



Thai Nondestructive Testing Public Company Limited

แบบรายการแสดงข้อมูล & รายงานประจำปี 2564

แบบ 56-1 One Report

2021

ANNUAL REGISTRATION STATEMENTS & ANNUAL REPORT

Form 56-1 One Report



Message from Chairman of the Board and President	1
Part 1 Business and Results of Operations	3
+ Structure and Business Operations of the Company & Subsidiaries	5
+ Risk Management	38
+ Business Driven for Sustainability	46
+ Management Discussion and Analysis : MD&A	66
+ General Information and Other Important Information	86
Part 2 Good Corporate Governance	89
+ Corporate Governance (CG)	90
+ Governance Structure and Key Data on the Board of Directors, Specific Committees, Management, Employees, and Others	94
+ Key Performance in Corporate Governance (CG)	116
+ Internal Control and Connected Transaction	146
Part 3 Financial Statements	157
Part 4 Certification of the Correctness of Information	222
Attachment 1	224
Details of Directors, Executives, Head of Finance and Accounting, Accounting Supervisor and Company Secretary	
Attachment 2	237
Details of Subsidiaries' Directors	
Attachment 3	240
Details of Head of Internal Audit and Head of Compliance Department	
Attachment 4	243
Review of Business Assets and Asset Revaluation	
Attachment 5	245
Policy and Practice of Corporate Governance, Code of Business Conduct and the Charter of the Board of Directors of the Company	
Attachment 6	247
Report of the Audit Committee and Report of the Nomination and Remuneration Committee	

Message from Chairman of the Board and President

Dear Shareholders and Interested Parties,

In the past several years, the Company's operating results have declined continuously due to the impact of many factors, both directly and indirectly, that cause the production expansion rate of Oil & Gas entrepreneurs to slow down, resulting in the amount of testing and inspection services decrease in the same direction. Anyway, the competition of services has increased as the workload is reduced at the low prices that it is not conducive to commercial business. In addition, the epidemic situation of COVID-19 expected to ease back intensified until making the requirements in the Emergency Decree increase the strictness, causing operations to not be able to operate normally since the operation needs to be done at the customer's workplace. Aforementioned, this affects the operating results in the year 2021 with revenues decreased by 5.91 million baht or 1.78% and profits decreased by 42.88 million baht or 183.37% compared to the previous year (The Company's financial statements). However, the Company has made great efforts to support it through the crisis and accelerate the development of various projects in progress to be successful to catch up on business opportunities in the new era when the situation of Covid-19 relaxes, which projects has progressed as follows

1. 20 MW power plant project in the Republic of the Union of Myanmar which had to slow down due to political reasons and the spread of COVID-19 has returned to restructure its shareholding and was registered as a Project Company along with the conversion of coal-to-biomass reactants, to facilitate investment from funding sources which is under discussion with the government.

2. Business Expansion Project to the Republic of Indonesia which is an important oil & gas source and has high business opportunities. The Company has been registered as a multinational company for the benefit of legal rights and convenience in management, under the company name "PT TNDT INSPECTION AND CONSULTATION", which is ready to take action when the Covid-19 epidemic control measures of both countries eased.



3. Project to expand the Electron Radiation Service Business to the Health Safety Industry for the purpose of value-added creation from sterilisation in the medical, agricultural, consumer products, food and pharmaceutical products, including herbs. and wastewater treatment which is a business group in modern society and is a necessity. The project has started to provide initial services and is in the process of adjusting to meet both efficiency and potential standards as the first private business in order to continue to operate in full in the year 2022.

4. Project to expand service to the electricity generation industry from clean energy which is a business group that is a necessity in the future by providing a service for installing solar rooftop which has already carried out 4 projects and has plans to enter into a business furthermore.

Conducting business under critical situations and linking impacts to each other in the business chain, the testing and inspection service business is as well. The Company does not have a plan just to respond to the situation, on the contrary, trying to seek new business opportunities which is a necessity in the future even more. In addition, there is also confidence that the business related to electric power will continue to be a necessary business in the future and have stability and sustainability. The necessity for raw materials and technology adjustment, including innovation to suit the era shall be done, as well as the safety service business, which the Company has been doing continuously for many years and has progressed in the order mentioned above. Although the Company's performance is still unsatisfactory.

The Company would like to thank all the concerns and encouragement of investors who have been following us all along. Thanks to the Experts, Consultants, Customers, Partners who provide support, as well as all Personnel of the Organization who join forces and mobilise intelligence to assist in all activities of the Company to achieve success. Especially, the Independent Directors and the Directors of the Company have been giving advice and sacrificing both physical and mental strength, including refraining from receiving compensation as usual. Therefore, as the Chairman of the Board, the President/Managing Director, and all the Executives will continue to adhere and lead the organization to sustainable growth furthermore.



(Mr.Suwat Dangpibulskul)
Chairman of the Board



(Miss Chomduen Satavuthi)
President / Managing Director

Part 1

Business and Results of Operations





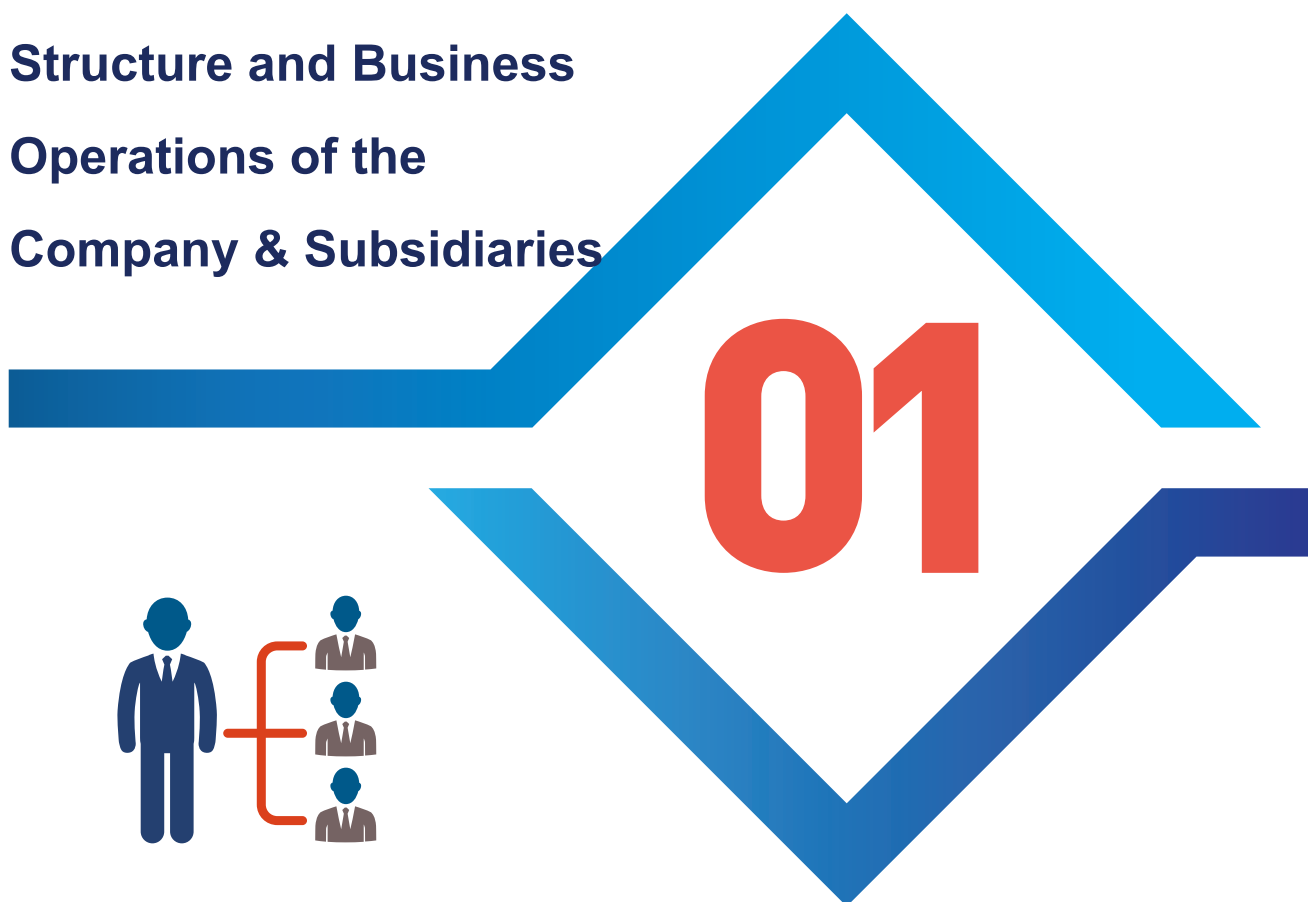
Vision

Being a service business center and learning center for utilizing science, technology, and innovation to apply for testing, inspection, analysis, and certification for safety and value-added creation for economic outcomes of engineering, agriculture, medical devices, public health, nutrition, food and drugs as well as the environment, etc., that have been obtained the credibility in ASEAN.

Mission

Approach the target customers by strengthening the services system that is efficient, convenient, fast, accurate and meet an international standard with the modern technology and innovation.

Structure and Business Operations of the Company & Subsidiaries



1.1 Policy and Business Overview

The Origin of the Business

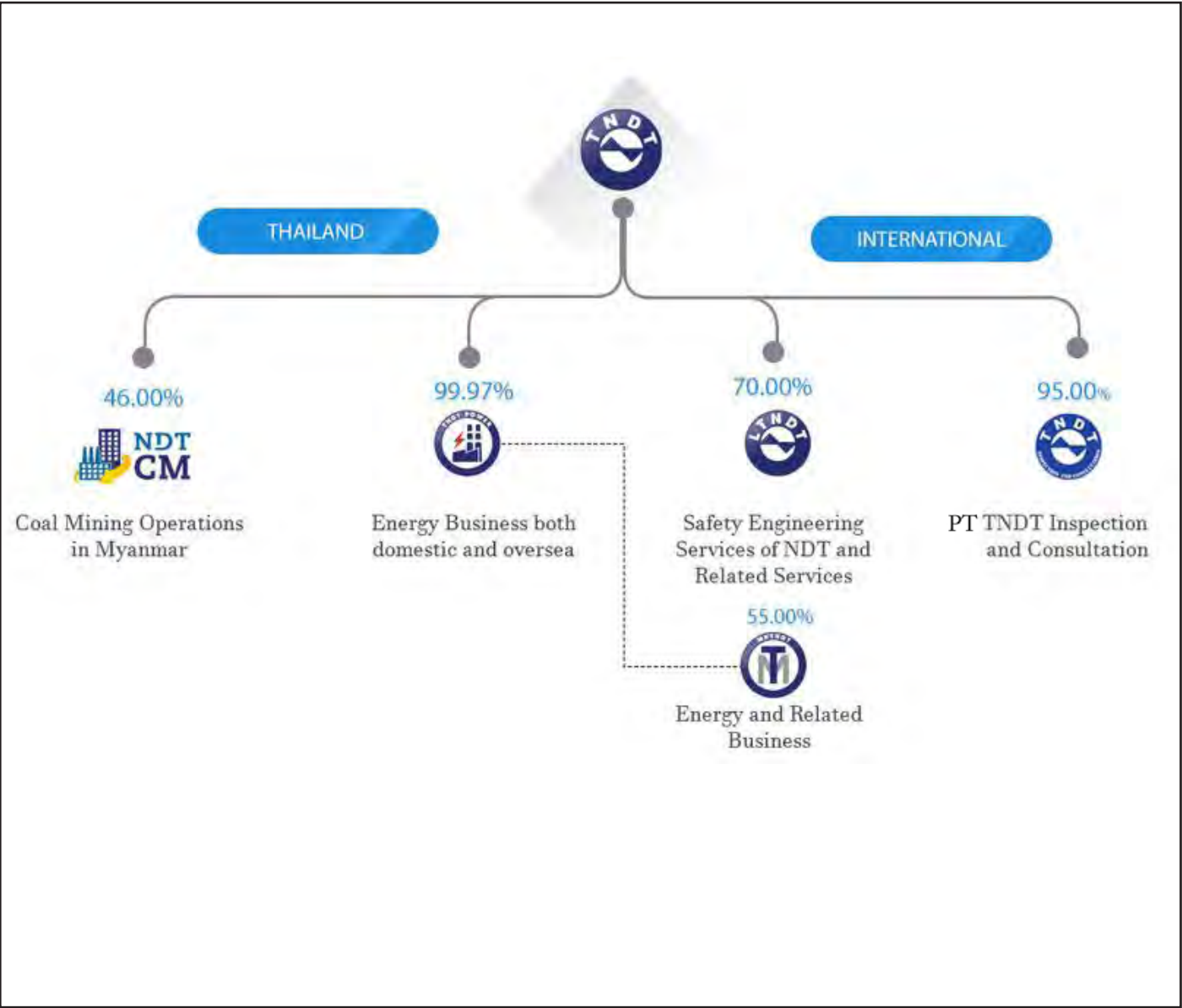
Thai NDT PCL “TNDT” was founded in 1982 and was a Listed Company in the Market of Alternative Investment (MAI) in 2007, in order to operate its professional business on the safety of lives, properties, and environment, by providing testing and inspection services of safety engineering by Nondestructive Testing (NDT) which requires Professional Specialists and the techniques, which has the special property to inspect the internal structure of a workpiece that is not visible to the naked eye, touch or any other device, while retaining the original condition of the work piece, either before, during or after operating the testing, the testing and inspection results will be submitted to the service recipients, used for their purposes. The NDT techniques can be applied in every industry such as agriculture, industry, nutrition, occupational health, medical, and environment, etc. It is a technique that has been applied for more than 100 years and still requires to be used even now or in the future. The Company has started to operate from the industries which were at high risk of serious accidents such as industrial fuel chains, chemicals, large infrastructures, etc., with the industrial situation at the time was on the rise, while other industries were still decelerating, which unfolded as the Company had expected. With the ability to generate operating results which has been growing continuously then decelerated due to economic factors in 2014, the crisis of oil and gas prices caused the testing and inspection industry to be in a downward trend, combined with the transition of eras and consumer values, resulting in the disruption of technology and the occurrence of new innovations. Moreover, the virus epidemic situation of COVID-19 which spread throughout the world has caused severe economic damage and completely changed the demand of the way of life, just the secureness of preventing accidents itself became deficiency, the importance of hygiene, convenience, speed, good environment as well as economic stability, etc., has all increased its importance to the current time and the future. Therefore, it is the right time for the Company to bring the service business plan to expand to other industry sectors to complete its range of services, as this will increase the service objectives to create value-added while sterilization the product lines in medical, agricultural, consumer product, including wastewater treatment, etc., which are still full of opportunities for continuous expansion. By applying the technologies and innovations from the benefit of the electron radiation service, including expanding to the clean energy business line (Solar Rooftop), to meet the current and the needs to keep up with the current era both domestically and internationally, leading to the sustainability of the organization even more.

