988,457</u>
Depreciation are recognized in statements of comprehensive income for the year ended December 31,								
2021								<u>11,328,769</u>
2020								<u>13,127,343</u>

(Unit : Baht)

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	Separate financial statement							
	Land	Building	Building improvement	Machineries and equipment	Office Equipment	Office Furniture	Motor Vehicles	Total
Cost:								
January 1, 2020	4,380,108	78,499,892	15,917,441	417,561	2,156,158	3,666,820	38,794,802	143,832,782
Addition	-	-	-	74,900	77,590	3,729	999,000	1,155,219
Disposal/Write-off	-	-	(1,848,206)	-	-	-	-	(1,848,206)
December 31, 2020	4,380,108	78,499,892	14,069,235	492,461	2,233,748	3,670,549	39,793,802	143,139,795
Accumulated Depreciation:								
January 1, 2020	-	11,600,441	12,270,904	295,615	1,579,507	2,513,218	23,109,294	51,368,979
Depreciation for the year	-	5,713,141	2,114,632	57,801	363,199	619,850	4,258,720	13,127,343
Depreciation on disposals/write-off	-	-	(1,366,897)	-	-	-	-	(1,366,897)
December 31, 2020	-	17,313,582	13,018,639	353,416	1,942,706	3,133,068	27,368,014	63,129,425
Net Book Value:								
January 1, 2020	4,380,108	66,899,451	3,646,537	121,946	576,651	1,153,602	15,685,508	92,463,803
December 31, 2020	4,380,108	61,186,310	1,050,596	139,045	291,042	537,481	12,425,788	80,010,370
Depreciation are recognized in statements of comprehensive income for the year ended December 31,								
2020								13,127,343
2019								15,314,847

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

As of December 31, 2021, the Company and the Group sold vehicle to unrelated parties at a book value of 4 and 3 Baht respectively, by recognizing profit (loss) from the disposal in the consolidated and separate financial statements in the amount of 1.40 and 1.07 million Baht in the statement of comprehensive income (loss).

As at December 31, 2021 and 2020, the assets under financial lease which the Company is the lessee included in the above list consist of vehicles, with net book value of Baht 8.21 million (cost price Baht 33.82 million and accumulated depreciation Baht 25.62 million) (2020: net book value of Baht 12.41 million (cost price of Baht 20.99 million and accumulated depreciation in the amount of Baht 8.58 million)).

16. Rights of use assets

The movement transactions of rights of use assets for the year ended December 31, 2021 as follow:

(Unit : Baht)

	Consolidated financial statements		
	Area lease agreement	Motor Vehicles	Total
Cost:			
January 1, 2021	8,159,160	2,833,493	10,992,653
Addition	55,608,564	-	55,608,564
Revised agreement/write off	-	-	-
December 31, 2021	63,767,724	2,833,493	66,601,216
Accumulated Depreciation:			
January 1, 2021	(1,772,435)	(718,411)	(2,490,846)
Depreciation for the year	(11,844,088)	(935,116)	(12,779,204)
December 31, 2021	(13,616,523)	(1,653,527)	(15,270,050)
Net Book Value:			
December 31, 2021	50,151,201	1,179,966	51,331,166

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements		
	Area lease		
	agreement	Motor Vehicles	Total
Cost:			
January 1, 2020	3,489,421	1,041,407	4,530,828
Addition	6,197,035	1,792,086	7,989,121
Revised agreement/write off	(1,527,296)	-	(1,527,296)
December 31, 2020	8,159,160	2,833,493	10,992,653
Accumulated Depreciation:			
January 1, 2020	-	-	-
Depreciation for the year	(1,772,435)	(718,411)	(2,490,846)
December 31, 2020	(1,772,435)	(718,411)	(2,490,846)
Net Book Value:			
December 31, 2020	6,386,725	2,115,082	8,501,807

(Unit : Baht)

	Separate financial statement		
	Area lease		
	agreement	Motor Vehicles	Total
Cost:			
January 1, 2021	14,202,848	1,041,407	15,244,255
Addition	53,820,546	-	53,820,546
Revised agreement/write off	-	-	-
December 31, 2021	68,023,394	1,041,407	69,064,801
Accumulated Depreciation:			
January 1, 2021	(3,158,238)	(337,754)	(3,495,992)
Depreciation for the year	(12,930,663)	(337,754)	(13,268,417)
December 31, 2021	(16,088,901)	(675,508)	(16,764,409)
Net Book Value:			
December 31, 2021	51,934,493	365,899	52,300,392

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statement		
	Area lease agreement	Motor Vehicles	Total
Cost:			
January 1, 2020	3,168,165	1,041,407	4,209,572
Addition	12,561,979	-	12,561,979
Revised agreement/write off	(1,527,296)	-	(1,527,296)
December 31, 2020	14,202,848	1,041,407	15,244,255
Accumulated Depreciation:			
January 1, 2020	-	-	-
Depreciation for the year	(3,158,238)	(337,754)	(3,495,992)
December 31, 2020	(3,158,238)	(337,754)	(3,495,992)
Net Book Value:			
December 31, 2020	11,044,610	703,653	11,748,263

During the year 2021, the Group and the Company have entered into rental agreement and service agreement 10 contracts and 9 contracts, respectively, for a period of 3 years (Year 2021 - 2024). The average amount to be paid per month according to the contract at Baht 1.24 million and Baht 1.24 million, respectively. The Group and the Company record rights of use assets and liabilities under the lease for a period of 3 years, which is based on the lease term and accordance with the intention of the management.

17. Goodwill

(Unit : Baht)

	Consolidated financial statements	
	As at December 31, 2021	As at December 31, 2020
Goodwill	66,312,526	42,705,168
Increase from acquisition of subsidiaries (Note 13.1)	-	23,607,358
<u>Less</u> allowance for impairment	(3,026,575)	-
Net	63,285,951	66,312,526

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

As of December 31, 2020, the Company has goodwill as a result of the purchase of ordinary shares in Skywell (Thailand) Co., Ltd. The management expected that the acquisition will be able to add a value to the Company, because of the electric vehicle business will bring more revenue and result in an improvement performance of the Company (Note 13.1).

December 31, 2021, the Company reviewed the goodwill and recorded impairment of Goodwill amounting to 3.03 million Baht in the consolidated financial statements, because of the fair value of the assets at the acquisition date has decreases follow with the remaining lease term. A decreasing in fair value will affected to the recoverable amount from investment in that subsidiary, affect the said goodwill to decrease.

18. Other intangible assets other than goodwill

18.1. Leasehold Land

(Unit : Baht)

	Consolidated financial statement				
	As at January 1, 2021	Increase	Decrease	Transfer in/ Transfer out	As at December 31, 2021
Leasehold Land	29,927,625	-	-	-	29,927,625
<u>Less</u> Accumulated amortization	(19,277,943)	(1,163,221)	-	-	(20,441,164)
Net	10,649,682	(1,163,221)	-	-	9,486,461

During the year 2020, the Group transferred leasehold land to investment property amount to Baht 8.52 million. Because the Group commercial buildings in 3 units out of a total of 13 units, respectively, which has a 3 years lease agreement to be rented to customers (Note 14).

Parent company

According to the resolution of Board of Director meeting No.2/2008, dated February 27, 2008, has approved the investment plan in real estate project by acquiring a leasehold rights from a non-related company in order to entering a contract with State Railway Thailand to lease 6,126 square meters land. Later in the Board of Director meeting No. 3/2008, dated March 24, 2008, has provided the ratification to approve the lease.

The Company entered into an aforesaid direct leasehold contract with State Railway of Thailand and the rights of leasehold has been completely transferred to the Company since March 11, 2008. The value of transferred rights is not higher than the official appraisal value which is evaluated by market comparison approach and income approach

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

according to leasehold appraisal report in 2005 by an independent appraiser, providing by the rights transferred company.

Leasehold rights consists of 2 leasehold agreements as follows;

Agreements No.1 Land leasehold agreement for construction, commenced from March 10, 2008 until October 31, 2010 for the period of 2 years 7 months and 21 days. Next time State Railway of Thailand has approved the extension of construction period as follows:

On November 9, 2009, State Railway of Thailand has approved the extension of construction period for another 1 year and 6 months, starting from November 1, 2010 to April 30, 2012.

On July 24, 2012, State Railway of Thailand has approved the extension of construction period for 8 months, starting from May 1, 2012 to December 31, 2012.

The Company recognized rental from Land leasehold agreement for construction is expenses with the lease period of contract.

Agreements No.2 Land and property leasehold agreement, commenced from November 1, 2010 to August 14, 2031 for the period of 20 years 9 months and 14 days. Next time State Railway of Thailand has approved the extension of construction period as follows:

On November 9, 2009, State Railway of Thailand has approved the extension of construction period for another 1 year and 6 months, this leasehold agreement shall also be postponed to start from May 1, 2012 to August 14, 2031 for the period of 19 years 3 months and 14 days.

On July 24, 2012, State Railway of Thailand has approved the extension of construction period for 8 months, this leasehold agreement shall also be postponed to start from January 1, 2013 to August 14, 2031 for the period of 18 years 7 months and 14 days.

The Company recognized rental from Land and property leasehold agreement in account Real estate development project for rental under financial lease agreement.

Subsidiary company

Leasehold rights consists of 2 leasehold agreements as follows;

Agreements No.1 Land leasehold agreement for construction, commenced from March 10, 2008 until October 31, 2010 for the period of 2 years 7 months and 21 days. Next time State Railway of Thailand has approved the extension of construction period as follows:

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

On November 9, 2009, State Railway of Thailand has approved the extension of construction period for another 2 year starting from November 1, 2010 to October 31, 2012. The Company recognized rental from Land leasehold agreement for construction is expenses with the lease period of contract.

Agreements No.2 Land and property leasehold agreement, commenced from November 1, 2010 to August 14, 2031 for the period of 20 years 9 months and 14 days. Next time State Railway of Thailand has approved the extension of construction period as follows:

On November 9, 2009, the State Railway of Thailand has approved the extension of construction period for another 2 year this leasehold agreement shall be postponed to start from November 1, 2012 to August 14, 2031 for the period of 18 years 9 months and 14 days.

The Company recognised rental from Land and property leasehold agreement in account Real estate development project for rental under financial lease agreement.

18.2. Leasehold Areas

(Unit : Baht)

	Consolidated / Separate financial statement				
	As at				As at
	January 1, 2021	Increase	Decrease	Transfer in/ Transfer out	December 31, 2021
Leasehold Areas	9,895,771	-	-	-	9,895,771
<u>Less</u> Accumulated					
amortization	(8,847,959)	(485,926)	-	-	(9,333,885)
Net	1,047,812	(485,926)	-	-	561,886

As at December 31, 2021 and 2020, the Company pledged a leasehold rights which has original value of Baht 9.89 million with book value of Baht 0.56 million and Baht 1.05 million, respectively, which as collateral for the credit facility from commercial banks and finance institutions (Note.40.1).