1.2 Shareholding Structure of the Company & Subsidiaries

As of December 31, 2020 (according to the registration)

(1) Subsidiaries

The Company has restructured the shareholding of MKTNDT Company Limited (MKTNDT) whereby TNDT sold 55% of its shares to TNDT Power (a subsidiary in which TNDT holds 100% of the shares). TNDT Power, as a registered company, has Joint Venture Agreement with Min Khit Thit (Myanmar partner company) and changed MKTNDT to Project Company to operate a 20 MW coal-fired power plant project in the Union of Myanmar. The project company's shareholding ratio is set at 90 : 10 (TNDT Power : Min Khit Thit)



(2) Service Centers

1995

Site 1 : LarnKraBue District, Kampaengphet Province

LANKRABUE, KAMPHAENG PHET

BANG NAM PRIAO, CHACHOENGSAO

2018

Site 4 : BangNamPreaw District, Chacheungsao Province

BANGKAPI, BANGKOK

1990

Moved the Head-office from NaNaNua to the Current Office, Head-office at 19 Soi Ramkhamhaeng 60 Yaek 8 (Suanson 8), Ramkhamhaeng Road Huamark Sub-District, Bangkapi District, Bangkok 10240

1995

Branch Office : Mueang Rayong District, Rayong Province

MUANG, RAYONG

SI RACHA, CHONBURI

2000

Site 2 : Sriracha District, Chonburi Province

SINGHANAKHON, SONGKHLA

2013

Site 3 : SingHaNaKorn District, Songkla Province

1.3 Company Operation

(1) Policy

- Provide services strictly based on the principle and guidelines under the international standard and the domestic laws.
- Provide services with modern technologies, in accordance with the customers' requirements. In both operational and offices.
- Educate and uphold the principle of code of conduct, professional ethics, morals and good corporate governance, as well as refuse and oppose all forms of corruption in all parts of the Organization.
- Raise awareness within the Organization to be the Social Enterprise that takes responsibility towards the society and the environment.
- Have flexibility and are always on improvement in order to adapt to the fluctuating conditions in both technological and social disruption occurrence.
- Seek for business opportunities continuously and expand business with partners for the sustainability of the organization.

(2) Business Overview

A. Vision

Being a business center and learning center for utilizing science, technology, and innovation to apply for testing, inspection, analysis, and certification for safety and value-added creation for economic outcomes of engineering, agriculture, medical devices, public health, nutrition, food and drugs as well as the environment, etc., that have been obtained the credibility in ASEAN.

B. Mission

Approach the target customers by strengthening the services system that is efficient, convenient, fast, accurate and meet an international standard with the modern technology and innovation as follows:

- Create positive ideas for personnel in the organization and seek opportunities to develop the systems in an organization, including seeking business opportunities.
- Create work innovations which are flexible and efficient to increase the capacity of working professionally.
- Access, understand and listen to the customers, to meet the needs of customers as possible.
- Deliver a paramount level of services with superior efficiency, in order to build confidence in steady business conduct.
- Build business partners both domestically and internationally for opportunities to expand the business towards sustainable growth

C. Commitment

Focus on business management with Good Corporate Governance (CG), Corporate Social Responsibilities (CSR), adhere to Code of Business Conduct, Professional Ethics, Morality and Anti-Corruption both by the public and the private sector.

D. Values

Transparency = Providing services with accurate, transparent, truthful and verifiable reporting, without deviating from acceptance criteria and international standards.



Research & Development

= Research, seek and create new innovations in order to keep up with the times including tools, methods of work, internal processes to increase efficiency and the potential to provide services and create added value for customers including reducing the impact on the environment.

Utilization

= Bringing innovations that are modern, suitable and that meet international standards into practical applications.

Sustainability

= Business development with awareness and adherence to professional ethics and morals and strictly responsible to stakeholders for true sustainability.

Transformation

= Modify the working process Information forwarding and communication with a clear link system so that stakeholders can easily keep up with the situation leading to sustainable business operations.

(3) Business Goals and Strategies

Various crises, arising from the issues of economic, pollution, environmental, global warming, technological and social disruption, etc., have affected the inspection service industry that has been shrinking since 2014 and continuing to the global epidemic of the Covid-19 virus, resulting in the major changes on the overall industrial and leading to the “New Normal” era, which included the inspection service. It was clearly seen by the government’s national development plan both the economy and society, such as renewable energy, energy-saving solution, environmental problems solving, creating values of both agricultural products and industry, including mega infrastructure project, EEC project, the double rail project, smart airport at U-Tapao, etc. These projects would lead to the transformation and expansion in all industrial sectors, which was an opportunity to make the inspecting industry flourish in form of business being align with the trend of the new era. The Company has prepared both in applying usage and development of technologies and services innovation to bridge between old industry clusters and emerging industry clusters appropriately with goals and strategies as follows:

A. Goals in business operation : 3-year business plan (2022 - 2024)

- Revenue from core business 70% and Non-core business 30% (within 1 year).
- Revenue from Non-core business increases at least 30% per year.

B. Business strategy in 3 years

(1) Development within the organization (organic growth)

- Expand the inspecting services from the oil and gas industry to other industries that have low competition and high growth by bringing innovations to increase efficiency in providing services.
- Increase business efficiency by reducing the use of resources that occur in operational processes such as labour, tools, time and operational space to create the most value throughout the processes, as well as increase the organisation’s ability to adapt to respond to market and customer needs in a timely and effective manner compared to the competitor.
- Utilise programs and systems to perform various tasks, to reduce costs and increase the efficiency of the processes throughout the processes as much as possible.
- Utilise the system to collect information of customers, by applying to formulate marketing plans and data analytic that responds to the needs of customers.
- Improve skills and knowledge for both the hard skills and soft skills of the employees.
- Adjust the organisation chart to be in line with the business trend according to the era.
- Manage the entire risks and make be the same system in the entire organisation.

(2) External growth

- Business expansion into other business industries such as health and environment.
- Being a platform to attract people with potential both domestically and internationally to create and educate their knowledge on technology and innovation together.
- Developing as an educational institution or training center to disseminate technological information and co-create innovation in the field of NDT & Inspection services widely.
- Studying the Capital Market Opportunities for the additional opportunity from the Capital Market and Money Market to acquire investment funds and reduce financial costs.

1.4 Nature of the Business

1.4.1 Nature of the Business

The Company operates a business of testing, inspecting and certifying the safety results for the use of workpieces, both equipment and structures in accordance with international standards and laws in the case of testing services, tests will be performed using a Non-destructive Testing (NDT) method to process to obtain information within the structure of the workpiece without impairing its future usefulness. It is intended for detection and measurement of significant properties, in order to compare against to acceptance criteria of applicable code of such equipment, such as steel structure, pressure vessel, gas pipeline transmission, etc., by means of using both tool and equipment based on scientific approaches, especially in the field of physics, radioactivity substances, electromagnetic field, ultrasonic wave and chemistry, etc. Meanwhile for the inspection and certification, these are required to inspect pressure equipment so as to ensure the safety and suitability to continue servicing, by assessing damaged mechanism and its remaining service life. The inspection shall be performed by the personnel with qualifications and expertise according to international standards, regulations, and law. The operation can be operated in all conditions and are available as Real-Time system, being on-site, during the production or assembly processes. While the certification service will be performed after equipment construction is completed and periodically after the device has been used during the specified period, as well as before operating. On the other hand, In-serviced inspection is always performed after equipment has been placed in operation, or required periodical inspection due to the damage mechanisms, such as mechanical damage inspection, as well as damage occurrence during operating condition of such equipment. The inspection is used to assist in the planning of maintenance schedules or Risk based inspection, etc. The services are normally depending on the customers or project owners' requirements, on the legal regulations or standards which specified the usage of technology. Due to the customers or project owners are the entrepreneurs in industries with a high risk of accidents, including industries that require sterilization and free of contamination to the consumer products such as medical, nutrition, etc. while the business of service providers is involved in responsibilities for the safety of lives, property and environment, the precision and accuracy is of paramount importance in the testing, inspecting, reporting and certifying. Therefore, all the techniques concerned in this service must be up to internationally - accepted standards, legal requirements, ethical code of conduct, professional practices and corporate governance which have been strictly adhered to.

Nowadays, the way of living has changed to be more of Urban society. As a result, electricity is essential in our daily life. Indeed, the consumers' demand for electricity has increased in both the industrial sector, the household sector, and the business sector, both small and large businesses. The Company saw an opportunity

to increase business lines to the energy sector since 2013, starting from coal power. By the trends of social change, the consumers are increasingly interested more in environmental impact. Additionally, the government's policy to encourage the use of clean energy and to encourage entrepreneurs to enter the very small power business (VSPP) of the government, the Company saw business opportunities with a focus on solar energy.

Service information

(1) Organizations concerned with the Business

Operation

The Company has to conduct the business under the Rules and Regulations of the private and government agencies as follows:

(1.1) Department of Energy Business, Ministry of Energy

Issues the certificate for testing and inspection of LPG & NGV tank and piping and etc. while the Company has received the certificates and licenses as follows :

(A) Tester and Inspector of LPG tank and piping system & equipment in Category 1, according to the Certificate No. Phor. PorLor.Bor.04/2564 which was the highest level.

(B) Testing and Inspection Engineer of NG Factory and Filling Station Category 1, according to the Certificate No. Wor. ThorChor. Chor. 1-004/2563.

(C) Tester and Inspector, testing and inspection operator Of Fuel-Oil Level 3, according to Certificate No. PhorNorMor. KorForYor.3-015/2563.

(D) Testing and Inspection Engineer of NGV Re-fueling tank, and piping system & equipment, according to Certificate No. Wor. ThorChor.Bor 004/2564.

(E) Boiler Inspection Body by Thai Law, according to Certificate No. 7-63-007.

(F) Testing and Inspection agency of Electrical and associated equipment for NG factory user, according to Certificate No. For.Nor.Chor. 003/2562.

(G) Testing and Inspection agency of Electrical and associated equipment for NG Refuelling station, according to Certificate No. For.Nor.Bor. 005/2562

(1.2) Office of Atoms for Peace, Ministry of Science and Technology

A. The organization which supervises and manages the safety aspects incurred from radiation activation maintaining its authority to issue as follows :-

- Certificates to export the special nuclear materials, by-products, or source materials (Phor Por Sor 6 Kor), (Phor Por Sor 6 Khor).

- Certificate to possess and utilize the by-products (Ir-192) (Phor Por Sor 4Kor-2) .

- Certificates to possess or utilize the source materials to be chemically transformed (Dpt.U) (Phor Por Sor 4Khor).

B. Service provider of inspection and calibration of survey meters.

(1.3) Thailand Institute of Nuclear Technology (Public Company Organization)

Provide inspection and issue a certificate of safety of the usage of radiography equipment and radioactive containers, including the amount of personal radiation exposure services.

(1.4) Bureau of Radiation and Medical Devices, Department of Medical Sciences, Ministry of Public Health

Provides analysis services of film badge result service. (Government Organization).

(1.5) Thailand Industrial Standards Institute (TISI), Ministry of Industry

Issues License for Engineering Professional Practice - Juristic Person and Individual

(1.6) Thailand Industrial Standards Institute (TISI), Ministry of Industry

Provides evaluation and certification of internationally accepted quality standards.

(1.7) Council of Science and Technology Professionals

(2) Qualifications of Personnel (Operator)

(2.1) Entrepreneur

The qualification of the entrepreneur must be a license to practice the controlled engineering profession, type of juristic person from the Council of Engineers, with a review of qualifications in accordance with the requirements to consider the renewal of the licence annually.

(2.2) Technician (Operator)

The specifications and qualifications of NDT technicians are certified in both theory and on the job training. Certification is issued to each individual inspector, valid and recertified for a specific period of time by Level 3 inspectors of the internationally renowned institutes and are required to take an exam in order to issue after the said specific period of time. The Company is well-equipped with qualified personnel to provide the services according to all the international standards and other related institutes.

(2.3) Authorized API Inspector

The specifications and qualifications of Authorized Inspectors, to inspect the pressure equipment, petrochemical storage tank, etc., have to possess qualifications and experience consistent along with the certificate of the American Petroleum Institute. The API Inspectors have to be successfully certified, recertified and issued the certificates by American Petroleum Institute and retake the certification test once the certification expires.

(3) Technical Services

(3.1) Safety Engineering

The Company offers 2 types of NDT technologies as follows:

1. Conventional NDT: such as RT, MT, PT, UT, etc.

The Conventional NDT technologies have long been in use, 70% of the earnings are by conventional techniques. the advantage is the customers are accustomed and the services fee is on the fundamental level while the service fee would be more affordable, even though it would require more time and the accuracy would not be much different.

2. Advanced NDT: such as PA, AE, MFL, RBI, ET, AUT, X-Ray Crawler, etc.

The effectiveness and efficiency of advanced NDT methods, which are proven to be valuable and more appropriate in some certain situations and surroundings, will be better performances in accuracy and safety than the Conventional techniques. However, the higher cost of advanced NDT equipment and personnel will result in higher service prices. The customers, who require the services of advanced NDT, always consider the interests of saving time, which will fall more than 10 times to reduce the opportunity cost of business operations. This can build credibility to the product, to reduce opportunity costs in the production process. Nowadays, advanced NDT methods have gained more recognition and tend to have continued expansion.

(3.2) Sterilization of goods and products with innovation from electron beam

- Electron Radiation Services.
- Sterilization Services for goods and products.

(4) Relevant Standards

International engineering standards, the Company was certified in accordance with ISO 9001: 2015 and ISO / IEC 17020: 2012 from the Ministry of Industry. For accreditation of the audit agency to assure the quality of the inspection services and the impact on the environment, the Company also has been abided by the international standard such as The American Society of Nondestructive Testing ("ASNT"), American Petroleum Institute ("API"), European Norms ("EN"), The American Society of Mechanical Engineers ("ASME"), British Standards ("BS"), Deutsche Industrial Norms ("DIN"), Japanese Industrial Standards ("JIS"), American Society for Testing and Material ("ASTM"), Thai Industrial Standard Institute ("TISI"), American Welding Society ("AWS"), as well as the Department of Energy Business's, Ministry of Energy Office of Atom for Peace, Ministry of Science Technology and environment current regulations and requirements and future's application, if any.



(5) Strengths of the Company

Being the nation's first operator to operate professional testing, inspection and certification through non-destructive technical processes (Non-destructive testing (NDT)), engineering safety in industries that are at high risk of serious accidents which affect life, property and the environment. For almost 40 years, there have been many opportunities to realize many opportunities, such as:

(5.1) Pass on knowledge and produce NDT technician personnel to industries such as energy, fuel, large structures.

(5.2) Opportunities to jointly create professional standards and requirements which apply both academically and ethically as regulations for safety issues.

(5.3) Throughout the time which the Company has been working on safety of the organization, the Company has adhered to professional ethics, good governance, ethics, morality, transparency and standards and strictly respect the law which got accepted and trusted by customers.

(5.4) Be creative in both technical and innovations regularly.

(5.5) Always seek for business opportunities, including business initiatives and business continuity which reduce the risks of high competition in Gas and Oil Industries, such as expanding the business base to Lao PDR, the Republic of Indonesia, Republic of the Union of Myanmar, which is a group of countries which are starting to develop and therefore, have a higher chance of business opportunities including expanding services to other industries such as sterilization, nutrition, medicine, agriculture, etc., which response to the New Normal era needs.

(5.6) The Company has learnt from the experience of having to operate under the midst of the economic crisis frequently from a variety of factors, including politics, floods, severe industrial conditions, disruption as well as the economic downturn caused by the global outbreak of the COVID-19 virus has made the Company to have some degree of immunity toward alleviating the problems and to manage risks. The Company experience mentioned above will be used in business planning for the sake of sustainability in the foreseeable future as the expertise of the NDT company.

(6) Customer Groups

The Company's customers can be divided into 3 groups as follows:

(6.1) Production Plants: These include fuel and chain product groups such as power plants, oil refineries, gas separation plants, gas refilling plants, petro-chemical plants, power plants, material production factories, containers, pipeline containers, etc.

(6.2) Construction Contractors: These include contractors commissioned to construct factories and products assembling as well as setting up a factory system e.g., Oil and Gas production plants, oil and gas pipelines both onshore and offshore, high-pressure containers such as spherical tank, oil & gas tanks, oil cylinders, oil refinery, drilling platforms, power plants, suspension bridges, dams, irrigation systems, building complexes, airports, mass transit systems, etc.

(6.3) Entrepreneurs whose businesses are subject to the specific legal regulations: such as gas stations, transportation systems, group occupant. These include business operators using highly flammable agents in their businesses such as gas, oil, chemical substances, hotels, hospitals, restaurants, etc.

(7) Type of Services

The Company has divided the services according to their responsibilities into 5 types as follows:

(7.1) Testing Service : The Company will report the result of test-pieces as provided by the customers only. No evaluation of the adequacy of the product's usability.

(7.2) Inspection Service : The Company provides both inspection services and evaluate the adequacy of safe usage of such inspected workpiece, for example, an inspection of high-pressure containers as required by Department of Energy Business, an inspection of pressure equipment's in oil distillery and petrochemical, etc.

(7.3) Consulting Service and Turn-Key Management : The Company provides consulting and advice on engineering safety inspection and testing procedures as required by laws and international technological standards governing the customer's business according to the law domestically and internationally, including the extent to which it is necessary to be fully engineering tested and inspected to meet the requirements, as well as fully integrated project management in the field of supervision, safety testing & inspection in the processes of construction and structural assembly (turnkey project).

(7.4) Remaining Life Cycle Assessment

(7.5) Irradiation for sterilization and food preservation

(8) Investment Benefits

The Company and its subsidiaries have received privileges from investment promotion under the Investment Promotion Act (BE 2560) with the approval of the Board of Investment. However, under certain conditions Such benefits include

- Under Section 25, The permission to bring foreigners who are craftsmen or experts, spouses and dependents of both types of persons into the Kingdom for an amount and a period of time to stay in the Kingdom. that the Board deems appropriate

- Under Section 26, an Immigrant worker who is a craftsman or an expert who has been granted permission to stay in the Kingdom under Section 25 shall be permitted to work only in the position and duties approved by the Committee for the period as long as the permission is granted. in the kingdom

- under section 28, to be exempted from import duty on machinery as approved by the Board.

- Under Section 31, paragraph two, the corporate income tax exemption for net profit derived from the promoted business operation is for a period of 8 years from the date of the commencement of income from such business operation.

- Paragraph four, in the case of loss in business during the period of corporate income tax exemption under paragraph two The promoted person is allowed to deduct the annual loss incurred during that time from the net profit incurred after the corporate income tax exemption period for a period not exceeding 5 years from the date of the promotion. expired You can choose to deduct from the net profit of any year or several years.

- Under section 34, to be exempted from the need to include dividends from the promoted activities which are exempt from corporate income tax under section 31 to include in the calculation of income tax throughout the period that the promoted person is granted income tax exemption. that juristic person



Since September 13, 2017, which is the date that the Board has approved the promotion



1.5 Results of Operations

1.5.1 Significant Change and Development of the Company :

(1) The past 3 years (2019-2021)

Year	Significant Incidents
 2019	<p>**Domestic**</p> <ul style="list-style-type: none">- On October 10, 2019, the Company has signed the Memorandum of Agreement (MOA) in technical cooperation and supplying the electron accelerator with CGN Dasheng Electron Accelerator Technology Co., Ltd. and Advanced Sterilization (Eastern) Co., Ltd., to co-develop the technology and create innovation from “the properties of Electron Beam (EB)”, to be a substrate for value creation of productivities in medical, industrial, agricultural, public health, including environmental conservation. The Company’s area in Rayong would be a learning and researching center to support the future innovation development in the Eastern Economic Corridor (EEC), and being the first center in the Southeast Asian region (ASEAN). <p>**Overseas**</p> <p>The Republic of the Union of Myanmar (Diversifying Policy)</p> <p>For the 20 MW. Coal-Fired Power Plant Project (Project), after completely receiving the documents of power plant business from the Government in 2018 and the construction of power plant components, such as office buildings, residences, canteens, including the foundation of the power plant, as well as slope protection to prevent erosion or sliding flow of soil, etc. which has already been taken for 60%, but decelerating from economic conditions, political crisis and the virus epidemic situation of COVID-19. Nowadays, there are entrepreneurs both domestic and overseas paying attention to both financial support and investing in the project. The Company was considering the details of conditions with regards to the best interests of the organization, expected to operate after the COVID-19 situation has eased down</p> <p>The Republic of Indonesia</p> <p>Due to the obstacles in the legal and management systems which have not been in the same direction, the Company has to change investment policy by registering the Indonesian company as a subsidiary with absolute legal rights. Anyway, the Company has proceeded with the preparedness of documents, checked the property items and monitored the debt repayment continually.</p>
 2020	<p>**Domestic**</p> <ul style="list-style-type: none">- Currently under construction as a sterile center and office building, which is located in Rayong, expected to be completed within 2021.- Started operating on 5 solar rooftop projects, one project can already be recognized.- Signed a Memorandum of Understanding for cooperation on the utilization of nuclear technology with Thailand Institute of Nuclear Technology (Public Organization) on October 27th, 2020 to work in an integrated development of nuclear technology, innovation creation, services providing, radiological equipment and materials production, maintenance, consulting, and other business related, including electron accelerators for use in various industrial sectors of Thailand, this will let the Company progress and able to compete with the needs of both domestically and internationally. <p>**Overseas**</p> <p>The Republic of Indonesia</p> <p>Entered into a joint venture and established a joint venture company with an Indonesian partner in August 2020 under the company name “PT TNDT INSPECTION AND CONSULTATION”, with 95% of the shares being held by the Company while the rest of 5% being held by business partners, to operate in the energy, testing and inspection, maintenance, consulting businesses, and other related businesses, which has been planned and formulated, the Company will be able to take action after the COVID-19 epidemic situation has passed.</p>

2564

The Annual General Meeting of Shareholders No. 15/2021 on April 26, 2021 has the special resolutions to

1. Issuance and offering of debentures in the amount up to Baht 1,500 Million, or the equivalent in other currencies at a particular moment (Revolving Basis) To support the liquidity and/or investment fund for business expansion and/or working capital of the Company including refinancing, or other purposes as the Board of Directors deems appropriate.

2. Issuance and Offering of the Newly Issued Convertible Debentures of the Company not exceeding Thai Baht 100,000,000 (the "Convertible Debentures") as it can be break down to 20 sub-tranches equally at Baht 5,000,000 per sub-tranche, by way of the private placement to a specific investor, Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1") , which is not related person under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions

3. Changing of the Company's PAR value from Baht 1 per share to new PAR value at Baht 0.50 per share resulting in an increase in the number of the Company's shares from 100,000,000 common shares to be 200,000,000 common shares.

4. the increase of the Company's Registered Capital of 20,880,193.50 Baht from the Original Registered Capital of 100,000,000 Baht to the Registered Capital of 120,880,193.50 Baht, By issuing New Ordinary Shares of 41,760,387 shares, the Par Value of 0.50 baht, which is a capital increase specifying the purpose of utilizing the capital, in order to reserve for the exercise of the conversion right of the Convertible Debentures to AO Fund and AO Fund 1

the Extraordinary General Meeting of Shareholders No. 1/2021 on December 23, 2021 has the special resolutions to the increase of the Company's Registered Capital of 241,760,387.00 Baht from the Original Registered Capital of 120,880,193.50 Baht to the Registered Capital of 362,640,580.50 Baht, By issuing New Ordinary Shares of 483,520,774 shares, the Par Value of 0.50 baht in order to accommodate the dividend payment in shares at the rate of 1 existing ordinary share to 2 dividend ordinary shares.

****Domestic****

- Construction of Electron Beam buildings and offices and the installation of the electron accelerator has been completed. The work was handed over on April 22, 2021 and obtained a licence to possess or use a radiation generator from the Office of Atoms for Peace (OAP) on August 17, 2021, currently in the process of testing irradiation for disinfection with herbal products, dry food, cosmetics which has received good feedback from customers.

- Installed 5 projects of solar power generation systems, of which 2 projects have been recognized, while the remaining projects are expected to be completed and all revenues can be recognized by 2022.

****Overseas****

Republic of the State of Myanmar

Change MKTNDT to Project Company to prepare investors for more flexibility in participating in investment, therefore, the Company sold 55% of TNDT's shares to TNDT Power (a subsidiary company in which TNDT owns 100%) as a registered company. Joint Venture Agreement with Min Khit Thit (Myanmar alliance company). The new shareholding structure is TNDT POWER, holding 55% shares, and Mr. Thanun Satavuthi, Deputy Managing Director / Executive Vice Chairman, Son of Mr. Suwat DaengPhibunsakul Chairman of the Board of Directors with Ms. Chomduean Satawut, Chairman of Executive Committee / Managing Director and grandson of Mr. Kirrkiat Satawut, Company Director Holding 35% shares and Min Khit Thit Mining Company Limited (MKT) holding 10% shares. The Joint Venture Agreement between TNDT Power and Min Khit Thit determines the shareholding ratio of Project Company at 90 : 10 (TNDT Power: Min. Khit Thit)



(2) Report on the Use of Proceeds

(2.1) Use of proceeds from the offering of equity and debt securities

Reference to the Annual General Meeting of the Shareholders for the year 2021 on April 26, 2021, the Meeting has approved the issuance and offering of the convertible debentures of the Company, "type of senior unsecured Convertible Debentures", not exceeding 100 Million Baht by the way of private placement to specific investors, namely Advance Opportunities Fund ("AO Fund") and Advance Opportunities 1 ("AO Fund 1"), which were not related persons of the Company. The Company would like to notify the issuance and offering of the Convertible Debentures No.1-No.5 total amount was 70 million Baht. In this, the Company still has the remaining issuance limit for the issuance and offering of the Convertible Debentures of 40 million Baht. By objectives of proceeds usage to invest in the On-hand Projects and to generate the Working Capital for Liquidity increasing of the Company and detail as follow:

Objectives of Proceeds Usage	Approximate Amount of the Proceeds Usage as of 31 Dec.,2021 (Baht)	Approximate Duration of the Proceeds Usage	Details / Progress of the Proceeds Usage
1. To invest in the On-hand Projects for increasing the Competitiveness at present and in the future	20 million Baht	6 months	Investing in the project of a radiation service center for sterilisation of medical products and products, nutrition, food and drugs, including consumer products, etc. At present, the project is in the process of testing the system to prepare for the next commercial operation.
2.To generate the Working Capital for Liquidity increasing of the Company	50 million Baht	6 months	-

(2.2) Laws applicable to debentures

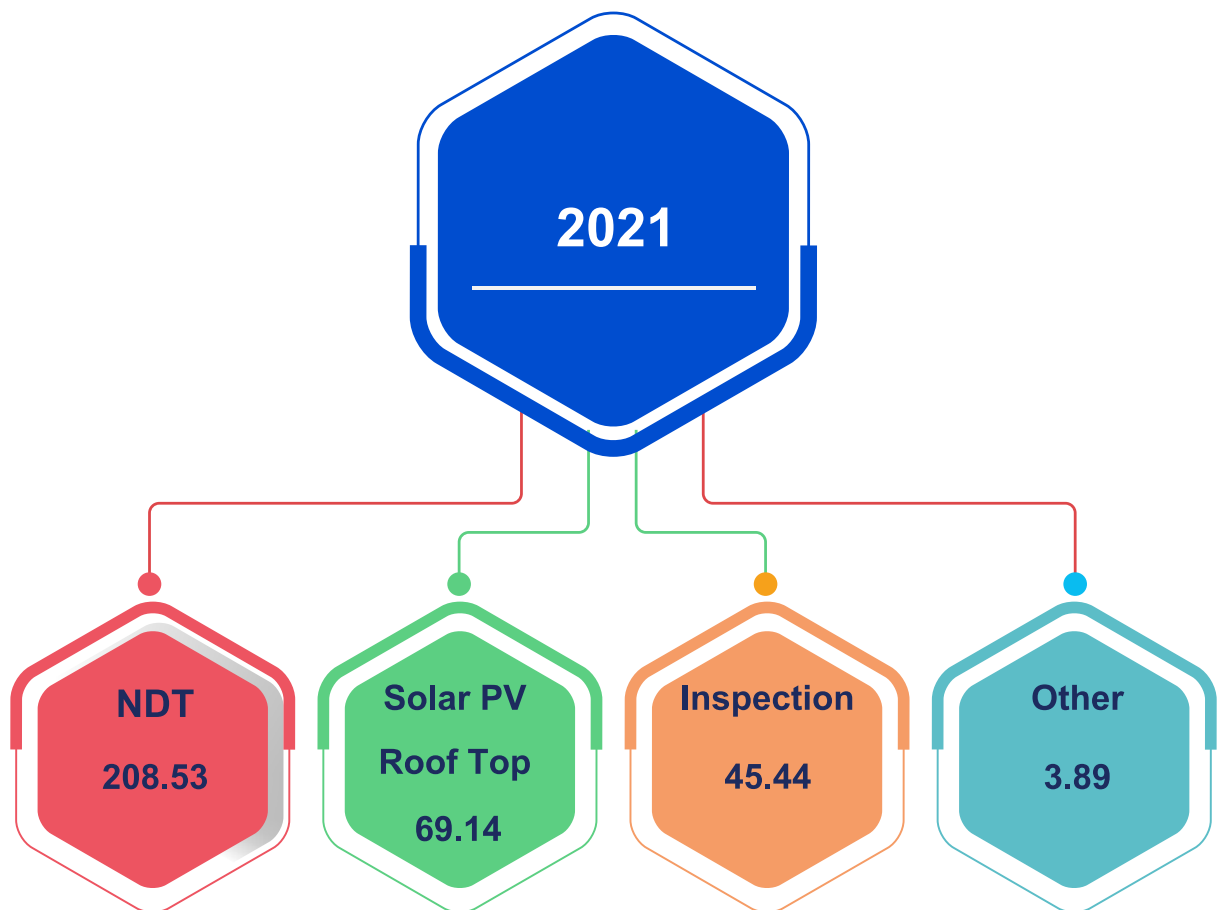
The Debentures are enforced and interpreted under the law of Thailand.