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

18.3. Other intangible assets

The book value of other intangible assets as at December 31, 2021 and 2020 are as follows:

(Unit : Baht)

	Consolidated financial statements				
	Program	Accounting system installation fee	Electrical and RDF agreement	Trademark rights	Total
Cost					
January 1, 2021	5,523,112	360,000	447,000,000	7,992,778	460,875,890
Addition	2,515	-	-	-	2,515
Decrease from sales	(497,600)	-	-	-	(497,600)
December 31, 2021	5,028,027	360,000	447,000,000	7,992,778	460,380,805
Accumulated Amortization					
January 1, 2021	(5,507,383)	(359,999)	-	(1,504,477)	(7,371,859)
Amortization for the year	(14,837)	-	-	(1,644,200)	(1,659,037)
Decrease from sales	497,586	-	-	-	497,586
December 31, 2021	(5,024,634)	(359,999)	-	(3,148,677)	(8,533,310)
Net book value					
December 31, 2020	15,729	1	447,000,000	6,488,301	453,504,031
December 31, 2021	3,393	1	447,000,000	4,844,101	451,847,495

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

Consolidated financial statements					
	Accounting				
	system	Electrical			
	installation	and RDF	Trademark		
Program	fee	agreement	rights	Total	
Cost					
January 1, 2020	5,523,112	360,000	447,000,000	3,457,678	456,340,790
Addition	-	-	-	4,535,100	4,535,100
December 31, 2020	5,523,112	360,000	447,000,000	7,992,778	460,875,890
Accumulated Amortization					
January 1, 2020	(5,466,712)	(359,999)	-	(185,811)	(6,012,522)
Amortization for the					
year	(40,671)	-	-	(1,318,666)	(1,359,337)
December 31, 2020	(5,507,383)	(359,999)	-	(1,504,477)	(7,371,859)
Net book value					
December 31, 2019	56,400	1	447,000,000	3,271,867	450,328,268
December 31, 2020	15,729	1	447,000,000	6,488,301	453,504,031

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statements			
	Accounting system			Total
	Program	installation fee	Trademark rights	
Cost				
January 1, 2021	5,436,356	360,000	7,992,778	13,789,134
Addition	2,515	-	-	2,515
Decrease from sales	(497,600)	-	-	(497,600)
December 31, 2021	4,941,271	360,000	7,992,778	13,294,049
Accumulated Amortization				
January 1, 2021	(5,423,482)	(359,999)	(1,504,477)	(7,287,958)
Amortization for the year	(11,987)	-	(1,644,200)	(1,656,187)
Decrease from sales	497,586	-	-	497,586
December 31, 2021	(4,937,883)	(359,999)	(3,148,677)	(8,446,559)
Net book value				
December 31, 2020	12,874	1	6,488,301	6,501,176
December 31, 2021	3,388	1	4,844,101	4,847,490

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statements			
	Accounting system			
	Program	installation fee	Trademark rights	Total
Cost				
January 1, 2020	5,436,356	360,000	3,457,678	9,254,034
Addition	-	-	4,535,100	4,535,100
December 31, 2020	5,436,356	360,000	7,992,778	13,789,134
Accumulated Amortization				
January 1, 2020	(5,386,044)	(359,999)	(185,811)	(5,931,854)
Amortization for the year	(37,438)	-	(1,318,666)	(1,356,104)
December 31, 2020	(5,423,482)	(359,999)	(1,504,477)	(7,287,958)
Net book value				
December 31, 2019	50,312	1	3,271,867	3,322,180
December 31, 2020	12,874	1	6,488,301	6,501,176

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

19. Deferred tax assets (deferred tax liabilities)

(Unit : Baht)

Consolidated financial statements						
As at December 31, 2021			As at December 31, 2020			
	Deferred tax			Deferred tax		
	Deferred tax assets	liabilities		Deferred tax assets	liabilities	
Deferred tax assets	1,117,571	-	1,117,571	1,146,667	-	1,146,667
Deferred tax liabilities	38,305,882	(156,125,490)	(117,819,608)	43,438,722	(159,616,632)	(116,177,910)
Net	39,423,453	(156,125,490)	(116,702,037)	44,585,389	(159,616,632)	(115,031,243)

(Unit : Baht)

Separate financial statements					
As at December 31, 2021			As at December 31, 2020		
	Deferred tax	Net		Deferred tax	Net
	assets			liabilities	
Deferred tax liabilities	29,557,189	9,413,326	33,162,058	(39,977,595)	(6,815,537)

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Movement in total deferred tax assets and liabilities during the years ended December 31, 2021 and 2020 were as follows:

(Unit : Baht)

	Consolidated financial statements				
		Changing increase/(decrease)			
	As at December 31, 2020	Profit (loss)	Other comprehensive income	Change of investments in subsidiaries	As at December 31, 2021
Deferred tax assets					
Allowance for diminution in value of inventories	5,854,463	(1,893,486)	-	-	3,960,977
Allowance for diminution in value of land and improvement	321,748	-	-	-	321,748
Liabilities by contract of financial leased	298,286	94,523	-	-	392,809
Employee benefit obligations	2,182,414	548,926	-	-	2,731,340
Cost of real estate project for rental under financial lease agreement	30,597,747	(3,565,075)	-	-	27,032,672
Allowance for doubtful accounts	4,289,930	(503,715)	-	-	3,786,215
Allowance for impairment in real estate development project for rental under financial lease agreement	978,159	-	-	-	978,159

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements				
	Changing increase/(decrease)				
	As at		Other	Change of	As at
	December 31,		comprehensive	investments in	December 31,
	2020	Profit (loss)	income	subsidiaries	2021
Provision liabilities of lawsuit	50,334	151,886	-	-	202,220
Estimated cost of repair	12,308	5,005	-	-	17,313
Total	44,585,389	(5,161,936)	-	-	39,423,453
Deferred tax liabilities					
Revenue from real estate project for					
rental under financial lease agreement	68,500,064	(5,228,081)	-	-	63,271,983
Fee of EIR Convertible bond	-	1,898,315	-	-	1,898,315
Additional assets from the acquisition of subsidiaries	109,045,310	(161,376)	-	-	108,883,934
Decrease asset from disposal in subsidiaries	(17,928,742)	-	-	-	(17,928,742)
Total	159,616,632	(3,491,142)	-	-	156,125,490
Net	(115,031,243)	(1,670,794)	-	-	(116,702,037)

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements				
		Changing increase/(decrease)			
	As at December 31, 2019	Profit (loss)	Other comprehensive income	Change of investments in subsidiaries	As at December 31, 2020
Deferred tax assets					
Allowance for diminution in value of inventories	5,155,462	699,001	-	-	5,854,463
Allowance for diminution in value of land and improvement	428,997	(107,249)	-	-	321,748
Liabilities by contract of financial leased	184,933	113,353	-	-	298,286
Employee benefit obligations	2,524,838	401,690	(744,114)	-	2,182,414
Cost of real estate project for rental under financial lease agreement	34,467,300	(3,869,553)	-	-	30,597,747
Allowance for doubtful accounts	5,032,644	(742,714)	-	-	4,289,930
Allowance for impairment in real estate development project for rental under financial lease agreement	978,159	-	-	-	978,159

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements				
	Changing increase/(decrease)				
	As at December 31, 2019	Profit (loss)	Other comprehensive income	Change of investments in subsidiaries	As at December 31, 2020
Estimated provision liabilities of lawsuit	-	50,334	-	-	50,334
Estimated cost of repair	19,410	(7,102)	-	-	12,308
Total	48,791,743	(3,462,240)	(744,114)	-	44,585,389
Deferred tax liabilities					
Revenue from real estate project for					
rental under financial lease agreement	72,639,966	(4,139,902)	-	-	68,500,064
Additional assets from the acquisition of subsidiaries	110,259,519	(1,214,209)	-	-	109,045,310
Decrease asset from disposal in subsidiaries	(17,928,742)	-	-	-	(17,928,742)
Total	164,970,743	(5,354,111)	-	-	159,616,632
Net	(116,179,000)	1,891,871	(744,114)	-	(115,031,243)

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statements				
		Changing increase/(decrease)			
	As at December 31, 2020	Profit (loss)	Other comprehensive income	Change of investments in subsidiaries	
				As at December 31, 2021	
Deferred tax assets					
Allowance for diminution in value of inventories	5,807,518	(1,879,494)	-	-	3,928,024
Liabilities by contract of financial leased	298,285	94,524	-	-	392,809
Employee benefit obligations	2,159,015	500,411	-	-	2,659,426
Cost of real estate project for rental					
under financial lease agreement	20,585,885	(2,023,400)	-	-	18,562,485
Financial lease payable	43,929	169,117	-	-	213,046
Allowance for doubtful accounts	4,255,117	(471,031)	-	-	3,784,086
Estimated provision liabilities of lawsuit	12,309	5,004	-	-	17,313
Total	33,162,058	(3,604,869)	-	-	29,557,189

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statements			
	Changing increase/(decrease)			As at December 31, 2021
	As at December 31, 2020	Profit (loss)	Other comprehensive income	Change of investments in subsidiaries
Deferred tax liabilities				
Revenue from real estate project for rental under financial lease agreement	39,977,595	(2,905,395)	-	-
Fee of EIR Convertible bond	-	1,898,315	-	-
Total	39,977,595	(1,007,080)	-	-
Net	(6,815,537)	(2,597,789)	-	(9,413,326)

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statements			
	Changing increase/(decrease)			As at December 31, 2020
	As at December 31, 2019	Profit (loss)	Other comprehensive income	
Deferred tax assets				
Allowance for diminution in value of inventories	4,776,920	1,030,598	-	5,807,518
Liabilities by contract of financial leased	184,933	113,352	-	298,285
Employee benefit obligations	2,116,983	389,339	(356,307)	2,159,015
Cost of real estate project for rental				
under financial lease agreement	22,597,430	(2,011,545)	-	20,585,885
Financial lease payable	-	43,929	-	43,929
Allowance for doubtful accounts	4,481,831	(226,714)	-	4,225,117
Estimated provision liabilities of lawsuit	19,410	(7,101)	-	12,309
Total	34,177,507	(659,142)	(356,307)	33,162,058

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Separate financial statements			
	Changing increase/(decrease)			As at December 31, 2020
	As at December 31, 2019	Profit (loss)	Other comprehensive income	Change of investments in subsidiaries
Deferred tax liabilities				
Revenue from real estate project for rental under financial lease agreement	41,830,505	(1,852,910)	-	-
Total	41,830,505	(1,852,910)	-	-
Net	(7,652,998)	1,193,768	(356,307)	-