(3) Commitments made by the Company in the registration statement for offering securities and/or conditions for approval of the Office (if any) and/or conditions for listing securities of the SET (if any).

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1.5.2 Revenue Structure

Structure of Revenue from Services (Million Bath)	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
1. Revenue from Services - NDT	280.19	81.77	249.76	75.02	208.53	63.77
2. Revenue from Services - Inspection	58.33	17.02	47.57	14.29	45.44	13.90
3. Revenue from Solar PV Rooftop	0.00	0.00	21.20	6.37	69.14	21.14
Total Revenue from Services	338.52	98.79	318.53	95.68	323.11	98.81
3. Other Revenue	4.15	1.21	14.38	4.32	3.89	1.19
Total Revenue	342.67	100.00	332.91	100.00	327.00	100.00





1.5.3 Industry Outlook and Competition

Testing service business for engineering safety in industries with a high risk of severe accidents. Most of the service users are entrepreneurs of power generation, electricity, petrochemicals, etc., and supply chains, which the produce is desired and necessary for daily use in industrial, household and business as a whole. The consumption will increase with the population and economic expansion. Therefore, it is necessary to produce enough to meet the demand. In normal conditions, the production expansion rate will continue to increase. As a result, the growth rate of the testing service business is going in the same direction but the competition will go the opposite way. Therefore, the growth rate of the testing service business consistently declining over the years is not in line with the market force but due to the decreasing rate of production expansion, by many factors over many periods starting from serious pollution and leaking into the outside atmosphere severely affecting the environment. This is caused by the production process causing it to be suspended for improvements affecting many projects being delayed. This was followed by the economic crisis and the event of prolonged low oil and gas prices, etc., resulting in a continuous slowdown in production expansion rates affects the volume of testing service to decrease in the same direction. The competition is intense with low service prices to attract customers, leading to inability to conduct business at the moment as well as from global social trends calling for global warming reduction and any action that affects the environment. However, the production process still uses fossil fuels as a precursor, a raw material that has the potential to cause both global warming and pollution including technological and social disruption causing the

way of living, which leads to more attention to the environment. There is a campaign to support the use of clean energy instead of fossil energy. Therefore, in this new era, it is necessary to adjust both technology and innovation to be used in the production process to be both sufficient to meet the needs and not affect global warming and the environment, including reducing, eliminating the use of fossil fuels and replace by using clean energy such as solar, wind energy, etc., in order to meet and contribute to social responsibility. However, regardless of energy consumption, technology and innovation in the production process, safety, efficiency and quality in production still need to be carefully monitored, tested, inspected, maintained, etc. regularly. Testing service is also a necessity. Furthermore, as long as the demand for electricity continues to increase and when the economy returns to normal, the production process will continue to expand according to the consumer. The opportunity of the testing service market will be recovered. Under the conditions of development and application of all forms of services that are appropriate to meet the needs of customers.

In addition, to expand services to the sanitary safety group such as sterilisation, contamination both in the fields of medicine, agriculture, food and medicine, etc., and solar installation services. In addition to business operations that respond to consumers in the new era, it also enhances the testing service business opportunity to expand into a variety of industries, which there are few competitors as well.

1.5.4 Overall Operation

In response to the business expansion toward the industries having the growth opportunities both in the country and ASEAN community, the Company has operated as follows:

(1) Business Base Expansion

A. Established “LTNDT Company Limited” on August 15th, 2011, at Baan Nong Duang, Mueang Sikhottabongnakorn, Vientiane Capital. With a registered capital of USD\$100,000 (one hundred thousand US dollars) in the form of a mixed enterprise by Thai NDT Public Company Limited (TNDT) participating in investment and holding shares at the rate of 70% and a company in the Lao People's Democratic Republic (S. Lao PDR) holds 30% of the paid-up capital, unrelated person, to work as a project consultant under the Investment Promotion (BOI) of Lao PDR for a period of 15 years and in the feasibility study period.

B. Expanded the NDT testing and inspection business to the Republic of Indonesia. Due to legal restrictions, it was imperative to operate NDT services through Indonesian partners. The revenues could be recognized since the 4th quarter of 2015 and expanded more than 50% in the year 2016. For 2017 and 2018, the revenues could achieve a certain level as well. Tentative continued expansion has been expected, while the obstacles of the coronavirus-19 outbreak have slowed down the business until now.

However, in 2020, the Company has registered as an international company in Indonesia in order to obtain full legal rights, under the company name, PT TNDT INSPECTION AND CONSULTATION, 95% shareholding by the Company and 5% of an Indonesian partner, which will be a great revenue opportunity for the Company due to the large sources of work in Indonesia.

c. Expanding radiation service to other industries for value-added creation and sterilisation in various products including medical, agricultural, consumer products Including wastewater treatment, etc., which is a growing industry and has the opportunity to expand continuously.



(2) Business Line Expansion

A. TNDT CM Company Limited or TNDT CM on October 21, 2013, to prepare to operate a coal mining business in the Republic of the Union of Myanmar for preliminary supply to a 20 MW coal-fired power plant. The Company is currently waiting for the progress of the power plant which has been considered to operate in a new business to increase the opportunity to generate income for the Company.

B. Established a subsidiary company, TNDT Power Company Limited or TNDT POWER, registered in Thailand on June 10th, 2015, to operate the energy business both domestically and internationally

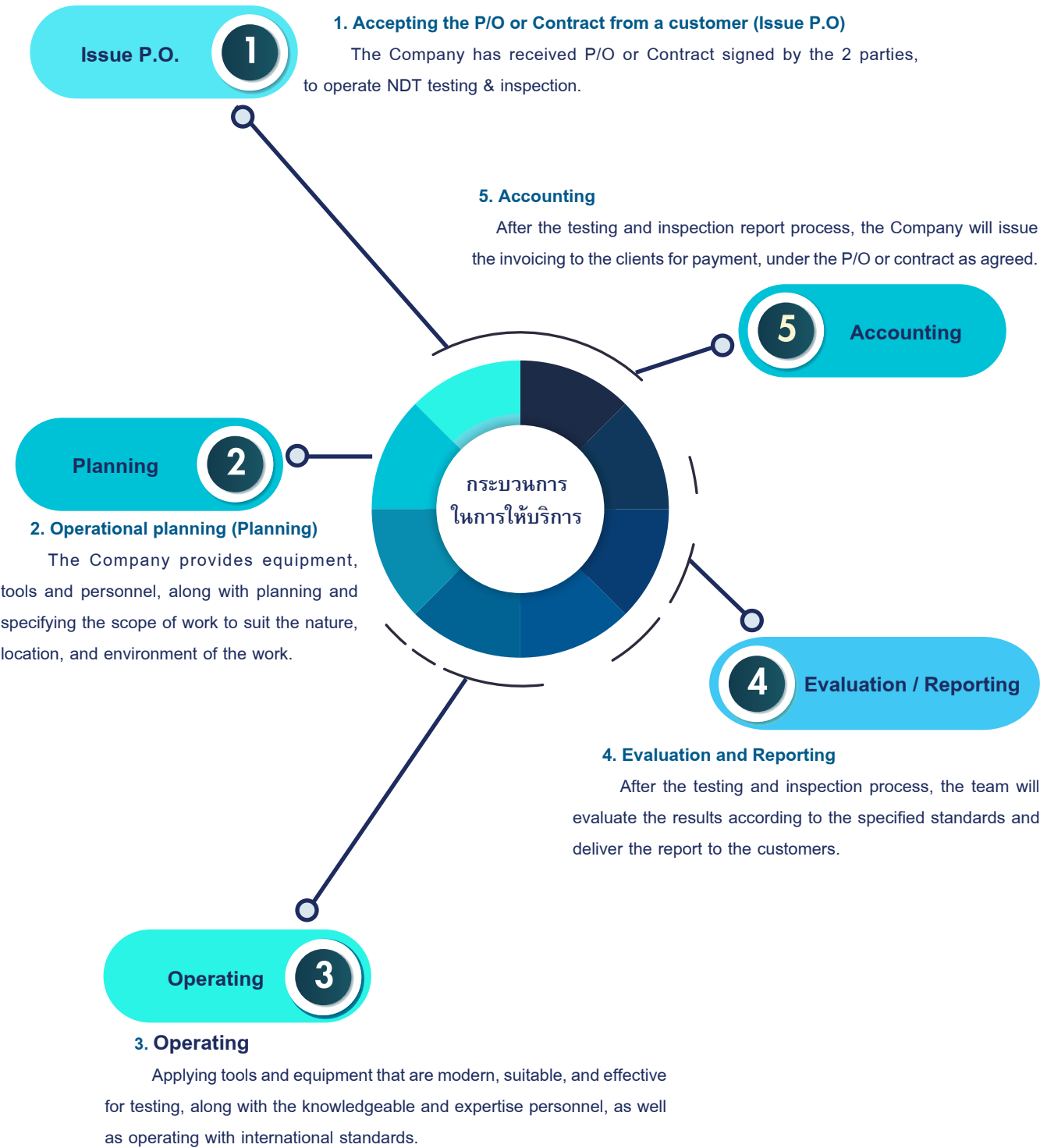
C. The Company entered into a joint venture with partners named Min Khit Thit Mining Company Limited (MKT) in the Republic of the Union of Myanmar. Under the company name MKT NDT Company Limited or MKTNDT on June 30, 2014, which is a legal entity in Myanmar to operate in the energy business and other related businesses in the Republic of the Union of Myanmar.

In 2021, MKTNDT's shareholder structure has been restructured, the details can be viewed in item 1.5.1 “Significant Changes and Developments of the Company” on page 15.

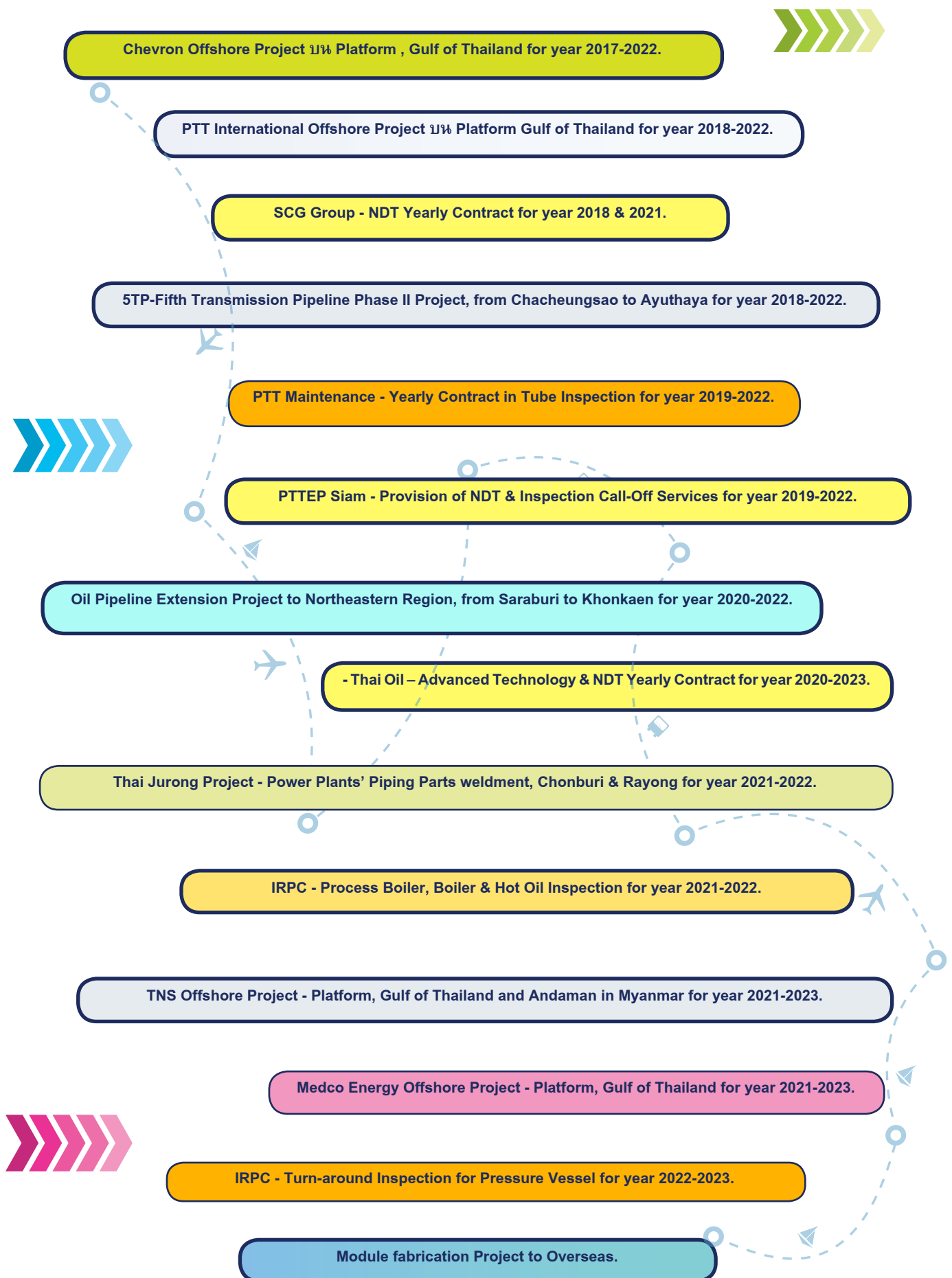


1.5.5 Services Providing

The Company has expanded the office space, branch and jobsites in order to cover sufficiently and ready to serve clients both in and outside the neighbourhood, There are currently 6 locations, the method used for testing will be in accordance with the term and conditions of the client’s employment contract, the process is as follows :



1.5.6 Long-term Projects : more than 1 year



1.6 Company Information

As of December 31, 2021

Company Name	:	THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED
Trading Name	:	TNDT
Established	:	APRIL 21, 1982
Registration No.	:	0107550000025
Type of Business	:	NONDESTRUCTIVE TESTING & INSPECTION SERVICES
Capital - Registered	:	362,640,580.50 Baht
Capital - Paid - up	:	120,470,623.00 Baht
Par Value per Share	:	0.50 Baht
Common Share - Registered	:	725,281,161 Shares
Common Share - Paid - up	:	240,941,246 Shares
Head Office	:	19 Soi Ramkhamhaeng 60 Yaek 8 (Suanson 8), Ramkhamhaeng Road, Huamark, Bangkok, Bangkok 10240
Telephone	:	(66) 0-2735-0801 (Auto 10 lines)
Fax	:	(66) 0-2735-1941
Branch Office	:	29 Banphlong Road, Mabtaphut Sub-District, Muang Rayong District, Rayong 21150
Telephone	:	(66) 0-3869-2226-7
Fax	:	(66) 0-3869-2229
Home page	:	www.tndt.co.th
E-mail	:	headoffice@tndt.co.th



1.7 The Company's Assets for Business Operation

1.7.1 Assets for Business Operation

The Company's assets used for business operation as of December 31, 2020 and December 31, 2021.