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

20. Other non-current assets

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Guarantee for leasehold rights and services	9,773,359	17,844,341	7,625,262	15,649,725
Other non-current assets	70,085,570	73,801,420	110,649	5,110,650
Total	79,858,929	91,645,761	7,735,911	20,760,375
Land held for development	23,625,000	23,625,000	-	-
Net other non-current assets	103,483,929	115,270,761	7,735,911	20,760,375

21. Bank overdraft and short-term borrowings from financial institutions

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Bank overdrafts	11,465,579	48,052,054	8,605,370	38,579,278
Loans from trust receipt	577,875,614	724,938,105	577,875,614	724,938,105
Short-term loans from promissory note	500,000,000	799,289,440	500,000,000	799,289,440
Total	1,089,341,193	1,572,279,599	1,086,480,984	1,562,806,823

The parent company entered into a factoring agreement which has trade receivables as collateral, with interest rate of MOR-1 per annum.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

22. Trade and other current payables

(Unit : Baht)

	Consolidated financial statement		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Trade payables				
Trade payables	93,829,154	88,783,793	79,124,637	83,711,770
Total	93,829,154	88,783,793	79,124,637	83,711,770
Other payables				
Advance received from real estate project	13,503,623	15,722,258	9,722,000	12,026,135
Accrued expense	162,864,804	156,342,746	23,725,284	17,213,195
Accrued interest expense	17,957,929	17,034,626	9,492,655	8,532,531
Account payable of retention	7,111,928	6,386,352	1,846,981	825,981
Witholding tax payable	441,554	309,847	343,355	270,051
Other payable – Revenue Department	631,046	433,093	591,981	378,641
Advance receipts	12,491,088	549,244	31,008,059	28,262,216
Other	16,647,138	26,337,347	1,811,299	1,174,894
Total	231,679,110	223,115,513	78,541,614	68,683,644
Total trade and other current payables	325,478,264	311,899,306	157,666,251	152,395,414

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

23. Lease liabilities

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Beginning balance	8,629,001	4,362,161	11,417,951	4,054,321
Increase	52,421,458	8,297,014	50,501,458	12,509,015
Revised agreement	-	(1,368,075)	-	(1,368,075)
<u>Less</u> Payment the principle	(12,197,623)	(2,312,779)	(12,700,521)	(3,250,115)
<u>Less</u> Interest payment	(1,431,351)	(349,320)	(1,487,653)	(527,194)
Total	47,421,485	8,629,001	47,731,235	11,417,952
<u>Less</u> Deferred interest expenses	(2,460,233)	(606,429)	(2,461,512)	(795,992)
Ending balance	44,961,252	8,022,572	45,269,723	10,621,960
<u>Less</u> Current portion	(19,867,135)	(3,296,074)	(20,540,311)	(4,440,390)
Net	25,094,117	4,726,498	24,729,412	6,181,570

The aggregate minimum lease payments under financial lease agreements as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Less than 1 year	19,867,135	3,296,074	20,540,311	4,440,389
More than 1 year but less than 5 years	25,094,117	4,726,498	24,729,412	6,181,571
Net	44,961,252	8,022,572	45,269,723	10,621,960

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

The following are the amounts for the year ended 31 December 2021 and 2020 recognised in profit or loss.

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Depreciation of right-of-use assets	12,779,204	2,490,846	13,268,417	3,495,992
Interest expense on lease liabilities	1,431,351	349,320	1,487,653	527,194
Expense relating to short-term lease	10,035,782	14,927,368	9,735,714	14,549,574
Net	24,246,337	17,767,534	24,491,784	18,572,760

24. Bonds

According to the Annual General Meeting of Shareholders for 2017 on April 28, 2017 approved TWZ Corporation Public Company Limited to the issuance of the bonds amounting to not exceeding Baht 5,000 million. To repay the existing debts, and/or to use as the revolving capital of the Company, and/or to use for business expansion, or for other purposes as the Board of Directors may deem appropriate. The Company has issuance and offering of Secured Bond of TWZ Corporation Public Company Limited No. 1/2020, For institution investor and High Net Worth investor (II & HNW), The details are as follows:

Securities Type	: Unsubordinated and Unsecured Debentures, there is a Debenture holders' Representative in the Name-Registered
Issue Size	: THB 420,000,000
Issue Term	: 2 years 1 day from the date of issuance
Interest Rate	: Fixed 7.00% per annum
Interest Payment	: Every 3 months, date January 23, April 23, July 23 and date October 23 each year. The first interest payment on April 23, 2020 and the final interest payment on the maturity date of the debentures. However, if the due date of interest payment is not a business day Postpone the interest payment date to the next business day.
Issue Date	: January 23, 2020
Maturity Date	: January 24, 2022
Lead Underwriters	: AEC Securities Public Company Limited, UOB Kay Hian Thailand Public Company Limited and KINGSFORD SECURITIES Public Company Limited
Registrar	: CIMB Thai Bank Public Company Limited

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

Bond Holder Representatives : UOB Kay Hian Thailand Public Company Limited

Collateral : Main Collateral

1. Vacant land at Mu Si Subdistrict, Pak Chong District, Nakhon Ratchasima owned by the subsidiary - Piyachat Co.,Ltd. Market valued Baht 227,800,000 and appraised at October 4, 2019 by Real Estate Appraisal Co.,Ltd.
2. Vacant land at Mu Si Subdistrict, Pak Chong District, Nakhon Ratchasima owned by the subsidiary - Piyachat Co.,Ltd. Market valued Baht 58,700,000 and appraised at October 4, 2019 by Real Estate Appraisal Co.,Ltd.

: Additional Collateral

1. Vacant land at Hat Yai Subdistrict, Hat Yai District, Songkhla owned by Suvarnabhumicity Co., Ltd. And Mr. Sitichai Charoenkajonkul which are unrelated company/party Market valued Baht 344,540,000 and appraised at August 4, 2019 by Agency For Real Estate Affairs Co.,Ltd.

After issuance and offering of bonds. The Company will have a credit limit of issuance of Bonds amount of Baht 4,580 million.

Movements of the bonds account during the year ended December 31, 2021 has details are as follow:

	(Unit : Baht)
	Consolidated / Separate financial statements
	Bond no. 1/2020
Balance as at January 1, 2021 (Face value)	-
Issued during the year	420,000,000
<u>Less</u> Deferred bond issuing expense	(574,883)
Balance as at December 31, 2021	419,425,117

Under the terms of issuing bond, the Company must maintain a net debt to equity. In a ratio not exceeding 3: 1 at the end of the quarterly accounting period or the end of the fiscal year.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

25. Convertible bonds

On November 19, 2021, the Extraordinary General Meeting of Shareholders No. 2/2021 of the Company, approved the issuance and offering of convertible debentures to the existing shareholders of the Company who has the right to be allocated in proportion to the shareholding (Right offering) in the amount of not more than 330,000 units or equivalent to the value of convertible debentures offered for sale not exceeding 330 million baht, to provide additional funds for the business that is currently operating as well as future business that the company expects to bring in revenue increased returns and resulted in an improvement in the Company's operations. The main terms and conditions of the convertible debentures are as follows:

Instrument type	: Name-holders convertible bonds have the conversion rights into newly issued ordinary shares of the Company, not subordinated, without insurance, and have a representative of the bondholders and the issuer of convertible bonds has the right to redeem it before the maturity date.
Value of convertible bonds offered for sale	: On the date of issuance of convertible debentures totaling 208,876 units with a par value of 1,000baht per unit, totaling a total convertible debenture of not more than 208,876,000 baht.
Bond value	: 1,000 Baht per 1 unit of convertible bonds
Proportion of allocated to existing shareholders	: 45,132 existing shares: 1 unit of convertible bonds (in the event that there is a fraction from the calculation, it will be eliminated in all cases). However, any person of the Company's shareholders holding less than 45,132 shares will not have the right to subscribe to the convertible bonds under their rights (but can subscribe for more than their rights).
Stocks allocated to accommodate the conversion of convertible bonds	: 1,650,000,000 shares represent no more than 9.97% of the Company's paid-up capital after exercising the conversion right under the convertible bonds based on the assumption that the whole amount of the conversion right is exercised, or represents 5.54% of shares sold as of the Board of Directors' Meeting No. 9/2021, together with the number of shares reserved for the issuance of new ordinary shares issued to the existing shareholders for 4,964,475,981 shares, the number of shares reserved for the warrant No. 6 (TWZ-W6) at 4,964,475,981 shares, the number of shares reserved for convertible bonds issued to existing shareholders at 1,650,000,000 shares and the number of shares reserved for the warrant No. 7 (TWZ-W7) at 3,300,000,000 shares, issued and allocated in the Extraordinary General Meeting of Shareholders No. 2/2021. In this regard, the number of shares reserved for convertible bonds and the number of shares reserved for the Company's issuance of new ordinary shares, convertible bonds or warrants in the future

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	are not more than 50% of all the Company issued shares.
Age of convertible bonds	: 2 years and 6 months from the date of issuance of convertible bonds
Issuance date of convertible debentures	: December 21, 2021
Maturity date of convertible debentures	: 21 June 2024 or the next business day, if such date is not a business day
Interest rate	: 6.25% per year
Interest payment	: 4 times a year with interest payments made every 3 months of every year from the date of issue of the convertible bonds
Restrictions of convertible bonds transfer	: None
Convertible price	: 0.20 Baht per share or other price from the conversion price adjustment according to the conditions that will be set out in the terms of rights.
Convertible ratio	: 1 unit of convertible bond: 5,000 shares (or other rates resulting from adjustment of conversion price according to the conditions set forth in the terms and conditions).
Convertible date	: Can begin to convert for 2 years from the date of issue of convertible bonds and on the date of expiration of the convertible bonds.
Exercise period and exercise schedule	: Can be convertible for 2 years from the date of issue of the convertible bonds or the date of expiration of the convertible bonds.
Expiration date	: 2 years and 6 months from the date of issuance of convertible bonds
Redemption at expiration date for convertible bonds	: In the event that a convertible bondholder wants to exercise the conversion rights the convertible bonds into the Company's newly issued ordinary shares. The holders of convertible bonds have the right to exercise their conversion rights them into shares until the 15th business day before the maturity date ("Last Exercise Date") without the conversion. However, at the last exercise of the convertible bonds each convertible bond holder has two options, which are: <ul style="list-style-type: none">A) Request for redemption in cash in full. Each bondholder will receive cash in the amount of 1,000 Baht per 1 unit of convertible bonds, which is equal to the value of the convertible bond with the final interest payment.B) Request for redemption by converting the convertible bonds. (The value of the convertible bonds equal to 1,000 Baht per unit) by redeeming the remaining convertible bonds in full amount to the Company's newly issued ordinary shares at a convertible price of 0.20 Baht per share (or other prices arising from the

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

convertable price adjustment in accordance with the conditions stipulated in the terms of rights and duties of the convertible bond issuer and convertible bond holder)

However, each bondholder will have to choose options a) or b) only one cannot split the convertible bonds they hold to choose options a) and b).

Redemption value of convertible bonds : Convertible bonds have a total redemption value equal to the par value of the convertible bonds, regardless of whether the convertible bonds are redeemed one time or several times.

The right of call/put option : The Company has the right to redeem the convertible bonds before the maturity date (Call Option).

Registrar : CIMB Thai Bank Pub Co., Ltd.

Representative of the holder of convertible bonds : Asia Plus Securities Co., Ltd.

Registration of convertible bonds : Thai Bond Market Association (ThaiBMA) (Optional)

Secondary market of convertible ordinary shares : The Stock Exchange of Thailand

Convertible debentures are stated at amortized cost until conversion into ordinary shares or until the maturity of the repayment of the debentures. The cost of issuing debentures is recorded as a deduction from the convertible debentures and amortized according to the maturity of the convertible debentures.

The changes in the convertible debentures account and the right of choosing convertible option for the nine-month period ended December 31, 2021 are as follows:

	(Unit : Baht)	
	Consolidated / Separate financial statements	
	Convertible bonds	Convertible Rights
Balance as at January 31, 2021	-	-
Released during the year	208,876,000	-
<u>Less</u> Consulting fee amortized	(9,491,576)	-
Value for using the right to convert	-	-
Balance as at December 31, 2021	199,384,424	-

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

The Company paid an advance fee for the issuance of convertible debentures amounting to Baht 9.60 million and amortized over the term of the convertible debentures upon issuance.

As of December 31, 2021, the Company has outstanding debentures of Baht 208.87 million that have not been exercised.

26. Current portion of long - term liabilities

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Loans from financial institutions	39,122,091	20,000,000	39,122,091	20,000,000
<u>Less</u> Current portion of long-term loans	(15,221,523)	-	(15,221,523)	-
Net	23,900,568	20,000,000	23,900,568	20,000,000

During the year, movements of loans from financial institutions are as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Beginning balance	20,000,000	62,512,474	20,000,000	62,512,474
<u>Add</u> Received loans	30,000,000	20,000,000	30,000,000	20,000,000
<u>Less</u> Repayment loans	(10,877,909)	(62,512,474)	(10,877,909)	(62,512,474)
Ending balance	39,122,091	20,000,000	39,122,091	20,000,000

As at December 31, 2021, the Company has outstanding loans balance, with details as follows

- On December 28, 2020, the parent company has a long-term loan from a financial institution in the amount of Baht 20 million by entering into a loan agreement, for the period 36 months. The first installment of repayment on 25th of month from the drawdown date at interest rate of MLR per annum.
- On March 26, 2021, the parent company has a long-term loan from a financial institution in the amount of Baht 30 million by entering into a loan agreement, for the period 24 months. The first installment of repayment with in April 2021 at interest rate of MLR per annum.

Loans from both financial institutions are unsecured.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

27. Short term loan from unrelated parties

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Promissory note	-	-	-	-
Other short term loan	412,157	94,640,770	-	94,228,613
Total	412,157	94,640,770	-	94,228,613

27.1. Promissory note

During the year 2021, the Company issued promissory notes to unrelated persons in order to source of working capital in the company.

The purpose of issuing the ticket : To be a source of corporate working capital.

Validity of promissory notes : Within 90 days from the date of issue

Interest rate : 5.5% per annum

Movements in promissory note as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Beginning balance	-	25,000,000	-	-
Increase during the period	60,000,000	50,000,000	60,000,000	50,000,000
Amortization of deferred interest	-	6,250,000	-	6,250,000
<u>Less</u> deferred interest	-	(6,250,000)	-	(6,250,000)
<u>Less</u> repayment loan	(60,000,000)	(75,000,000)	(60,000,000)	(50,000,000)
Ending balance	-	-	-	-

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

27.2. Other short-term loans

Other short-term loans's movement are as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Beginning balance	94,640,770	81,471,885	94,228,613	30,000,000
Increase	-	100,000,000	-	100,000,000
Amortization of deferred interest	5,771,387	3,902,789	5,771,387	3,902,789
<u>Less</u> Deferred interest	-	(9,674,176)	-	(9,674,176)
<u>Less</u> Repayment loan	(100,000,000)	(81,059,728)	(100,000,000)	(30,000,000)
Ending balance	412,157	94,640,770	-	94,228,613

According to lease agreement dated on October 16, 2020, conditions were specified that lessor has rights to repurchase the asset in amount of Baht 100 million by making the payment on April 15, 2021 (Note 12) and pay for the lease payment in accordance with the terms of the lease agreement by notifying the lessor in advance 15 days before the due date. Whereby the existing shareholders of the lessor will transfer all of the shares to the Company as the date of payment.

On April 12, 2021, the Company has fully repaid for loans by following the condition of the lease agreement (Note12).

As at December 31, 2021, the Group has short-term loans from unrelated parties under loans agreement and repayment when called with interest rate at 12.00% per annum.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

28. Financial liabilities

28.1. Financial lease – Movable assets

(Unit : Baht)

	Consolidated / Separate financial statements	
	As at	As at
	December 31, 2021	December 31, 2020
Financial lease liabilities	6,051,320	10,202,659
<u>Less</u> Deferred interest	(334,498)	(760,656)
Total	5,716,822	9,442,003
<u>Less</u> Current portion	(2,731,212)	(3,570,607)
Net	2,985,610	5,871,396

The Company has made the financial lease liabilities for leasing vehicles to use in company's operating. The lease payment is determined as on lease agreements with monthly payment throughout the term of lease about 4 to 6 years.

The aggregate minimum lease payments under financial lease agreements as follows:

(Unit : Baht)

	Consolidated / Separate financial statements	
	As at	As at
	December 31, 2021	December 31, 2020
Less than 1 year	2,731,212	3,570,607
More than 1 year but less than 5 years	2,985,610	5,871,396
Net	5,716,822	9,442,003

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

28.2. Financial lease - Real Estate

(Unit : Baht)				
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Rental for real estate recognized under financial lease agreement	141,905,459	151,405,455	68,904,156	73,517,010
<u>Less</u> Deferred interest expenses	(44,664,931)	(51,881,510)	(21,687,674)	(25,191,784)
Ending balance	97,240,528	99,523,945	47,216,482	48,325,226
<u>Less</u> Current portion of rental for real estate recognized under financial lease agreement	(3,398,987)	(2,283,416)	(1,650,426)	(1,108,744)
Net	93,841,541	97,240,529	45,566,056	47,216,482

The aggregate minimum lease payments under financial lease agreements as follows:

(Unit : Baht)				
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Less than 1 year	3,398,987	2,283,415	1,650,426	1,108,744
More than 1 year but less than 5 years	28,618,967	22,162,128	13,896,334	10,761,127
More than 5 years	65,222,574	75,078,402	31,669,722	36,455,355
Net	97,240,528	99,523,945	47,216,482	48,325,226

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

29. Employee benefit obligations

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Beginning balance	11,345,070	12,624,197	10,795,076	10,584,914
<u>Add</u> Service cost	2,592,758	2,319,265	2,361,773	1,877,303
Interest cost	151,872	122,180	140,280	114,392
<u>Add</u> Re-measurement – actuarial loss				
(gain) from changes in				
financial assumptions	-	(3,720,572)	-	(1,781,533)
Ending balance	14,089,700	11,345,070	13,297,129	10,795,076

The cumulative amount of actuarial gains recognised in the other comprehensive income for the year ended December 31, 2021 of the consolidate and separate financial statements of amounting Baht 3.72 million and Baht 1.78 million, respectively (2020: Baht 3.72 million and Baht 1.78 million, respectively).

The principal actuarial assumptions used were as follows:

	(Unit : percent)			
	Consolidated financial statement		Separate financial statements	
	As at	As at	As at	As at
	December	December	December	December
	31, 2021	31, 2020	31, 2021	31, 2020
Discount rate	1.30 - 2.31	1.30 - 2.31	1.30	1.30
Future salary increases rate	3-5	3-5	3	3
Turnover rate	0 - 40	0 - 40	0 - 40	0 - 40
Retirement age	60	60	60	60

The result of sensitivity analysis

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2021 are as follows:

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	(Unit : Baht)			
	Consolidated financial statement		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	1%	1%	1%	1%
Discount rate	(1,460,891)	1,713,473	(1,337,487)	1,564,283
Future salary increases rate	1,851,168	(1,597,460)	1,695,841	(1,467,574)
Turnover rate	(1,564,774)	671,755	(1,428,027)	588,790
Retirement age	69,105	(68,710)	62,830	(62,483)

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

As at December 31, 2021, the maturity analysis of undiscounted cash flows of benefit payments are as follows:

	(Unit : Baht)	
	Consolidated financial statement	Separate financial statements
Within 1 year	-	-
Over 1 year but less than 5 year	2,841,090	2,841,090
Over 5 year	207,540,071	158,643,594

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

30. Share capital and warrants

30.1. Ordinary shares

	Consolidated / Separate financial statements			
	As at December 31, 2021		As at December 31, 2020	
	Number		Number	
	of shares	Amount	of shares	Amount
	(shares)	(Baht)	(shares)	(Baht)
Registered shares capital				
Beginning ordinary shares	16,442,246,820	1,644,224,682	16,482,246,820	1,648,224,682
<u>Add</u> Increased ordinary shares	21,483,411,462	2,148,341,146	-	-
<u>Less</u> Decreased ordinary shares	(8,153,278,379)	(815,327,838)	(40,000,000)	(4,000,000)
Ending ordinary shares	29,772,379,903	2,977,237,990	16,442,246,820	1,644,224,682
Issued and paid-up share capital				
Beginning ordinary shares	9,906,689,250	990,668,925	8,548,952,743	854,895,274
<u>Add</u> Increased ordinary shares	4,986,738,691	498,673,869	1,397,736,507	139,773,651
<u>Less</u> Decreased ordinary shares (Note 30.2)	-	-	(40,000,000)	(4,000,000)
Ending ordinary shares	14,893,427,941	1,489,342,794	9,906,689,250	990,668,925

As at December 31, 2021, the Company received advance money from the capital increase amounting to Baht 494.16 million, the capital increase period has not ended. The company was registered the advance received for shares with the Department of Business Development on January 6, 2022 and registering the change in the paid-up capital from 1,489,342,794.10 baht to 1,985,790,392.20 baht and will start trading on January 11, 2022

On December 3, 2021, the Company made changes to the Department of Business Development by increase registered capital of 14,878,951,962 shares with a par value of 0.10 baht per share.

On December 2, 2021, the Company made changes to the Department of Business Development by reduce the registered capital of 1,617,720,809 shares with a par value of 0.10 baht per share.