(1) Land

Land	Asset Size	Ownership	Obligation	Net Valued (Million Baht) As of 31 Dec 2020	Net Valued (Million Baht) As of 31 Dec 2021	Objective in Holding Asset
Title Deed No. 73601	Area 20 square wah	Owner	Mortgage with Kasikorn Bank	1.64	1.64	Office Location
Title Deed No. 73602	Area 20 square wah	Owner	Mortgage with Kasikorn Bank			Office Location
Title Deed No. 62112	Area 61 square wah	Owner	Mortgage with Kasikorn Bank			Office Location
Title Deed No. 62113	Area 61 square wah	Owner	Mortgage with Kasikorn Bank			Office Location
Title Deed No. 219392	Area of 32 square wah	Owner	Mortgage with Kasikorn Bank	0.80	0.80	Office Location
Title Deed No. 21257,136217	Area 4 rai - Ngan 45.90 square wah	Owner	Mortgage with Siam Commercial Bank	5.34	5.34	Office is Located at Rayong Branch
Title Deed No. 74549,146358, 146359	Area 0 rai 1 Ngan 9 Square wah	Owner	Mortgage with Thai Military Bank	8.65	8.65	Office Location
Title Deed No. 21865	Area 2 rai - Ngan 13 7/10 Square wah	Owner	Mortgage with Thai Military Bank	5.42	5.42	Office is Located at Songkhla Branch
Title Deed No. 33735-6	Area 18 rai 3 Ngan 63 square wah	Owner	Mortgage with Kasikorn Bank	36.00	36.00	Office is Located at Rayong Branch
Total				57.85	57.85	

(2) Buildings and Constructions

Buildings and constructions	Asset Size	Ownership	Obligation	Net Valued (Million Baht) As of 31 Dec 2020	Net Valued (Million Baht) As of 31 Dec 2021	Objective in Holding Asset
Location No.19, Soi Ramkhamhaeng 60, Yaek 8 (Suan Son 8), Ramkhamhaeng Road, Hua Mak Sub-district, Bang Kapi District, Bangkok	2 and a half floors Building include the renovated area	Owner	Mortgage with Kasikorn Bank	0.95	0.65	Office Location
Location No. 62, Soi Ramkhamhaeng 60, Yaek 12 (Suan Son 12), Ramkhamhaeng Road, Hua Mak Sub-district, Bang Kapi District, Bangkok	3 floors Building include the renovated area	Owner	Mortgage with Kasikorn Bank	0.13	0.04	Warehouse of Tools, Equipment used in operations
Location No. 20, Soi Ramkhamhaeng 60, Yaek 6 (Suan Son 6), Ramkhamhaeng Road, Hua Mak Sub-district, Bang Kapi District, Bangkok	One floor Building include the renovated area	Owner	Mortgage with Thai Military Bank	0.57	0.52	Employee Training Unit
Location No. 267/157 and 267/158 Moo 8, Sukhumvit Road , Map Ta Phut Sub-district, Mueang District, Rayong Province	Renovated area	Owner	None	0.00	0.00	Employees Residence
The Structural system of the office at Rayong Branch	Fence structural system / Water treatment / Telephone system	Owner	None	0.10	0.00	-
Structural System Kamphaeng Phet Office	Structural system	Owner	None	0.09	0.07	Office is located at Kamphaeng Phet Unit

(2) Buildings and Constructions (Continued)

Buildings and constructions	Asset Size	Ownership	Obligation	Net Valued (Million Baht) As of 31 Dec 2020	Net Valued (Million Baht) As of 31 Dec 2021	Objective in Holding Asset
Structural system Songkhla Office	Structural System	Owner	None	0.18	0.03	Location of Songkhla Office
Rayong Office Building No. 29, Ban Plong Road, Map Ta Phut Sub- district, Mueang District, Rayong Province	3 Floors Building	Owner	Mortgage with Siam Commercial Bank	26.48	25.18	Office Location
Location of PTTEP Office Building	Office Building	Lessee	None	1.45	1.34	Location of Lan Krabue Office
Office structure system Location: No. 62 Soi Ramkhamhaeng 60, Yaek 12 (Suan Son 12), Ramkhamhaeng Road, Hua Mak Sub-district, Bang Kapi District, Bangkok	Telephone / Electrical Systems and Air Conditioning	Lessee	None	0.16	0.12	-
Work in progress		Owner	None	0.00	0.00	-
Location of Songkhla Office Building	Office building	Owner	None	1.46	1.37	Location of Songkhla Office
Office Building No. 24, Soi Ramkhamhaeng 60, Yaek 12 (Suan Son 12), Ramkhamhaeng Road, Hua Mak Sub-district, Bang Kapi District, Bangkok	2 Floors Building	Lessee	Mortgage with Thai Military Bank	8.63	8.28	-

(2) Buildings and Constructions (Continued)

Buildings and constructions	Asset Size	Ownership	Obligation	Net Valued (Million Baht) As of 31 Dec 2020	Net Valued (Million Baht) As of 31 Dec 2021	Objective in Holding Asset
Office Building No. 24, Soi Ramkhamhaeng 60, Yaek 12 (Suan Son 12), Ramkhamhaeng Road, Hua Mak Sub-district, Bang Kapi District, Bangkok	Structural system	Owner	None	0.04	0.03	-
Office Building No. 63/6 Map Kha Phatthana Sub-district Nikhom Phatthana District, Rayong Province	Factory and Office Buildings and Structural Systems	Owner	Mortgage with Thai Military Bank	25.37	23.73	
Office Structural System Location No. 63/6 MapKha Phatthana Subdistrict Nikhom Phatthana District, Rayong Province	Renovated Area			1.21	0.93	
Total				66.82	62.29	

(3) Tools, Equipment, Decorations, Installation of Office Equipment and Vehicles

Asset type	Asset Details	Ownership	Obligation	Net Valued (Million baht) As of 31 Dec. 2020	Net Valued (Million baht) As of 31 Dec. 2021
Tools and equipment for Operation	Moveable assets to the location where the company has provided Inspection and Nondestructive Testing services	Owner	Obligation Free	61.49	80.92
Furnishings, fixtures and office equipment		Owner	Obligation Free	3.06	2.91
Vehicle		Owner	Obligation Free	0.14	0.81
Total				64.69	84.64

(4) Rental Contract

(4.1) House Rental Contract

Parties	Lessees : Thai Nondestructive Testing Public Co., Ltd. Lessor : Mrs. Kongmuang Daengphibulsakul
Objective	To rent houses no. 267/157 and 267/158 Moo 8 Sukhumvit Road, Map Ta Phut Sub-district, Mueang District, Rayong to use as employee accommodation for facilitate the operation. The new rental contract is for a period of 1 year, the lessor agrees to allow the lessee to cancel the rental contract immediately since the lessees found it is not necessary to use.
Approximate Area	38.2 square wah
Period	For a period of 1 year from January 1, 2021 until December 31, 2021
The Rental Rate	20,000.00 baht per month.
Renewal of Rental Contract	Mrs. Kongmuang Daengphibunsakul has signed a confirmation letter of the rental contract renewal to extend the rent for another 1 year from the expiration of the contract (December 31, 2020). And confirm to charge the rental fee at the same rate which is 20,000.00 baht per month
Termination of the Contract	In case the lessor wanted to use the building shall send the written notice to the lessee in advance for 2 months. If the lessee did not want to use the building before the expiration of the rental contract, the lessee can terminate the rental contract immediately by sending the notice in written to the lessor.

(4.2) Land and House Lease Agreement

Parties	Lessees : Thai Nondestructive Testing Public Co., Ltd. Lessor : Mr. Thanun Satavuthi
Objective	To rent houses no. 24, Soi Ramkhamhaeng 60 Yak 12 (Suan Son 12), Ramkhamhaeng Road, Hua Mak Sub-district, Bang Kapi District, Bangkok to use as employee accommodation for facilitate the operation. The new rental contract is for a period of 3 years with the agreement for extension of the rental contract from 3 years to 10 years.
Approximate Area	162 square wah, the utility space is 620 square meters
Period	For a period of 3 years from February 1, 2020 until December 31, 2023
The Rental Rate	18,000.00 baht per month.
Termination of the Contract	Throughout the contract period, the lessor has no right to terminate the contract unless the lessee breaches the conditions in the rental contract. But if the lessee no longer needs to use the building before the expiration date of the contract, the lessee can terminate the rental contract immediately by sending notice in writing to lessor.

(4.3) Major intangible assets in the business operation of the Company

As of December 31, 2021 the Company had net intangible assets equal to 0.50 million baht. Such intangible assets are accounting and finance software and computer program.

(4.4) Company Investments (shown in the financial statements as of December 31, 2021)

As of December 31, 2021, the Company has an investment in preferred shares of OIS (Thailand) Co., Ltd. which is equal to 0.00 baht. The Company has an investment in preferred shares, the equivalent of 1.02 million baht and the year 2005, the company has set a loss from the said investment due to there was no income from the business operation and had losses from the annual audit expenses.

In addition, at the Extraordinary General Meeting of Shareholders No.1/2007 on March 15, 2007. There was a resolution to approve the sale the shares of OIS (Thailand) Co., Ltd., by considering selling all preferred shares of the company to the third parties who interested in investing at a price that the Board of Directors deems as appropriated price.

Due to the company does not require to continue the business, therefore, it was unanimously resolved to register the dissolution of OIS (Thailand) Co., Ltd., effective from December 30, 2015. onwards.

(4.5) Investment Policy in Subsidiaries and Associated Companies

The Company will consider investing in businesses that support and benefit the Company's business operations or a business in an industry that has a growing trend, and the return on investment is important. In case of the associated company, the Company will oversee by sending a representative from the Company in the position of Director according to the percentage of shareholding.



- LTNDT -

The Company has entered into a joint venture with entrepreneurs in the Lao People's Democratic Republic (Lao PDR), who are not a related party. The Company held the shares at a ratio of 70% and the company in Lao People's Democratic Republic held the shares in the ratio of 30% under the title "LTNDT" by conducting business as a project consultant. Moreover, the Company also received support from the Board of Investment (BOI) for a period of 15 years, which is in the process of studying the project feasibility.



- TNDT CM -

"TNDT CM Company Limited" or "TNDT CM", a company registered in Thailand, operates in coal mining business in the Republic of the Union of Myanmar, where the Company holds 46 percent of the shares, a Thai businessman holds 46 percent, and a Myanmar partner holds shares at the rate of 8% of the paid-up capital. While waiting for the progress of the power plant, it was considered to enter into a new business in order to increase the opportunity to generate income for the Company. Therefore, the Company's objectives were amended and added to create opportunities to expand the business. Later, in 2021 there was a change in the shareholder structure, whereby the Company still holds 46% of the shares, the Company's directors hold 54% of the shares, and the Company's executive holds shares in the ratio of less than 1 percent (holding 1 share) of the paid-up capital. However, the shareholding of such directors and executives is a temporary transfer of shares to be forwarded to potential investors in the new business group, according to the company's policy that there will be no additional investment in the unprofitable business



- MKTNDT -

The Company has entered into a joint venture (Joint Venture) with a partner Min Khit Thit Mining Company Limited (MKT) in the Republic of the Union of Myanmar, under the company name MKTNDT Company Limited or MKTNDT on June 30, 2014 as a juristic person registered in Myanmar, to run an energy business and other related businesses in the Republic of the Union of Myanmar, where MKT holds 45% and the Company holds 55% of the registered capital. 1,000,000,000 Kyats (approximately 28,300,000 baht) and In 2021, the company changed MKTNDT to Project Company to give investors' confidence and more of flexibility in investment. therefore, the Company sold 55% of the Company's shares to TNDT POWER (a subsidiary in which the Company holds 99.97 percent of shares). As a registered company as a Joint Venture Agreement with MKT, MKTNDT's new shareholding structure is TNDT POWER, holding 55% of shares. Mr. Thanun Satavuthi, Deputy Managing Director / Deputy Chief Executive Officer holding 35% shares and MKT holding 10% shares. The Joint Venture Agreement between TNDT Power and MKT determines the shareholding ratio of Project Company at 90 : 10 (TNDT POWER : MKT).