Minutes of the Extraordinary General Meeting of Shareholders No. 1/2021, dated February 25, 2021 required:

- The Company reduced the registered capital amount of 6,535,557,570 shares with a par value of 0.10 baht per share and amended Memorandum No. 4 with the Department of Business Development on March 10, 2021

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

- The Company increased the registered capital amount of 6,604,459,500 shares with a par value of 0.10 baht per share and amended Memorandum No. 4 with the Department of Business Development on March 11, 2021
- Approved the allocation of newly issued ordinary shares in the amount of not more than 6,604,459,500 shares with a par value of 0.10 baht per share to the existing shareholders. Number of shares that can be sold in the amount of 4,986,738,691 shares with a par value of 0.10 baht per share. The company has made this changes with the Department of Business Development on April 22, 2021.

On January 28, 2020, the Company made changes with the Department of Business Development, to reduce the registered capital of 40,000,000 shares with a par value of 0.10 baht per share.

On February 13, 2020, the Company made changes with the Department of Business Development, to increase paid-up capital in the amount of 1,397,736,507 shares with a par value of 0.10 baht per share.

30.2. Treasury stock

As at March 31, 2020, the Company retired 40 million shares of the outstanding of treasury shares and unsold shares of the Company with a par value of 0.10 Baht per share, totaling Baht 4 million.

In this regard, the Company transferred the difference from the capital reduction of Baht 0.04 million and reserve the treasury stock of Baht 3.60 million to the same retained earnings.

As at December 31, 2019, the Company has repurchased shares of 40 million shares or 0.47% of all outstanding shares in total of Baht 3.60 million.

The Company has allocated as reserve retain earnings for treasury shares as above in totality.

On May 22, 2019, The Board of director has unanimously approval about plan for treasury shares, with limit of repurchasing not exceed 9.94% of outstanding shares or not exceed 850 million shares. The Company aims to manage excess liquidity efficiently. The amount was approved for repurchasing of Baht 120 million and price for repurchase shares not exceed 115% of average closing price from The Stock Exchange of Thailand (SET). The Company can repurchase shares via The Stock Exchange of Thailand (SET) on June 6, 2019 to June 26, 2019 within 15 days before date of selling-purchasing shares.

According to the letter of Securities and Exchange Commission (SEC) as no. Chor Sor. (Wor) 2/2548 on February 14, 2005 said about shares repurchasing, which the Company can conduct by less than the amount of total retained earnings and reserve retained earnings as equal as the amount of paid for shares repurchasing until all treasury shares are resold, or the company reduce paid-up capital with reducing shares unsold, as the case may be.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

30.3. Warrants

According to the Extraordinary General Meeting of Shareholders No. 1/2021 held on February 25, 2021, Setting to reduce the registered capital in proportion to the expired warrants Total 2,774,984,207 units (TWZ-W5), which the company has reduced its registered capital on March 11, 2021 (Note 30.1).

31. Dividend

According to the resolutions of the 2021 Annual General Meeting of Shareholders held on April 30, 2021, there was a resolution to approve the omission of dividend payment for the year 2020.

32. Legal reserve

According to the Public Company Limited Act. The Company must allocate a portion of its annual net profit as a legal reserve of not less than 5 percent of the annual net profit after deducting the deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. Consequently, legal reserve can not be used to pay dividends.

33. Other income

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Sales promotion income	13,119,406	28,960,209	5,990,768	25,447,359
Interest income from financial lease	5,651,798	5,513,192	3,910,523	3,734,656
Interest income	1,772,188	3,993,708	14,818,647	14,958,754
Gain from transfer assets		4,627,359		-
Other income	12,508,672	11,741,914	14,620,711	11,971,141
Total	33,052,064	54,836,382	39,340,649	56,111,910

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

34. Expenses by nature

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Change in inventories	(258,852,358)	(179,471,791)	(255,646,514)	(179,990,142)
Loss from diminution in value				
of inventory (reversal)	(9,467,429)	4,870,980	(9,397,469)	5,152,988
Purchases of goods	3,334,089,536	3,108,884,658	3,201,807,358	3,056,272,854
Employee expense	120,701,191	118,414,879	96,329,117	97,650,155
Depreciation -				
Property, plant and equipment	12,466,244	13,605,837	11,328,769	13,127,342
Depreciation - Right of use assets	12,779,204	2,490,846	13,268,417	3,495,992
Amortization Lasehold Land	1,649,147	1,696,582	485,926	487,257
Amortization other				
intangible assets	1,659,037	1,359,337	1,656,187	1,356,104
Rental and Service	22,075,006	34,577,671	22,474,633	34,813,403
Promotion expenses	1,201,704	885,354	483,587	878,459
Consultant fee	4,282,897	8,907,516	1,010,000	6,217,741

35. Provident fund

The Group and the Company established a contributory registered provident fund covering all permanent employees in accordance with the Provident Fund Act A.D. 1987.

Under the provident fund plan, employees and Company's contributions are equivalent pay to certain percentages of employees' basic salaries. The employees are entitled to the Company's contributions in accordance with the rules and regulations of the fund and on the length of service with the Company. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Provident Fund Act. A.D. 1987.

The Group and the Company have contributed to provident fund for the years ended December 31, 2021 and 2020 were as follows:

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	(Unit : Baht)			
	Consolidated financial		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Contributed to provident fund	661,946	1,023,174	567,692	909,504

36. Finance cost

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Bank charge	7,154,492	8,545,960	3,473,962	8,545,960
Fee form other loan	6,350,185	16,839,880	6,350,185	16,839,880
Interest expense	110,436,067	122,384,502	111,214,403	117,215,779
Total	123,940,744	147,770,342	121,038,550	142,601,619

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

37. Income tax expense

Corporate income tax was calculated on profit before income tax for the year, using the estimated effective tax rate for the year as follows :

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Current income tax :				
Corporate income tax	8,264,257	5,866,417	6,709,121	4,762,197
Deferred tax :				
Relating to origination and reversal				
of temporary differences	1,670,793	(1,952,230)	2,597,788	(1,193,767)
Income tax expenses reported				
in the statements of				
comprehensive income				
- continuing operations	-	-	-	-
Income tax expenses reported				
in the statements of comprehensive				
income - discontinuing operations	-	-	-	-
Income tax expenses reported				
 in the statements of				
 comprehensive income	9,935,050	3,914,187	9,306,909	3,568,430

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the year ended December 31, as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Accounting profit (loss) before tax	45,716,608	(4,781,967)	36,187,491	8,671,870
<u>Add back</u> loss accounting of some				
subsidiary	(1,908,191)	15,419,208	-	-
Accounting profit (loss) before tax-net	43,808,417	10,637,241	36,187,491	8,671,870

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax				
multiplied by	8,761,683	2,127,448	7,237,498	1,734,374
Effects of :				
Tax exempted revenue and tax				
exempted revenue	1,173,367	1,786,739	2,069,411	1,834,056
Income tax expenses reported				
 in the statements of				
 comprehensive income	9,935,050	3,914,187	9,306,909	3,568,430

As at December 31, 2021 and 2020, the Group has accumulated tax loss that have not yet been recorded as deferred tax assets amounting to Baht 38.94 Million and Baht 11.03 Million, respectively, the Company has not recognised those tax losses as deferred tax assets due to the management assesses that there are economical uncertainties on future operating performance. Therefore, the Company will recognise the deferred tax assets from tax loss when actual tax obligation incurred.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

38. Earning (loss) per share

(Unit : Baht : shares)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2021	2020	2021	2020
Basic earning (loss) per share				
Profit (loss) for the year	38,824,539	(7,499,104)	26,880,582	5,103,440
Beginning ordinary shares	9,906,689,250	8,548,952,743	9,906,689,250	8,548,952,743
Ordinary shares issued during the period				
under the weighted average method	3,470,223,637	1,229,702,610	3,470,223,637	1,229,702,610
Write off the treasury shares	-	(40,000,000)	-	(40,000,000)
Ordinary shares issued under the				
weighted average method	13,376,912,887	9,738,655,353	13,376,912,887	9,738,655,353
Basic earnings per share for equity				
holders of the parent company	0.0029	(0.0008)	0.0020	0.0005

Diluted earnings (loss) per share weighted average number of ordinary shares in issue during the year is adjusted by the number of dilutive potential ordinary shares, assuming that the dilutive potential ordinary shares are exercised and converted to ordinary shares. The Company has diluted ordinary shares, is warrants to purchase ordinary shares. The Company calculates the equivalent of the discounted shares based on the fair value based on the par value of the share option price accompanying the warrants to purchase the ordinary shares (The calculation is based on the weighted average number of ordinary shares in issue during the year). The Company has prepared this calculation for determining the added ordinary shares with the ordinary shares held by others. To calculate the diluted Earning per Share, there is no the adjustment of Net profit. However there is no the calculation of the diluted Earning Per share for this year ended on December 31, 2020 since the fair value of ordinary share is lower than the exercise price of warrant.

For the year ended as of December 31, 2021, there is no calculation of profit (loss) per diluted share because of the convertible expense of bond per 1 common share is 0.20 baht and the bond convert date schedule is on December 21, 2023.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

39. Segment financial information

Segment information is presented in respect of the Company's business segment. The primary format, business segments is based on the Company's management and internal reporting structure.

Segment assets and revenues include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The Company comprises of 5 businesses segments that are communication equipment trading segment, real estate development segment, Investment property segment, generating and selling electricity plasma segment and electric vehicles segment.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements					
	For the year ended December 31, 2021					
	Communication equipment trading	Real estate Development	Investment property	Generating and selling electricity plasma	Electric vehicles	Total
Recognize Revenues						
Point in Time	3,071,317,452	-	-	300,000	-	3,071,617,452
Over Time	99,367,761	160,646,976	11,484,530	-	69,718,185	341,217,452
Total Revenues	3,170,685,213	160,646,976	11,484,530	300,000	69,718,185	3,412,834,904
Revenues domestic	3,170,685,213	160,646,976	11,484,530	300,000	69,718,185	3,412,834,904
Other income	24,089,187	1,417,726	-	1	121,165	25,628,079
Interest income	1,445,270	5,676,852	-	618	301,245	7,423,985
Finance costs	(113,924,382)	(8,924,263)	-	(1,092,099)	-	(123,940,744)
Depreciation and amortization	(25,921,768)	(1,245,508)	-	(168,352)	(1,218,004)	(28,553,632)
Profit (loss) from segment	66,403,792	(24,728,347)	8,003,208	(1,980,997)	(1,966,347)	45,761,907
Income (Expense) tax	(14,812,520)	5,201,284	(244,329)	(85,303)	5,818	(9,935,050)
Net book value of segment assets	5,124,694,316	404,763,089	108,263,000	722,518,279	137,709,442	6,497,948,126

Information about main client

For the year ended December 31, 2021 and the Group has revenues from client of communication equipment trading segment amounts 4 clients representing 62 percent of the total revenues of the Group.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

(Unit : Baht)

	Consolidated financial statements					
	For the year ended December 31, 2020					
	Communication equipment trading	Real estate Development	Investment property	Generating and selling electricity plasma	Electric vehicles	Total
Recognize Revenues						
Point in Time	3,130,961,526	-	-	85,000	-	3,131,046,526
Over Time	94,820,896	9,983,068	11,675,565	-	16,011	116,495,540
Total Revenues	3,225,782,422	9,983,068	11,675,565	85,000	16,011	3,247,542,066
Revenues domestic	3,225,782,422	9,983,068	11,675,565	85,000	16,011	3,247,542,066
Other income	36,420,120	-	-	-	-	36,420,120
Interest income	12,326,714	5,584,949	-	372,234	132,365	18,416,262
Finance costs	(137,179,479)	(9,297,189)	-	(1,293,674)	-	(147,770,342)
Depreciation and amortization	(17,684,644)	(1,298,668)	-	(167,484)	(1,806)	(19,152,602)
Profit (loss) from segment	7,377,490	(9,535,763)	1,627,888	(1,610,004)	(2,641,578)	(4,781,967)
Income (Expense) tax	(3,586,623)	(762,943)	520,220	(84,841)	-	(3,914,187)
Net book value of segment assets	4,235,472,665	596,035,790	114,900,000	721,559,031	90,706,447	5,758,673,933

Information about main client

For the year December 31, 2020 and the Group has revenues from client of communication equipment trading segment amounts 4 clients representing 70.41 percent of the total revenues of the Group.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

40. Obligations commitment and contingent liabilities

Obligations commitment and contingent liabilities are as follows:

40.1. Credit facility and Contingent Liabilities

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Credit facility for letter of guarantee				
Credit facility (million Baht)	71.85	71.85	60.00	60.00
Used credit facility (million Baht)	55.43	57.56	43.58	45.71
Balance of credit facility				
(million Baht)	16.42	14.29	16.42	14.29
Credit facility for overdraft				
Credit facility (million Baht)	60.00	60.00	50.00	50.00
Used credit facility (million Baht)	11.38	47.96	8.53	38.49
Balance of credit facility				
(million Baht)	48.62	12.04	41.47	11.51
Credit facility for letter of credit				
trust receipt and promissory note				
Credit facility (million Baht)	1,815.00	1,815.00	1,815.00	1,815.00
Used credit facility (million Baht)	1,103.31	1,250.12	1,103.31	1,250.12
Balance of credit facility				
(million Baht)	711.69	564.88	711.69	564.88
Credit facility for factoring				
Credit facility (million Baht)	300.00	300.00	300.00	300.00
Used credit facility (million Baht)	-	299.29	-	299.29
Balance of credit facility				
(million Baht)	300.00	0.71	300.00	0.71

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Credit facility for foreign exchange				
forward contract				
Credit facility (million Baht)	265.00	265.00	265.00	265.00
Used credit facility (million Baht)	-	-	-	-
Balance of credit facility				
(million Baht)	265.00	265.00	265.00	265.00
Credit facility (million USD)	21.67	21.67	21.67	21.67
Used credit facility (million USD)	-	-	-	-
Balance of credit facility				
(million USD)	21.67	21.67	21.67	21.67
Loan				
Credit facility (million Baht)	50.00	20.00	50.00	20.00
Used credit facility (million Baht)	39.12	20.00	39.12	20.00
Balance of credit facility				
(million Baht)	10.88	-	10.88	-
Credit card loan limit				
Credit facility (million Baht)	1.40	1.40	1.40	1.40
Used credit facility (million Baht)	0.07	0.07	0.07	0.07
Balance of credit facility				
(million Baht)	1.33	1.33	1.33	1.33

As at December 31, 2021 and 2020, the Group and the Company have pledged securities to secure credit facilities of the Group and the Company are as follows Note 10.3

Some leasehold rights are used as collateral for credit facilities (Note 18.2).

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

40.2. Obligations as long-term lease agreement

Parent company

As at December 31, 2021 the Company entered into 17 service agreements, with terms ranging from 1 year to 25 years and short-term lease contracts of 6 contracts with a period of 1 year.

As at December 31, 2020 the Company entered into 23 service agreements, with terms ranging from 1 year to 25 years and short-term lease contracts of 15 contracts with a period of 1 year.

Subsidiary company

As at December 31, 2021 the Company entered into 2 service agreements, with terms ranging from 1 year to 3 years and short-term lease contracts of 1 contracts with a period of 1 year.

As at December 31, 2020 the Company entered into 3 service agreements, with terms ranging from 1 year to 3 years and short-term lease contracts of 1 contracts with a period of 1 year.

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Less than 1 year	10,097,056	13,272,192	9,796,989	12,993,107
More than 1 year but less than 5 years	2,301,964	6,155,289	2,285,142	6,087,999
Total	12,399,020	19,427,481	12,082,131	19,081,106

40.3. Obligations about capital expenditure

As at December 31, 2021, the subsidiaries company had capital expenditures in amount of Baht 40.20 million and 11.96 million (2020 : amount of Baht 40.20 milion and Baht 19.51 milion) approximately that relate with cost of waste separation plants construction and cost of the power plant construction respectively. Furthermore, there are an obligation for machinery payment and cost of controlling the installation of the machines and inspecting the system approximately in amount of Euro 12.08 million and Euro 0.90 million respectively (2020 : amount of Euro 12.11 milion and Euro 0.90 milion).

41. Financial instrument

41.1. Financial risk management policies

The Group and the Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group and the Company does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group and the Company have a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the risk management process of the Group and the Company to ensure that an appropriate balance between risk and control is achieved.

41.2. Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of directors has supervised the return on investment, which the Group and the Company consider from the ratio of return from operating activities to total owner's equity which does not include non-controlling interests. It also supervised the level of dividend payments to ordinary shareholders.

41.3. Credit risk

Credit risk means the risk that the party of the one part will be unable to execute according to commitments, which is specified with financial instruments and it makes the party of other part damage in term of finance.

The Group and the Company has the credit risk related to account receivable which the company has several and various customers. However, The Company has a comprehensive loan policy which required guarantee for large loans, thus the Group and the Company expects no significant damage from collecting debt of such account receivable. The Group and the Company also estimate the allowance for doubtful accounts based on the management appraisal regarding the account receivables debt service ability in the past which the management believes it is sufficient.

41.4. Interest rate risk

Interest rate risk means the risk that the value of financial instruments will change because the changes of interest rate. The Company is exposed to interest rate risk relating primarily to its deposits, short-term loans and loans from financial institutions. So the Company is exposed to the risk of the fluctuation in the future market rate.

Significant financial assets and liabilities as at December 31, 2021 and 2020 classified by type of interest rates are summarised in the table below :

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	Consolidated financial statements								(Unit: Million Baht)	
	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Interest	Interest
	As at	As at	As at	As at	As at	As at	As at	As at	rate	rate
	December	December	December	December	December	December 31,	December	December 31,	per annum	per annum
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	2020	31, 2021	2020	(%) 2021	(%) 2020
<u>Financial assets</u>										
Cash and cash equivalents	101.48	12.18	-	-	810.82	338.99	912.30	351.17	0.05-0.25	0.05-0.35
Short - term loans	-	-	5.00	5.50	-	-	5.00	5.50	6.00	6.00-7.15
Long - term loans	-	-	20.00	-	-	-	20.00	-	5.00	-
Other current financial assets	357.34	356.20	-	-	10.04	10.04	367.38	366.24	0.15-7.71	0.20-7.71
Other non - current financial assets	73.02	74.11	-	-	-	-	73.02	74.11	0.05-7.71	0.05-7.71
<u>Financial liabilities</u>										
Bank overdrafts and short-term borrowings from financial institutions	11.47	48.05	1,077.88	1,524.23	-	-	1,089.35	1,572.28	1.81-7.50	1.74-7.50
Short term loan from related parties	-	-	69.51	69.51	-	-	69.51	69.51	1.50	1.50
Short term loan from unrelated parties	-	-	0.41	94.64	-	-	0.41	94.64	12.00	1.80-12.00
Current portion of long - term liabilities	-	-	434.65	-	-	-	434.64	-	5.75-7.00	-
Long term loan	-	-	23.90	20.00	-	-	23.90	13.33	2.00-5.75	2.00
Bonds	-	-	-	410.80	-	-	-	410.80	-	7.00
Convertible bonds	-	-	199.38	-	-	-	199.38	-	6.25	-
Current portion of lease liabilities	-	-	19.87	3.30	-	-	19.87	3.30	4.25-6.00	5.25-6.00
Lease liabilities	-	-	25.09	4.73	-	-	25.09	4.73	4.25-6.00	5.25-6.00

Financial liabilities (Cont.)

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

	Consolidated financial statements								(Unit: Million Baht)	
	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Interest	Interest
	As at	As at	As at	As at	As at	As at	As at	As at	rate	rate
	December	December	December	December	December	December 31,	December	December 31,	per annum	per annum
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	2020	31, 2021	2020	(%) 2021	(%) 2020
Financial lease - Movable assets	-	-	2.73	3.57	-	-	2.73	3.57	0.45-0.46	0.45-0.46
Financial lease - Real Estate	-	-	3.40	2.28	-	-	3.40	2.28	7.25	7.25
Financial lease - Movable assets	-	-	2.99	5.87	-	-	2.99	5.87	0.45-0.46	0.45-0.46
Financial lease - Real Estate	-	-	93.84	97.24	-	-	93.84	97.24	7.25	7.25

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

41.5. Foreign exchange risk

The Group and the Company has exposure to foreign exchange rate risk because the Group and the Company has assets and liabilities dominated in foreign currencies.

As at December 31, 2021 and 2020 the Group and the Company has financial assets and financial liabilities denominated in foreign currencies are as follow:

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Financial liabilities				
Accounts payable (USD)	199,000	283,000	199,000	283,000
Trust receipts (USD)	860,100	680,550	860,100	680,550
Obligation				
Letter of credit (USD)	761,000	838,500	761,000	838,500

41.6. Fair valur

The Group and the Company has accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

The fair value of cash and cash equivalents, trade and other accounts receivable, short-term loans, other current assets, bank overdrafts, short-term borrowings, trade and other accounts payable and other current liabilities is taken to approximate the carrying value.

The fair value of investments in equity securities - available-for-sales, are determined by reference to their quoted bid prices at the reporting date.

The fair value of long-term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rates.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

For the other financial assets and liabilities which except from mentioned the book value and fair value are as follows:

(Unit : Baht)

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
The fair value of asset disclosure								
Investment properties ⁽¹⁾	-	-	112,700,000	114,900,000	-	-	112,700,000	114,900,000
Other intangible assets other than goodwill ⁽²⁾	-	-	-	-	447,000,000	447,000,000	447,000,000	447,000,000

⁽¹⁾Level 2 - The fair value determined by using the net asset value as published by the Asset Management.