- TNDT POWER -

"TNDT Power Company Limited" or "TNDT POWER" is a company registered in Thailand which operates energy business both domestically and internationally. The Company holds 99.97% of shares, 1 Director of the Company holds 0.01% of shares ,and 2 Company Executives hold 0.01% of share each, of the registered capital of 1,000,000 baht (one million baht)



- PT TNDT Inspection and Consultation -

The Company has entered into a joint venture (Joint Venture) with entrepreneurs in the Republic of Indonesia under the name "PT TNDT INSPECTION AND CONSULTATION" on August 25, 2020 to operate business related to electrical installation systems and other related businesses in the Republic of Indonesia. The Company holds 95% of shares and its Indonesian partner, Mr.Sukrawadi, is not a connected person who holding shares in the ratio of 5% of the registered capital of 11 billion rupees

(For more details, can be viewed at the topic "Investment and Overseeing the Subsidiaries and Associated Companies" page 122)

1.8 Structure of Shareholding

1.8.1 Shareholders

(1) Major Shareholders

The Company's top 10 major shareholder groups, as on the Record Date (RD) of attending the Shareholders' General Meeting (XM) on March 15, 2022, comprised of :

Name	Number of Shares	%
1. The Ms. CHOMDUEN SATAVATHI Consist of ¹		
1.1 Ms. Chomduen Satavuthi	232,008,240	34.00
1.2 Mr. Krirkkiat Satavuthi	25,620,000	3.76
1.3 Mr. Suwat Dangpibulskul	22,750,000	3.33
1.4 Mr. Anusorn Satavuthi	9,225,000	1.35
1.5 Mrs. Juraistri Satavuthi	5,877,400	0.86
1.6 Ms. Rassiya Satavuthi	2,472,600	0.36
1.7 Mr. Thanun Satavuthi	786,000	0.12
Total Shares of The Ms. CHOMDUEN SATAVATHI	298,739,240	43.78
2. Mrs. Sansanee Paripunyukhonthorn	24,930,000	3.65
3. The NUCHITKHAJORNWUTH Consist of		
3.1 Mr. Sirichai Nuchitkhajornwuth	16,800,000	2.46
3.2 Mrs. Darunee Nuchitkhajornwuth	56,000	0.01
Total Shares of The NUCHITKHAJORNWUTH	16,856,000	2.47
4. The WONGKUSONLERD consist of		
4.1 Mr. Sompong Wongkusonlerd	13,410,000	1.97
4.2 Ms. Patinya Wongkusonlerd	600	0.00
Total Shares of The WONGKUSONLERD	13,410,600	1.97
5. Mr. Janewit Leungchareunkit	12,650,000	1.85
6. The SAKULRAEMRUNG consist of		
6.1 Ms. Vajana Sakulraemrung	11,844,000	1.74
6.2 Ms. Naiyana Sakulraemrung	69,000	0.01
Total Shares of The SAKULRAEMRUNG	11,913,000	1.75
7. The SATHIENSAKPONG consist of		
7.1 Mr. Muangthong Sathiensakpong	11,701,800	1.72
7.2 Mr. Nutthun Sathiensakpong	23,400	0.00
7.3 Mr. Chaipreuk Sathiensakpong	16,000	0.00
Total Shares of The SATHIENSAKPONG	11,741,200	1.72

Name	Number of Shares	%
8. The PAN-NGUM consist of		
8.1 Mrs. Wattanee Pan-ngum	10,079,400	1.48
8.2 Mr. Ittiphol Pan-ngum	9,420,000	1.38
8.3 Mr. Settha Pan-ngum	3,900,000	0.57
8.4 Mrs. Thippalak Satphaibulkij	1,473,000	0.22
Total Shares of The PAN-NGUM	24,872,400	3.65
9. Thai NVDR Co., Ltd.	9,592,168	1.41
10. The PHITHAKSEMAKUL consist of		
10.1 Mr. Samrit Phithaksemakul	6,415,000	0.94
10.2 Mr. Thitiwat Phithaksemakul	50,000	0.01
Total Shares of The PHITHAKSEMAKUL	6,465,000	0.95
Total Top 10 Major Shareholders	431,169,608	63.19
Others	251,127,978	36.81
Grand Total	682,297,586	100.00

REMARK :

- Investors can view the current information as of the Record Date (XM) at the Company Website (www.tndt.co.th), page "Investor Relations", title of "the shareholders information" and subtitle of "Major Shareholders".

(2) Group of Shareholders that may affect the operation of the Company

The Ms. CHOMDUEN SATAVATHI, consist of Ms. Chomduen Satavuthi, Mr. Krirkkiat Satavuthi, Mr. Suwat Dangpibulskul, Mr. Anusorn Satavuthi, Mrs. Juraisri Satavuthi, Ms. Rassiya Satavuthi, Mr. Thanun Satavuthi (collectively called "the Majority Shareholders"), were a group of acting in concert, according to the Capital Market Commission Board announcement (TorJor.7/2552) under "The specifications of relationship or behavior described as "acting in concert" and the provision of Section 246 and Section 247 of the Securities and Exchange

(3) Distribution of Shareholders by Nationality on March 15, 2022

Shareholders	Grand Total			Corporations			Individuals		
	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
Thai Shareholders	4,143	682,231,520	99.99	5	11,685,368	1.71	4,138	670,546,152	98.28
Foreign Shareholders	4	66,066	0.01	1	60,000	0.01	3	6,066	0.00
Total	4,147	682,297,586	100.00	6	11,745,368	1.72	4,141	670,552,218	98.28

(4) Restriction of the Company's Shares Transfer

The Company's shares can be transferred without restrictions unless such transfer results in the foreign shareholders holding over 49.00 percent of the total number of the Company's shares sold. If any transfer of shares will result in the foreigners' shareholding of over the above ratio, the Company has the right to refuse the registration of such shares transfer.

(5) Shareholding through Thai NVDR Co., Ltd.

As of March 15, 2022, Thai NVDR Co., Ltd. has held 9,592,168 ordinary shares or 1.41 percent of the Company's total issued and paid-up shares. Such investors will obtain the financial benefits as if investing in common shares of a listed company in all respects, whether its dividend, its rights to purchase new shares, or warrants. Such investors cannot exercise the right to vote in the shareholders' meeting, except in the case of exercising voting rights on the delisting of shares from the Stock Exchange of Thailand.

1.8.2 Registered and Paid-up Capital

As of December 31, 2021, the Company's registered capital on the Market for Alternative Investment (MAI) was 362,640,580.50 baht, while the paid-up was 120,470,623.00 baht, divided into 240,941,246 common shares with a par value of 0.50 baht per share, and the rights to vote 1 share per 1 vote.

1.8.3 Other Shares with Different Terms or Rights from Common Shares

- None -

1.8.4 TNDT's Shares or Convertible Securities as Underlying Securities for Issuing Mutual Funds for Foreign Investors

- None -

1.8.5 Issuance of Other Securities

(1) Convertible Securities

Issuance and offering of convertible debentures

On April 26, 2021, the Annual General Meeting of Shareholders No. 15/2021 has approved the Company's issuance and offering of convertible debentures with a total offering value of not exceeding 100,000,000 baht (one hundred million baht) to the private placement, which was specific investors, namely Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1"). Such Funds are not connected persons to the Company, in accordance with the Notification of the Capital Market Supervisory Board No. Tor.Jor. 21/2551 Re: Rules for Connected Transactions. The details are as follows.

Topic	Details
Type of Convertible Debentures	Senior Unsecured Convertible Debentures (“Convertible Debentures”)
Currency	THB
Total Principal amount	Not exceeding Baht 100,000,000 Baht as it can be break down to 20 sub-tranches equally at Baht 5,000,000 per sub-tranche
Conversion Condition	<p>The Company will issue the Convertible Debentures by tranches respectively and in issuance of each tranche, the Company will issue each set in accordance to the requirement of the Company's liquidity. The issuance of the Convertible Debentures is dependent on the completion of the conditions precedent and the terms and conditions of the Convertible Debentures namely the approval from the Securities and Exchange Commission and other relevant authorities.</p> <p>However, the timeframe of the issuance of convertible debentures is 1 year after shareholder's meeting of the Company approved the issuance of Convertible Debentures. If the Company does not issue the Convertible Debentures within 1 year, the Company may request another shareholders' resolution regarding the unissued Convertible Debentures, depending on the requirement of the Company's liquidity.</p>
Interest Rate	2.00 percent per annum, provided that the interest will be paid on a quarterly basis
Maturity Period	3 year after the issuance of each Tranche
Payback Condition	Repay in lump sum after the due date of each tranche according to the term and condition of the Convertible Debentures of each tranche
Redeem Rights before Due Date	The holders of the Convertible Debentures may or may not have rights to redeem the Convertible Debentures before due date and/or the issuer of the Convertible Debentures may or may not have rights to redeem the Convertible Debentures before due date too. The redemption has to be followed by the terms and conditions of each set aligned with rules, regulations, laws and/or permissions from related authorized Governmental Bodies
Conversion Ratio	Principle amount of the Convertible Debentures divided by the conversion price
Conversion price	<p>Not lower than 90.00 percent of market price which does not in the case the price is lower than the offering price offered pursuant to the Notification No. Tor Chor. 72/2558</p> <p>“The market price” shall be calculated based on the weighted average price of the Company's shares trading on the Stock Exchange of Thailand for the past 7-15 consecutive business days (Floating Conversion Price)</p> <p>However, if the conversion price calculated above is lower than the par value of the company's shares. The company must issue additional compensation shares for the calculation of all shares issued at par value is based on the conversion price.</p>

Topic	Details
Conversion price (Continued)	<p>Noted:</p> <ul style="list-style-type: none"> - If the Common stock that result from the Debenture Conversion converts with lower than 90.00 percent of the market price at the exercise date. (The market price on the exercise date is calculated based on the weighted average price of the company's shares on the Stock Exchange of Thailand. Not less than 7 consecutive business days but not more than 15 consecutive business days before the date that convertible bondholders exercise their convertible bonds. The weighted average price is calculated from the weighted closing price by the trading volume of each consecutive business day.) The company is obliged to prohibit the AO Fund and AO Fund 1 ("investors") the Debenture Conversion in the period on 1 year after the investor received such stock (Silent Period). In such, after 6 month the investor can sell some of the stock (25.00 percent of the amount) regard with the guideline of the Stock Exchange of Thailand; The term, condition, and the acceptance of the common stock or prefer stock to listed on the exchange of 2015 dated 11 May 2015 (And the amendment). - In case of stock conversion is insufficient, the company will follow the guideline in the topic "The event of the Company has to issued new share to accomplish the conversion**".
Conversion Period	The holder of the Convertible Debentures may exercise their rights of conversion of the Convertible Debentures into the Company's until the close of business on the date falling 7 days prior to the maturity date of the Convertible Debentures.
Number of ordinary shares reserved for conversion	41,760,387 shares (equivalent to 17.27 percent of the total issued shares of the Company after registering the paid-up capital which are based on the assumption that the Convertible Debentures shall be entirely exercised.)
Secondary market for ordinary shares issued after conversion	The Company shall arrange to list the ordinary shares issued after the conversion of the Convertible Debentures on the Market for Alternative Investment (MAI) or other stock exchange where the shares of the Company is a listed security at that time
Restrictions on transfer of the Convertible Debentures	As this issuance and offering of the Convertible Debentures is considered as an offering to no more than 10 specific investors within four-month period as specified in the Notification of the Capital Market Supervisory Board No. TorJor. 17/2561 Re: Application for and Approval of the Offering for Sale of Newly Issued Debt Instruments (the "Notification No. TorJor. 17/2561"). Therefore, the transfer of the Convertible Debentures to any person at any time throughout its tenure shall not cause the number of the holders to exceed 10 specific investors within four-month period, provided that the number of the holders shall be calculated from actual investors holding the Convertible Debentures on private placement basis (whether such investors hold the newly issued convertible debentures or receive the con-vertible debenture from the transfer by any existing Convertible Debentures hold-ers), except by way of inheritance
Allocation Method	The Convertible Debentures will be entirely allotted at once or many times to Advance Opportunities Fund ("Ao Fund") and Advance Opportunities Fund 1 ("Ao Fund 1") as an institutional investors pursuant to Clause 4 (10) of the Notification of the Securities and Exchange Commission KorJor. 4/2560 Re: Determination of the Definitions of Institutional Investor, Ultra-high Net Worth Investor and High Net Worth Investor. This offering of the Convertible Debentures is in accordance with Clauses 43 and 56 of the Notification No. TorJor. 17/2561
The event of the Company has to issued new share to accomplish the conversion**	The Company may register increase in capital to accomplish the conversion by the resolution of shareholders meeting or compensate in cash to the Convertible Debentures holder regard with Term and Condition of Debenture

Topic	Details
Impacts to Shareholders	<p>In considering of the impacts on the Company's shareholders, it will be taken for consideration in the case where the investor of the Convertible Debentures issued by the Company exercised fully exercised the whole amount of the Convertible Debentures. In this regard, two aspects of the impacts to the shareholders of the Company will be taken into consideration i.e. impact to market price of the shares (Price Dilution) and impact to voting rights of the existing shareholders (Control Dilution).</p> <p>(1) Price Dilution</p> <p>Price Dilution = $(P_o - P_E) / P_o$</p> <p>P_o = Existing share price which is equivalent to Baht 3.1754 per share, calculated based on the weighted average price of the Company's shares trading on the Stock Exchange of Thailand for the past 15 consecutive business days prior to the date the Board of Directors' Meeting has passed the resolution to propose to the Annual General Meeting of the Shareholders No. 15/2021 to consider and approve the issuance of the newly issued ordinary shares in order to reserve for the exercise of the conversion right of the Convertible Debentures by way of private placement during the period from 4 February 2021 to 25 February 2021</p> <p>P_e = Conversion Price of Convertible Debentures which is equivalent to Baht 2.8579 per share</p> <p>Q_o = Number of existing shares which is equivalent to 200,000,000 shares</p> <p>Q_e = Number of shares arising from the exercise of conversion right of the Convertible Debentures, number of ordinary shares reserved for conversion of 41,760,387 shares</p> <p>P_E = Share price after the issuance of Convertible Debentures,</p> <p>where</p> <p>$P_E = ((P_o * Q_o) + (P_e * Q_e)) / (Q_o + Q_e)$</p> <p>$P_E = (3.1754 \times 200,000,000) + (2.8579 \times 41,760,387) / (200,000,000 + 41,760,387)$</p> <p>$P_E = \text{Baht } 3.1206 \text{ per share}$</p> <p>Price Dilution = $(P_o - P_E) / P_o = (3.1754 - 3.1206) / 3.1754 = 1.73\%$</p> <p>In case that all convertible debentures are fully exercised, the impact to the market price of the shares will be 1.73% which incurred from issuing convertible debentures at 90% of P_o.</p> <p>(2) Control Dilution</p> <p>Control Dilution = $Q_e / (Q_o + Q_e)$</p> <p>Where;</p> <p>Q_o = Number of existing shares which is equivalent to 200,000,000 shares</p> <p>Q_e = Number of shares arising from the exercise of conversion right of the Convertible Debentures, number of ordinary shares reserved for conversion of 41,760,387 shares</p> <p>Control Dilution = $41,760,387 / (200,000,000 + 41,760,387) = 17.27\%$</p> <p>In case that all convertible debentures are fully exercised, the shareholders of the Company will be diluted of its shareholding at the rate of 17.27%</p>
Other Information	<p>The details described above are the summary of the terms and conditions of the Convertible Debentures and are still subject to change. Further relevant details will be stipulated in the terms and conditions of the Convertible Debentures.</p>

(2) Debt Securities

Issuance and offering of debentures

On April 26, 2021, the Annual General Meeting of Shareholders No. 15/2021 has passed a resolution to allow the Company's issuance and offering debentures with the total amount not exceeding 1,500,000,000 (One billion and five hundred million) baht or in other currencies at the equivalent rate at any given time (Revolving Basis), details are as follows:

Topic	Details
Objectives	: To support the liquidity and/or investment fund for business expansion and/or working capital of the Company including refinancing, or other purposes as the Board of Directors deems appropriate.
Benefits of Issuance and Offering of Debentures	: To increase funding options, to raise funds immediately in response to interest rate fluctuations. Including strengthening the financial position of the company. And enhance the image of the company due to the credit rating results
Type	: All types of debentures (Except Convertible Debentures), with or without a name registered, subordinated or unsubordinated debentures, with or without Debenture holder's representative, secured or unsecured depending on the market conditions at each time of issuance and offering, as suitable, and per other related factors.
Amount and offered value	: Not exceed Baht 1.5 Billion or equivalent. The Company may issue and offer additional debentures of any kinds in place of the issued debentures that will be redeemed or bought back under the above-stated amount of the Project. The issued and sold debentures that are not redeemed, at any time, shall not be exceeding the above amount (Revolving Basis).
Characteristics	: The Company may issue and offer any additional type of debenture and / or issue and offer for sale of the debentures to replace the existing debentures which have been redeemed or bought back within the limit specified above. The total principal outstanding of the debentures that the company has issued at any given time must not exceed the above limit (Revolving Basis).
Currency	: Thai Baht and/or and foreign currency by using the exchange rate at such time of issuance and offering of the Debentures.
Maturity	: For short term debentures: not exceeding 270 days. For long term debentures: not exceeding 5 years from the date of issuance of the debenture to be determined each time. It depends on the market conditions at the time of issuing and offering debentures or according to the terms and conditions of the debentures issued at that time.
Interest Rate	: Based on the bond market at the time of issuance and offering or other related factors.
Offer method	: Offering to local and/or foreign investors, to the general public and / or institutional investors, high net worth investors and / or specific investors, or any person. The debentures may be offered in whole or in part, which may be divided into an offer for sale at the same time or several times and / or as a project and / or in a revolving basis (Revolving Basis). This shall be subject to the notification of the Securities and Exchange Commission. and the Securities Market and / or the Capital Market Supervisory Board and / or the SEC and / or other regulations. And / or other laws Relevant that is effective at the time of issuing and offering the bonds.
Principal repayment	: Amortization or bullet repayment when debentures reach their maturity date
Debentures Redemption	: Debenture holders and/or the Company may or may not have the right to redeem debentures prior to maturity date, depending on the terms and conditions of each debenture issuance.