⁽²⁾Level 3 - The fair value determined by using the based on information about estimated future cash flows.

(Unit : Baht)

	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
The fair value of asset disclosure								
Investment properties ⁽¹⁾	-	-	15,500,000	15,900,000	-	-	15,500,000	15,900,000

⁽¹⁾Level 2 - The fair value determined by using the net asset value as published by the Asset Management.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

42. Subsequent Event

42.1. On February 7, 2022, the Company issued warrants to purchase ordinary shares as follows:

The Company has warrants to purchase ordinary shares for sale to the existing shareholders of the Company with details as follows:

Warrant trading symbol	:	TWZ-W6
Secondary market	:	SET
Trading date	:	February 7, 2022
Number of warrant units that are listed securities	:	4,964,475,981
Exercise ratio (Warrant : Common stock)	:	1 : 1
Exercise price (Baht per share)	:	0.10
Term of warrants	:	2 years from date of the issuance and offer for sale (January 19, 2022)
Warrant price (Baht per unit)	:	0.00
First exercise date	:	July 18, 2022
Last exercise date	:	January 18, 2024
Warrant trading symbol	:	TWZ-W7
Secondary market	:	SET
Trading date	:	February 7, 2022
Number of warrant units that are listed securities	:	2,088,760,000
Exercise ratio (Warrant : Common stock)	:	1 : 1
Exercise price (Baht per share)	:	0.10
Term of warrants	:	2 years from date of the issuance and offer for sale (January 19, 2022)
Warrant price (Baht per unit)	:	0.00
First exercise date	:	July 18, 2022
Last exercise date	:	January 18, 2024

42.2. On January 25, 2022, the Company redeemed and repaid the debentures with the offering value of Baht 420 million (January 23, 2020), was fully paid including principal and interest and the Company has redeemed 7 title deeds of land in Mu Si Subdistrict, Pak Chong District, Nakhon Ratchasima Province from UOB KAY HIAN SECURITIES (THAILAND) PUBLIC COMPANY LIMITED.

TWZ CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2021

43. Reclassification

Certain accounting entries in the financial statements for the year ended December 31, 2020, the Company and the Group have reclassified accounts to conform with the current period accounting classification, which has no effect to net profit or shareholders' equity.

44. Approval of the financial statements

These financial statements have been approved by the Company's Board of Director on February 25, 2022.

Directors and Management Team



Mr. Puttachat Rungkasiri

Position	Chairman
Shareholding	8.79%
Education	Bachelor of Accounting and Commerce, Chulalongkorn University
Program	Director Accreditation Program (DAP) Class 41/2005 Thai Institute of Directors Association (IOD)
Working Experience	2013-Present Chairman of TWZ Corporation Plc. 2013-Present Director of Piyachat Co., Ltd. 2016-2019 Director of Gear Corporation Co., Ltd. 2016-2018 Director of Mastech Tool and Service Co., Ltd.

Illegal Record in the past 10 years None



Mr. Kittipong Kittipassorn

Position	Director, Deputy Managing Director, Acting Managing Director
Shareholding	Bachelor of Avionic Engineering program: AEE,
Education	Civil Aviation Institution (Thailand)
Program	Director Accreditation Program (DAP) Class 86/2010 Anti-Corruption : The Practical Guide (ACPG) Class 43/2018 Thai Institute of Directors Association (IOD)
Working Experience	2020-25 Feb 2022 Director of Skywell (Thailand) Co.,Ltd. 2020-9 Feb 2022 Director of Electra Motive Co., Ltd. 2019-9 Feb 2022 Director of Gear 2 Corporation Co.Ltd. 2019-9 Feb 2022 Director of Mitra Corporation Co., Ltd. 2019-9 Feb 2022 Director of PG & C 5714 Co.,Ltd. 2019-9 Feb 2022 Director of Tang Corporation Co.Ltd. 2019-9 Feb 2022 Director of K.B.M. Construction Co.Ltd. 2018-9 Feb 2022 Director of Piyachat Co., Ltd. 2018-31 Jan 2022 Director of TWZ Corporation Plc. 2018-2020 Acting Vice President - Marketing and Business Development Department of TWZ Corporation Plc. 2018-2019 Director of Mastech Tool and Service Co., Ltd. 2016-2019 Director of Gear Corporation Co., Ltd. 2015-9 Feb 2022 Director of TZ Trading Co., Ltd.

Illegal Record in the past 10 years None



Mr. Teerayot Suthisamdaeng

Position	Director, Chairman Executive, Deputy Managing Director and Acting Managing Director	
Shareholding	None	
Education	Bachelor Degree of Technology in Industrial Electrical Technology, King Mongkut's University of Thchnology North Bangkok.	
Program	None	
Working Experience	4 Mar 2022–Present	Director of Siam medical cannabis Co.,Ltd.
	26 Feb 2022–Present	Director of Skywell (Thailand) Co.,Ltd.
	25 Feb 2022–Present	Director of CBD Corporation Co.,Ltd.
	1 Feb 2022–Present	Director, Chairman Executive, Deputy Managing Director and Acting Managing Director of TWZ Corporation Plc.
	10 Feb 2022–Present	Director of Piyachat Co., Ltd.
	10 Feb 2022–Present	Director of TZ Trading Co., Ltd.
	10 Feb 2022–Present	Director of Gear 2 Corporation Co.Ltd.
	10 Feb 2022–Present	Director of Mitra Corporation Co., Ltd.
	10 Feb 2022–Present	Director of PG & C 5714 Co.,Ltd.
	10 Feb 2022–Present	Director of Tang Corporation Co.Ltd.
	10 Feb 2022–Present	Director of K.B.M. Construction Co.Ltd.
	10 Feb 2022–Present	Director of Electra Motive Co., Ltd.
	10 Feb 2022–Present	Director of Zenith Co.Ltd.
	2016 – 2020	AGM Marketing & JV other Bussiness Summit Autoseats Insustry Co., Ltd.
	2012 – 2016	Field Service Engineer Teradyne (Thailand) Co.,LTD.

Illegal Record in the past 10 years None



Assistant Professor Dr. Tippakorn Rungkasiri

Position	Director	
Shareholding	None	
Education	Master of Arts in International Management, SOAS, University of London	Master of Business Administration, Chulalongkorn University
	Doctor of Education in Educational Technology, Kasetsart University	
	Director Certification Program (DCP) Class 63/2005	
Program	Director Accreditation Program (DAP) Class 39/2005 and	
	Anti-Corruption: The Practical Guide Program (ACPG) Class 21/2015	
	Thai Institute of Directors Association (IOD)	
Working Experience	2014-2015	Executive Board, MSc and Ph.D.in Technopreneurship and Innovation Management Program (Interdisciplinary), Graduate School, Chulalongkorn University
	2013–Present	Director of Piyachat Co., Ltd.
	2005–Present	Director of TWZ Corporation Plc.
	2003–2015	Assistant Professor of Marketing, Faculty of Commerce and Accountancy, Chulalongkorn University

Illegal Record in the past 10 years None



Miss Kaikae Cherdvisavapan

Position	Director
Shareholding	None
Education	M.B.A., University of Dallas, USA
Program	Director Accreditation Program (DAP) Class 43/2005 Thai Institute of Directors Association (IOD)
Working Experience	2013-Present Director of Piyachat Co., Ltd. 2013-Present Director of Nature Heritages Co., Ltd. 2005-Present Director of TWZ Corporation Plc. 1994-Present Director of Southern Palm Oil Industry (1993) Co., Ltd.
Illegal Record in the past 10 years	None



Mr. Nuttachai Charoenkajonkul

Position	Director and Vice President – Business Development Department (Non telecom Business)
Shareholding	None
Education	Bachelor of Business Administration (Financial Management), Mahidol University International College
Program	None
Working Experience	2021-10 Mar 2022 Director of TWZ Corporation Plc. 2021-10 Mar 2022 Vice President – Business Development Department (Non telecom Business) of TWZ Corporation Plc. 2021-10 Mar 2022 Director of Zenith Co.Ltd. 2019-2020 Assistant Manager (Corporate Finance) of AEC Securities Public Company Limited 2016-2019 Assistant Vice President of Best Bonded Warehouse Co., Ltd. 2015-2016 Assistant Vice President of Best Bonded Warehouse Co., Ltd.
Illegal Record in the past 10 years	None



Mr. Pat Lapanun

Position	Director
Shareholding	None
Education	M.B.A. (Finance), National Institute of Development Administration (NIDA) Bachelor of Engineering (Computer) King Mongkut's Institute of Technology Army Officer Ladkrabang
Program	None
Working Experience	2021-Present Director of TWZ Corporation Plc. 2005-Present Executive Director of Nakhon Ratchasima Co., Ltd. Honda Automobile 1995-Present Manager of Ratchasima Yang Reclaim Co., Ltd. 1995-Present Manager of Muang Ngam Rubber Co., Ltd. 1995-Present Business consultant for Muang Ngam Group Tire casting business and old car tire processing business

Illegal Record in the past 10 years None



Mr. Phongcharn Samphaongern

Position	Independent Director and Chairman of Audit Committee
Shareholding	None
Education	Master of Public Administration Program - National Institute of Development Administration
Program	None
Working Experience	14 May 202–Present Independent Director and Chairman of Audit Committee of TWZ Corporation 2021–13 May 2021 Independent Director and Member of Audit Committee of TWZ Corporation Plc. 2020-2020 Acting Managing Director of Small And Medium Enterprise Development Bank Of Thailand 2018-2020 Deputy Managing Director of Small And Medium Enterprise Development Bank Of Thailand 2015-2018 Assistant Managing Director of Small And Medium Enterprise Development Bank Of Thailand 2014-2015 Senior Vice President of Small And Medium Enterprise Development Bank Of Thailand

Illegal Record in the past 10 years None



Mr. Bundal Udol

Position	Independent Director and Member of Audit Committee	
Shareholding	None	
Education	Bachelor of Engineering (Mechanical Engineering), Kasetsart University	
Program	Director Accreditation Program (DAP) Class 41/2005 Thai Institute of Directors Association (IOD)	
Working Experience	2019-Present	Independent Director and Member of Audit Committee of TWZ Corporation Plc.
	2013-Present	Independent Director of TWZ Corporation Plc.
	2005-2008	Director and Member of Executive Committee, TWZ Corporation Plc.
	1991-Present	Captain, Thai Airways International Plc.

Illegal Record in the past 10 years None



Mr. Montree Kailerdsin

Position	Independent Director and Member of Audit Committee	
Shareholding	None	
Education	Master of Public Administration Program - National Institut of Development Administration	
Program	None	
Working Experience	2021-Present	Independent Director and Member of Audit Committee of TWZ Corporation Plc.
	2013-2017	Chairman of the Internal Audit Committee Union Thai Honda Cooperative
	2013-2017	Certified Public Accountant (CPA)
	2012-2020	Tax Auditor (TA)
	2007-2013	Member of the Internal Audit Committee Union Thai Honda Cooperative

Illegal Record in the past 10 years None



Mr. Sakon Pawitranon

Position	Vice President – Business Development Department
Shareholding	None
Education	Bachelor of Business Administration (Marketing), Assumption University
Program	Director Accreditation Program (DAP) Class 86/2010
Working Experience	<p>2021–4 Mar 2022 Director of Siam medical cannabis Co.,Ltd.</p> <p>2021–25 Feb 2022 Director of CBD Corporation Co.,Ltd.</p> <p>2021–25 Feb 2022 Director of TZ Trading Co., Ltd.</p> <p>2021– 25 Feb 2022 Director of Piyachat Co., Ltd.</p> <p>2021–25 Feb 2022 Vice President – Business Development of TWZ Corporation Plc.</p> <p>2021–25 Feb 2022 Director of Skywell (Thailand) Co.,Ltd.</p> <p>2020–25 Feb 2022 Director of Electra Motive Co., Ltd.</p> <p>2018–2019 Vice President Sale Glory Technology Co.,Ltd.</p> <p>2015–2019 Sales Manager (IT) of Niyom Phanich Co.,Ltd.</p> <p>2003–2005 Sales Manager of TWZ Corporation Plc.</p> <p>1992–2002 Sales Manager of Winwave Co.,Ltd.</p>

Illegal Record in the past 10 years None



Miss Nalinee Pratubsorn

Position	Vice President – Human Resource Department and Company Secretary
Shareholding	None
Education	Master of Science (Industrial Psychology) Kasetsart University Director Accreditation Program (DAP) Class 97/2012 Company Secretary Program (CSP)
Program	Thai Institute of Directors Association (IOD)
Working Experience	<p>10 Feb 2022–9 Feb 2022 Director of Zenith Co.Ltd.</p> <p>25 Feb 2022–Present Director of CBD Corporation Co.,Ltd.</p> <p>2022–Present Director of Siam medical cannabis Co.,Ltd.</p> <p>2021–Present Director of Electra Motive Co., Ltd.</p> <p>2020–Present Director of Piyachat Co., Ltd.</p> <p>2020–Present Director of Gear 2 Co., Ltd.</p> <p>2020–Present Director of Mitra Corporation Co., Ltd.</p> <p>2020–Present Director of PG & C 5714 Co.,Ltd.</p> <p>2020–Present Director of Tang Corporation Co.Ltd.</p> <p>2020–Present Director of K.B.M. Construction Co.Ltd.</p> <p>2018–Present Director of TZ Trading Co., Ltd.</p> <p>014–Present Company Secretary of TWZ Corporation Plc</p> <p>2012–Present Vice President – Human Resource Department of TWZ Corporation Plc.</p> <p>2018–2019 Director of Gear Corporation Co., Ltd.</p> <p>2018–2019 Director of Mastech Tool and Service Co., Ltd.</p> <p>2005–2012 Human Resource Manager of TWZ Corporation Plc</p> <p>2001–2005 Training and Development Manager of Central Department Store Co., Ltd.</p>

Illegal Record in the past 10 years None



Mr. Thanachit Dechpongrom

Position	Assistant Vice President – Sales Department and Acting Vice President – Sales Department
Shareholding	None
Education	Bachelor of Business Administration (Finance) KhonKaen University
Program	Anti-Corruption : The Practical Guide (ACPG) Class 43/2018 Thai Institute of Directors Association (IOD)
Working Experience	2021-Present Assistant Vice President – Sales Department Acting Vice President – Sales Department of TWZ Corporation Plc. 2020-2021 Senior Division Manager- Business Development of TWZ Corporation Plc. 2018-2020 Manager of Business Development Department of TWZ Corporation Plc. 2008-2018 Sale Manager of TWZ Corporation Plc. 2005-2008 Sale Executive of TWZ Corporation Plc. 2002-2005 IT Officer of TWZ Corporation Plc.

Illegal Record in the past 10 years None



Miss Ponpun Rungroj

Position	Assistant Vice President – Accounting and Finance Department and Acting Vice President – Accounting and Finance Department
Shareholding	None
Education	Bachelor of Business Administration Accounting Rajamangala University Of Technology Phranakhon
Program	None
Working Experience	27 Sep 2021-Present Assistant Vice President –Finance Department Acting Vice President – Finance Department of TWZ Corporation Plc. 2021-Present Assistant Vice President – Accounting Department Acting Vice President – Accounting Department of TWZ Corporation Plc. 2018-2021 Manager – Accounting Department of TWZ Corporation Plc. 2016-2018 Office Manager – Accounting Department of TWZ Corporation Plc. 2007-2016 Chief – Accounting Department of TWZ Corporation Plc.

Illegal Record in the past 10 years None

Summary of details about directors of the subsidiary

Name			Piyachat Co., Ltd.	TZ Trading Co., Ltd.	Gear 2 Corporation Co.Ltd.	Mitra Corporation Co., Ltd.	Tang Corporation Co.Ltd.	K.B.M. Construction Co.Ltd.	PG&C 5714 Co.,Ltd.	Electra Motive Co., Ltd.	SKYWELL (Thailand) Co., Ltd.	Zenith Glove Co., Ltd.	CBD Corporation Co.,Ltd.
1.	Mr.Puttachat	Rungkasiri	/										
2.	Mr.Kittipong	Kittipassorn	/	/	/	/	/	/	/	/	/		
3.	Dr.Tippakorn	Rungkasiri	/										
4.	Miss Kaikae	Cherdvisavapan	/										
5.	Miss Nalinee	Patubsorn	/	/	/	/	/	/	/	/			/
6.	Mr.Suthee	Luangrattanacharoen				/	/	/	/				
7.	Mr.Sakon	Pawitranon	/	/						/	/		/
8.	Mr.Nattachai	Charoenkajonkul										/	

The Head of Internal Audit

Name-surname/Position	Age (years)	Education	Shareholding (21/03/2022)	Family relationship between executives	Work experience in the past 5 years			
					Period	Position	Company	Business
Mr. Wichayut Wittayasiripaiboon Head of Internal Audit	43	Bachelor of Business Administration (accounting) Ramkhamhaeng University	-	-	2017-Present	Internal Audit Department Manager	TWZ Corporation Plc.	Sell mobile phones and accessories
					2013-2017	Head of Internal Audit Department	TWZ Corporation Plc.	

Report of Audit Committee

The Audit Committee of TWZ Corporation Public Company Limited as appointed by the Board of Directors is entirely made of three independent members who meet the qualification as prescribed by the Stock Exchange of Thailand namely:

- | | |
|--------------------------------|-----------------------------|
| 1. Mr. Phongcharn Samphaongern | Chairman of Audit Committee |
| 2. Mr. Bandal Udol | Member of Audit Committee |
| 3. Mr. Montree Kailerdsin | Member of Audit Committee |

In 2021, the Audit Committee held meetings with the management, auditors and the Internal Audit Department under the relevant agenda to supervise the operations according to the duties and responsibilities assigned by the Board of Directors 4 times in total. And represented the minutes of the meeting to the Board of Directors for acknowledgement every time, considering various matters according to the scope of duties and responsibilities, which can summarize the essentials of the performance of duties as follows:

1. Financial report

The Audit Committee has reviewed the quarterly financial statements for 2021 and discussed them with the auditor. Then, considered the recommendations on the internal control system, including listening to the clarification from the Chief Financial Officer, which the Audit Committee believes that the Company's financial reports have been appropriately prepared Comply with generally accepted accounting standards and with adequate disclosure of information.

2. Internal Control and Risk Management

By focusing on the quality of internal-control accuracy and reliability of financial reports and compliance with regulatory policies and related laws for the company's internal audit, it is independent, sufficient, and effective. The Audit Committee has reviewed the effectiveness of the internal control system at the Entity Level by using the internal-control system sufficiency assessment form of the Securities and Exchange Commission and the COSO internal control framework, which is established by the management. And the Audit Committee has reviewed the results of the audit of critical work systems quarterly and issues with suggestions from the auditors.

3. Compliance with applicable laws, regulations, and laws.

The Audit Committee has reviewed the compliance with the law on securities and stock exchange Regulations of the Stock Exchange of Thailand and laws related to the Company's business, including complying with the Company's requirements and obligations to the outsiders. And the Audit Committee found no significant issues in non-compliance with laws, regulations, and obligations that the Company with outsiders.

4. Connected Transactions

The Audit Committee reviewed and gave opinions on connected transactions or items that may have conflicts of interest to ensure that the transaction is fair, and it is the most beneficial to the Company and complied with the corporate

governance policy by holding transparency and adequate disclosure of information per the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. In 2021, no significant conflicts of interest were found, and the Audit Committee believes that Substantial items have been disclosed, and listed in the financial statements, and the notes to the financial statements are correct and complete.

5. Auditor

The Audit Committee considered and selected the Company's auditors, considering that the auditors from Karin Audit Company Limited were independent and specialized in auditing. Which has knowledge skills team competence, and experience in the audit that is beneficial to the business received with the appropriateness of the audit fees and performed well in the past year. Therefore, a proposal to the Board of Directors for consideration and approval from the shareholders' meeting to appoint the auditor of Karin Audit Company Limited is the auditor of the Company and its subsidiaries for the year 2021.

6. Internal audit

The Audit Committee has reviewed and approved the annual internal audit plan, which emphasizes proactive prevention audits based on risk and in line with the company's direction and strategy. In addition, the Audit Committee has reviewed independency, strategy direction, the sufficiency of various resources and monitors the performance of the internal audit unit quarterly.

7. Performance of the Audit Committee

The Audit Committee has presented a report on the performance of the Audit Committee to the Board of Directors at every meeting. By offering an opinion and providing useful suggestions, the management has taken action to consider the improvements according to the recommendations as appropriate.

In summary, in 2021, the Audit Committee believes that The Audit Committee has performed its duties following the scope of responsibilities assigned to it in its entirety. Using knowledge, competence, prudence and independence, the Audit Committee considered that the Company prepares its financial statements accurately and in all material respects per Thai Financial Reporting Standards. There is sufficient and reliable information disclosure, and making the connected transactions are reasonable and for the best benefit of the Company. And the Company has adequate and effective internal control and risk management systems. In addition, the Company has complied with relevant laws and regulations, including the principles of good corporate governance, without any significant flaws over the years.

On behalf of the Audit Committee



(Mr. Phongcham Samphaongern)

Chairman of Audit Committee

February 25, 2022



บริษัท ทีดับบลิวแซด คอร์ปอเรชั่น จำกัด (มหาชน)
TWZ CORPORATION PUBLIC COMPANY LIMITED

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