1.9 Dividend Policy

The Company has the policy to pay dividend to shareholders each year, in the amount of no less than 40% of net profits after allocating legal reserves as determined by the Company's regulations and relevant laws, by considering the net profit according to the consolidated financial statements of the Company. In this regard, such dividend payment will depend on the Company's operating results, liquidity, financial status, operational plans, and future investment plans, as well as other factors that the Board of Directors deems appropriate in the future. In addition, such dividend payment shall not significantly affect the normal operation of the Company. For the annual dividend payment, the Board of Directors have to consider and propose to the shareholders' meeting for approval.

For interim dividend payment, the Board of Directors can consider and approve the interim dividend payment in case such payment does not affect the Company's business operation, sufficient for the liquidity and financial status later. The interim dividend payment shall be reported to the shareholders in the next meeting.

Dividend Payment Information	Year			
	2009	2010	2011	2012
Earnings Per Share	0.65	0.41	0.76	0.76
Dividends	0.26	0.20	0.31	0.31
Payout Ratio %	39.92	49.12	40.69	40.53

Dividend Payment Information	Year			
	2013	2014	2015	2016
Earnings Per Share	0.87	0.90	0.67	0.0
Dividends	0.35	0.37	0.27	0.12
Payout Ratio %	40.44	41.04	40.31	40.59

Dividend Payment Information	Year				
	2017	2018	2019	2020	2021
Earnings Per Share	0.27	(0.81)	0.27	0.39	(0.031)
Dividends	0.00	0.00	0.00	0.00	0.00
Payout Ratio %	-	-	-	-	-

**The Extraordinary General Meeting of Shareholders approved the interim dividend payment as stock dividends and cash, appropriated from allocated retained earnings in general reserve as unappropriated retained earnings, in accordance with the Company's separate financial statements as of September 30, 2021, both in the form of stock dividends and cash at the rate of 1.10 baht per share.*

Risk Management



2.1 Risk Management Policy and Plan

Thai Nondestructive Testing Co., Ltd. (the Company) realizes the importance of efficient and effective risk management, which will assist the Company to achieve objectives, success, sustainability growth in dimensions of economy, society, and environment under the change of technology, society, business model and environments both inside and outside the organization, to respond to the needs of all stakeholder groups in a balanced manner, and to prevent potential losses from uncertainties, as well as to seek opportunities for value creation both domestically and internationally.

The Company manages the risks involved with the company comprehensively by preparing risk management policies and manuals as a guideline for risk management, which the Board of Directors, Executives and all Employees are responsible for the risks in their own work and responsible for study, analyze, assess the likelihood and severity of the impact on the Company's business operations and find measures to prevent and control those risks in accordance with the Company's objectives, goals and strategic plans, as well as assess the effectiveness of risk management, monitor the situation and various uncertain risk factors and report to the Audit Committee and the Board of Directors for acknowledgment.

In this, the policy and risk management manual have to be reviewed at least once a year as well as establishing appropriate technology systems to support more efficient risk management.

(1) Risk Management

Risk Management Committee

The Board of Directors has not yet formed risk management committee. Therefore, the Board would assign the Audit Committee to review the operations complying with code of conducts and the corporate governance principles, including setting up the Risk Management Policy and the Internal Control System to review and assess the risks management of the operations in all aspects both internal and external organization including the overseas businesses, for the best interests. The Audit Committee would review the policies, guidelines and the progress of the risks management, including various operational procedures and evaluate to reduce or control the risks so that the effects were at the acceptable level and prevent the corruption. and that the Audit Committee would present the findings to the Board of Directors quarterly.

Risk Management Policy

The Company realized the importance of risk management both at the executives level and the operational level, by applying the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in the form of Enterprise Risk Management, related principles such as Corporate Governance Code (CG Code) of the Office of the Securities and Exchange Commission (SEC) and sustainability (Environmental, Social and Governance: ESG) of the Stocks Exchange of Thailand (SET) for risk management and corporate governance in the social dimensions, economic dimensions and environmental dimensions with organizations concerned such as risk owner, internal audit and executive committee representative jointly consider the risks from internal and external factors to set guidelines for effective risk management in the same direction, It covers all potential risks. to be reviewed and regular audit the risk management system and monitor new risks that may arise in the future to prevent corruption, timely risk management, and reduced the impact of any potential to be in its risk appetite level.

The Company's Risk Management Policy required to cover all business lines and economic zones in both domestically and internationally, including executives and employees of all levels.

1.To ensure that all parts specify, assess and manage their critical or unacceptable risks regularly, consider competence and suitability in actual practice with a balance between cost and the results obtained from risk management.

2.To provide communication and transfer of risk management knowledge to employees regularly and develop employees to understand, aware of being responsible for various risks in their line of work, as well as jointly manage the risks in the responsible work.

Working group and people involved in the Company's risk management will report the performance on key risk issues, affecting the financial statements, operating results, good governance, sustainability and image that may reduce customer confidence, investors and those related, to the Board of Director regularly, as well as continually improve the effectiveness of risk management.

In case of urgent change, The head of department must review the risks to set control measures and report special agendas to the Executive Committee for acknowledgment immediately.

For more information, please visit the Company Website (www.tndt.co.th) in the “Sustainability” section under the title of “Policy”, subtitle “Risk Management Policy”.

(2) Risk Management Plan



1. Define Objectives

Define objectives of risk management in accordance with the policy and vision of the organization including the impact on economy, society, community and environment. Set risk management goal to be clear and appropriate by using SMART principles, which consisted of

- Specific : Set a clear goal
- Measurable : able to measure
- Attainable : Achievable
- Relevant : consistent with the objectives and goals
- Timely : Set a clear time period

2. Identify Risks

Identifying risks is a very important step in understanding the cause of the risk, identify operational activities that may cause damage and failure to achieve its objectives, Risk identification is a joint meeting of various departments in the organization to identify common risks as well as to define Risk Appetite and Risk Tolerance which consists of the risks covered various aspects as follows:

- Business Risk
- Operational Risk
- Financial Risk
- Environmental Risk
- Emerging and Other Risk

3. Analyze and Assess Risks

Analyze and assess risks from identifying risk factors. It consists of two components as follows:

- 3.1 Likelihood
- 3.2 Impact

4. Plan Risk Management Actions

Risk management shall begin with the Executives and personnel in the organization to have a consistent understanding of the definition of risk, in order that everyone can identify risks and opportunities in the same direction. In operations, the Executives is always faced with events of uncertainty, those events may have a negative or positive impacts on the management of the organization. Negative results are considered risks, while the positive impact will create opportunities for the organization. Risk management is essential as follows:

- 4.1 To encourage the organization to determine the acceptable level of risks.
- 4.2 To establish an effective framework for the organization to manage the uncertainty of risks.
- 4.3 To be a part of good corporate governance

4.4 To be an important tool in management.

4.5 To reflect an overview of the major risks.

4.6 To create a useful database for management and operations.

4.7 To develop the organization in the same direction.

5. Implement Action Plans

For the implementation of the risk management and action plans to be efficient, the person in charge must consider and plan the communication to the relevant parties, especially those who are the direct practitioners. Some approaches may require educating before taking action. or simulating the event. Even with well-defined risk management, organizations shall not stand still or stop risk management activities due to emerging risks can always occur, Therefore, the organization shall have activities to assess emerging risks at any time to seek ways to deal with such risks appropriately and in a timely manner.

6. Monitoring

Being a complete risk management system, the organization shall assess and monitor the implementation of the risk management as planned, review and continue the effective plan which can reduce the risks, or adjust any risk to suit the management plan. The Company determines the frequency of monitoring every 3 months and reports to the Board of Directors furthermore.

Risk Assessments Matrix			Likelihood				
			Very Low	Low	Medium	High	Very High
			1	2	3	4	5
Impact / Severity	Very High	5	5	10	15	20	25
	High	4	4	8	12	16	20
	Medium	3	3	6	9	12	15
	Low	2	2	4	6	8	10
	Very Low	1	1	2	3	4	5
			Risk Level				

Severity Level	Score	Meaning
Low	1 - 3	Acceptable risk without risk control.
Medium	4 - 9	Acceptable risk and prevent to move into unacceptable level.
High	10 - 16	Unacceptable level and must manage the risk into the acceptable level.
Very High	17 - 25	Risk Level is unacceptable and need to manage the risk and accelerate into acceptable level.

2.2 Risk Factors for the Company's Business Operation

2.2.1 Risks in the business of the Company or Subsidiaries (Current and Emerging Risk)

(1) Economic Risks

1.1 Business Strategy Risks

(A) Competition and Industrial Risk

Impact

- In the industrial situation with high growth rates, the shortage of personnel especially NDT technicians have occurred, resulting in the competition for personnel snatching would be intense. In these, the good service fee has occurred as well.

- In the case of a severe industry contraction as the ongoing occurred situation, the intense competition in low prices tends to be.

- Due to the COVID-19 epidemic situation, the industry has been disrupted. The services could not be provided while the Emergency Decree was announced to control such an epidemic. Even as the situation has been resolved, the NDT & Inspection industry would be slowly recovering. However, the competition is expected to intensify with the low-price war.

Risk Management

- Developing NDT technicians regularly and appropriately based on growth rate of the industry.

- Controlling the costs of services and manage the organization concisely. Meanwhile, the Company has improved, developed and promoted for preparedness in efficiency and potentially in order for the upcoming opportunities after crisis.

- Planning to diversify to other industries with the opportunities of continual growth in the future, such as agricultural, medical and food industries, etc.

- Seeking for business partners in order to strengthen the organization.

(B) Business Administration Policy

Impact

- Since the Company has been operating in NDT & Inspection as the main operation continuously for over 40 years, more competitors have emerged in the business, resulting in more severe competition.

- The industrial situation has been in the recession which might affect the results of performance at a level of no conducive to commercial.

- The rapid transformation of technology & innovation by the trends of industries and consumers' behaviour has affected the Company to inevitably confront the uncertainty of businesses.

- The errors and delays in communication, coordination between departments within the organization has affected the service reliability, the enterprise resources planning for more efficiency, and the value-added creation of the organization and the best interest of stakeholders.

Risk Management

- Managing by considering the expansion of services to other industrial groups, such as medical, public health, agriculture, etc.

- Diversifying to the accustomed business group that the Company has the experiences of inspection such as the energy business, etc.

- Developing the technical and processes of services to meet the modern era and the future, by focusing on reducing unskilled labour and use newly innovated technologies and innovation instead.

- Implementing the ERP system or software for the overall enterprise resources planning. Collecting and recording all data in the main database. Allowing the management or other departments to access the data immediately and enable organizations to co-work efficiently.

- Collecting the external data to develop the communication systems and be able to engage with the external organizations for more efficiency.

1.2 Financial Liquidity Risks

(A) Customer Services Fee

Impact

- The impact of the economy has not recovered alongside the situation of Covid-19 for the past 2 years, resulting in some small and large customers having overdue payments, including denying the debts from going out of business.

Risk Management

- Managing the risk by accelerating debt settlement even faster.

- Using a time relief policy by adjusting the duration or credit limit as appropriate.

- Adopting a strict policy in credit term decision to customers with stable financial status and collateral as a first priority.

- Temporary suspending for more work in case of long-overdue customers.

- Negotiating to solve problems along with the customers.

- Conversion of assets to repay the debt.

- The lawsuits would only mean to be the last resort, to maintain the customers base once the economy recovered.

(B) Plan to support the Investment Expansion.

Impact

- Due to the Company's in-process continuity of business expansion, some projects were pending both domestic and overseas. The requiring is to prepare financially both in the form of fundraising, issuing debentures, and loans from financial institutions.

Risk Management

- Preparing the finances in accordance with the investment plans.

- Controlling the repayment of debts both principals and interests, not to pay overdue.

- Accelerating revenues from its investment sooner.
- Following up with the governments and financial institutions which support the Company during the epidemic situation of Covid-19.
- Using financial instruments such as fundraising, issuing debentures, capital increase, etc.

(C) Foreign Exchange

Impact

- The majority of equipment, tools and raw materials are imported, transforming the baht value to foreign currencies has affected both direct and indirect to the Company.
- For the foreign customers, either the workpieces which are imported or the foreign serviced.

Risk Management

- The equipment, tools and raw materials are using Baht as the currency, in order to reduce foreign exchange risk in accordance with the Company policy.
- All services payments are settled in Thai Baht or through a forward contract to specify the fixed cost.
- The Company will be developing tools and equipment for operational purposes, in order to reduce the dependency of foreign tools and equipment.

1.3 Cost of Services Risk

(A) Fluctuations in Cost of Materials and Uncontrollable Factors Risk, such as Government Agencies

Impact

- Materials price volatility disrupts the Company's service fixed cost and the material shortage disrupts the Company's continued services.
- Some materials are involved in government regulations, such as radioactive substances. Government policy changes may interfere with the implementation of legal procedures which may cause a shortage of material.

Risk Management

- All purchasing and selling contracts for raw materials must be finalized in advance with regards to the accurate quantities and fixed pricing.
- Drawing a carefully planned for raw material usage according to the actual project workload in each period, along with closely tracking the industrial situation.
- Maintaining a good alliance with the suppliers and distributors so that every party in the supply chain can jointly solve whenever there is any tendency of price fluctuation and unexpected shortage of the raw materials.
- Maintaining a good alliance with the suppliers and distributors so that every party in the supply chain can jointly solve whenever there is any tendency of price fluctuation and unexpected shortage of the raw materials.

1.4 Contractors' Procurement Risk

(A) Contractors' Procurement

Impact

- The construction contractors (customers) are mostly the private sectors. The projects are usually responsible by the contractors and have been approved on the efficiency of the inspections by the project owners. Therefore, the NDT & Inspection Services opportunities shall be pending on the two parties, while the terms, conditions and service fees are typically determined by these contractors. Acquiring NDT businesses through the contractors in this nature carries some inherent risks by reliance on contractors, receiving inappropriate service fees, and credit risk if the contractors have financial difficulties.
- Due to the COVID-19 epidemic situation, the economy, the industry, and the past oil and gas crisis continues to deteriorate. As a result, there is severe competition in lowering the service fees. This may cause unfair business behaviors of business partners and result in an increase in the operation cost while the service fee has to be reduced. This has increased the risk of losses and company governance.

Risk Management

- Taking caution by choosing to work with contractors which shall have financial stability and recognise the quality of services.
- Using the turnkey services by QA & QC management for the burden reduction and being beneficial to the project owners, for which, still having low competition, and for more business opportunities of the Company.
- Expanding the customer group into other industries, to reduce the risk of relying on only the former industrial group.

1.5 Wage Risk

(A) Wage

Impact

- The government's policy on each minimum wage increase affected directly to the Company's employee wages and increased in proportion, but not so much affected the qualified personnel.

Risk Management

- The Company reduced the risk of unskilled labour by accelerating the development of NDT personnel with those who have more potential and efficiency to serve the customers for more volumes of work, revenues, customers' satisfaction, and higher service fees at reasonable prices. Therefore, the cost of increasing wages, for the qualified personnel, is not the key factor of the Company's risk.

1.6 Supply Chain Management

Impact

- Having a sole trading partner in such product or service.
- The quality of products or services of the trading partners is not standardized or meet the requirements.

Risk Management

- Procuring the resources, materials, equipment, and tools from various sources to reduce the impact of monopoly or relying on only a sole trading partner.

- Selecting reliable partners, having a quality control system, products, or services following the objectives; in terms of quality, price, delivery, and other conditions as mutually agreed.

- Seeking products under the Green Procurement Policy by considering “Environmentally conscious production of goods or services” is one of the main factors in purchasing/procurement, along with “quality, price, delivery time”.

- Evaluating the partners monthly, to recheck after product acceptance. Collecting and summarizing the scores yearly, by grouping partners in specified criteria. If any are in lower criteria of assessment, a notice for quality improvement will be submitted or may remove from the approved vendor list.

(2) Social Risks

2.1 Management Risk in the Organization

(A) Personnel

Impact

- The expansion of the industry results in the shortage and migration of qualified personnel, which is the main factor of the inspection businesses.

- The current shrinkage of the industrial sector results in the overflowing of personnel.

Risk Management

- Seeking for partners in an inspection industry to solve the problem of shortage and overflow personnel problems appropriately.

- Promoting personnel in the organization by accelerate the development of Training Center in order to train personnel with more qualified and up-to-date efficiency, being readiness to cope with technological and social transformation by being trained by the experts, etc. both internal and external of the Organization, for the purpose of fully accumulating a variety of knowledge and expertise. The training intervenes in the professional ethics, morals, and virtues and to oppose corruption in all training courses so as to cultivate the awareness of being a good member of the organization including motivating the organization awareness, as well as reduce the shortage of qualified personnel migration.

- Seeking for the qualified personnel both domestic and international, who are qualified NDT technicians with knowledgeable, experience and expertise, correspond directly to reduce cost and time in forming the personnel while minimizing damage when migrating, reduce the labour law obligations, as well as enhance the Company services.

- Accelerating to develop and create innovation, to enhance competitiveness and reduce the unnecessary labour.

2.2 Occupational Health Risk

(A) Occupational Health

Impact

- The NDT Testing and Inspections have sometimes been done in hazardous locations, risk of accidents during operations, for example: work at height, confined spaces or chemicals area including a regular testing and inspection with radiation, etc.

Risk Management

- Setting up declaration, policy statements and safety measures, both the international standards and the domestic related to the rules and regulations strictly.

- Fully providing the standard safety protection for employees
- Training on correct and safe work practices, including how to deal with emergency cases for the employees, subcontractors and customers and reviewed regularly and timely. They were to ensure the safety and the confidence in the operations and services of the Company.

- Providing protective equipment in unsafe areas and warning signs in the event of an emergency including strictly following the rules of the place where the employees work.

- Being aware of the health and safety of the employees, especially the radiation operators, and would perform a monthly radiation dose check by the HSEQ department, as well as the Company's annual health check-up. This also included the rotation of the operators, in order to control the radiation values of the employees not being higher than the standard level.

- Providing an audit plan for Occupational health and safety of operators at each job site regularly. During the inspection, the power to stop work can be used for safety, being in line with the Company's policy, in order to conduct a risk analysis and to take corrective action in order to continue to work safely. Additional operational knowledge and behavioural adjustment will be provided to ensure better work safety.

2.3 Emerging Risk

(A) Epidemic Disease

Impact

- The safety concern of employees and people around who may have risk of catching the epidemic disease.

Risk Management

- The Executives have responded rapidly to the epidemic by providing policies and establishing a committee to work in response to the epidemic risk management.

- Closely monitoring the situation while following the rules and regulations of the law and lets the personnel to work from home.

- Adjusting the working time in both the office and service operation by employees are able to work from a safe location, as well as limiting personnel who are not involved in the work, keep far away from the operation area as possible.

- Providing and delivering disinfectants, masks, ATK test kits, and other necessities to prevent the epidemic disease, to various job sites. This includes cleaning the contact surface and spraying the standardized disinfectant regularly for a reasonable period of time, by the specific well-trained employees of the Company.

- Arranging for COVID-19 screening with ATK (Antigen Test Kit) before returning to work in the Company's area for everyone.

- Assessing health risks through the Thai Save Thai app each time the employees come to work in the Company's area, and the system will access automatically.

(B) Cyber Threat

Impact

- Impact on the hardware, software, and information system. This can come in many forms, such as dangers to the electrical distribution system, modifications to the software, malware, viruses, unauthorized access to the operating system, etc. may affect the system hardware. These threats may damage the corporate network or steal confidential business information. Or misuse the Company's data which may damage the operation of the Company greatly.

Risk Management

- Monitoring the situation and being on guard for new cybernetic threats. Including regular drills of cyber-attack threat response plans and disaster recovery plans to be able to respond to the incident promptly, this will let the Company be able to minimize the damage of the information system.
- Establishing and announcing policies and guidelines for the use of the information technology and communication system to all levels of the employees to raise awareness of the technology usage, as it will protect the Company's assets as well as the employee's personal information.
- Establishing the credentials system on a hierarchical basis and as needed. To prevent unauthorized access to information from anonymous users or accessed by unauthorized users or unauthorized persons.
- Increasing the security of the website by setting up measures to prevent a cyber-attack such as Web Application Firewall or DDoS.
- The Company employees are being careful when using the internet as well as avoid visiting inappropriate websites.

(C) Technological and Social Changes.

Impact

- The life needs of people in society have changed. This has made the Company services which focus on safety from the accidents to be inadequate.
- The development of electrical systems which replace the usage of oil may reduce the demand and production of fuel may affect the overall chain industry slowdown in the same direction, which affect the income and operations of the company.
- Adjustment of the employees to be ready for change.

Risk Management

- Expanding the services to other industrial sectors to a complete range of service and increase the service objectives to create added value and sterilization in the product lines such as medical, agricultural, consumer products including wastewater treatment, etc., which is a growing industry and has opportunities for continuous expansion.
- Adjusting the organization chart to be in line with the current business direction according to the era.
- Adjusting the work regulations in the organization to have more flexibility and order, to reduce unnecessary costs by using various applications to lower variable costs and increase productivity.

- Developing the employees' knowledge and understanding in line with the advancement of new technologies, including digital technology changes.

- Collaborates with partners and educational institutions to develop personnel, technology, and innovation.

2.4 PDPA Risk

Impact

- Failure to comply with regulations may lead to damages to the Company's reputation, fines and prosecution.

Risk Management

- Studying the guidelines for compliance and regulations on the protection of personal information under the Personal Data Protection Act 2019 (PDPA), which will take effect in 2021, all parties involved have to expedite the process, there is also a meeting to plan the policy, regulation and also the management of the Company's data.

(3) Environmental Risk

3.1 Waste Materials

Impact

- The risk of radiation leakage and the danger of improperly disposing of leftover material from the services.
- General waste from services and others; such as waste paper, tape cores, boxes, crates, steel, staples, etc., should be managed and reused cost-effectively.

Risk Management

- Complying with the rules and regulations set by the international standards or the public and the private sectors, for example: the regulation on radiation usage by the Office of Atoms for Peace, Ministry of Science and Technology, the regulations set by the Department of Business Energy, Ministry of Energy, and ASNT standards, etc.
- Correctly selecting and disposing of the leftover wastes from the services.
- Training the employees, partners, and contractors together every time before starting works in order for well-understanding of their duties, responsibilities as well as how to act in an emergency situation.
- Complying with the regulations of the area diligently and transports with a specialized vehicle promptly to prevent the impacts on the lives, properties, communities and the surrounding environment.
- Encourage employees to use available resources cost-effectively and efficiently and apply the 3R principles: recycle, reuse, and reduce which are the principles for responsible material handling.

3.2 Environment and Climate Changes

Impact

- The Service processes of the Company may directly and indirectly affect carbon dioxide and other greenhouse gases emissions into the atmosphere, resulting in global warming and climate change.

Risk Management

- Install the GPS tracking system on the company's vehicle to prevent inappropriate usage, this will reduce the carbon footprint while not contributing to commercial benefit to the organization.
- Paying attention and taking care of the environment under various policies, providing actions that have the least impact on the environment, such as the measurement and analysis of the concentration of hazardous chemicals in the workplace, providing the hand-held fire extinguishers containing non-toxic substances to the environment.
- Setting policies and targets to reduce energy consumption under the Energy Saving Program, starting with raising awareness, and awareness of energy conservation for employees at all levels, all offices, branches, and jobsites to participate through "closing, adjusting, cancelling, reducing" the use of electricity, water, and fuel within the organization.

(4) Risks from Other Factors

4.1 Political Risk

Impact

- Political stability helps to support economic and social development. At the same time, if political uncertainty retards confidence in economics and corporate governance, and cannot motivate the investors, both domestic and overseas, it will affect both the whole industry and the inspection industry.

Risk Management

- Avoiding involvement in unfair business behaviour and accelerating the development of NDT personnel with potentiality and efficiency and expanding the business steadily both domestic and other countries with high business growth, which has already been performed, for example in Lao People's Democratic Republic (PDR. Laos), the Republic of the Union of Myanmar and the Republic of Indonesia, etc.

4.2 Governance Agency

Impact

- The Company's business involves safety and security of human lives, property and the environment, as well as being regulated by many rules and regulations of the independent entities and the governmental organizations concerned. These rules and regulations have been modified and updated in content currently and continually. Although the compliance with the rules and regulations will incur additional costs of services, the more social rules and the easier management will occur.

Risk Management

- Monitoring and complying with the government policies and regulatory requirements closely to accommodate any consequences and allow effective business management.

4.3 Shareholders Meeting's Votes Control from the major shareholders

Impact

- The Major Shareholder of the Company is the Miss Chomdeun Satavuthi family, consisting of Miss Chomdeun Satavuthi / Mr.Krirkiat Satavuthi / Mrs.Juraisri Satavuthi / Mr.Anusorn Satavuthi / Miss Rassiya Satavuthi / Mr. Thanun Satavuthi and Mr.Suwat Dangphibulskul, herein referred to as "the Major Shareholders", control the percentage of the shares equal to 45.14% of the total shares already sold and is considered acting in concert, according to the Capital Market Commission Board announcement (TorJor.7/2552) under "The specifications of relationship or behavior described as 'acting in concert' in order to assert the owner's rights to vote and still pany. Therefore, the Major Shareholders has the authority in management and control the votes in most of the significant meetings, except legal matters or the Company's regulations which states that the accepted votes of the shareholders meeting must be no less than 3/4 of the number of shareholders present and has the right to vote in the case of a refusal. In other words, other shareholders in the meeting which has the right to vote may not be able to gather enough votes to refuse or balance out the management of the Major Shareholders.

Risk Management

- The Board of Directors have set up the policies and the transaction procedures by the directors, the Major Shareholders or the authorized personnel including individuals that may have conflicts of interests, must report and be granted an approval from the Audit Committee in all cases before proposing to the Board of Directors meeting for consideration and notify the Stock Exchange of Thailand within the next working day immediately in order to prevent the leakages of internal data and investment related information to be used for personal gains and to stop any possible conflict of interests that may arise. As a result, any approvals for the transactions must be beneficial, fair and reasonable, including being within the limitation and prices of the market, to which the Audit Committee will follow up all related transactions every quarter. This is done by having the internal control team to conduct the audit and the directors, who are related and/or have the stakes, will not be in the meeting and cannot vote during the Board of Directors' meeting.

Business Driven for Sustainability



03

"Visionary for Smart Decision"

3.1 Sustainability Management Policies and Goals

Company's main business is to provide testing, inspection and certification services with non-destructive technical processes (Non-Destructive Testing – NDT) to assess the usage conditions. By operating business from industries that are at high risk of serious incidents such as fuel, energy, chemical industry chains, large structures, etc., with the aim of becoming a social enterprise (SE) which is a business for life, property and environment safety with cutting-edge technology and innovation, this NDT technique can be applied in all industrial sectors including agriculture, nutrition, occupational health, medical and environment, etc.. Therefore, the company has adopted a business plan to provide services with an aim to complete expansion to other industries as well as increase the purpose of the service to create added value and the sterilisation in the product group including medical, agricultural, consumer products Including wastewater treatment, etc., which is a growing industry and has the opportunity to expand continuously by utilising the technology and innovation from the benefits of electron beam as a service technique to be in line with the trend as well as to meet the needs of the modern era both domestically, internationally and as well as to be align with the sustainability of the organisation.

Policy Overview

Since the main business involves Health, Safety, Security and Environment (HSSE), the Company must perform with the highest responsibility, and being in line with the theoretical principles. The Company must uphold the ethics and code of business conduct, moral principles and good virtue, has a good corporate governance as well as transparency in doing business that follows both the regulations of the public and private sectors in all activities involving the operation of the business and also refuses and opposes all forms of corruption in both the public and the private sectors in which all executives and employees have a duty to support, push and act in accordance with the policy and management framework in order to create credibility in the industrial sector, together with supporting the expansion plan according to the Company's strategies in the future.

Vision

To be a service provider that delivers confidence in the safety of life, property and the environment including creating an added value for the economic outcomes of the most reliable service recipients in ASEAN (ASEAN) under the concept of "Visionary for Smart Decision"

Mission

Propel the organization by accelerating the development of all factors which promote sustainable business growth, there are personnel, processes and business partners in the AEC countries, by adhering to operate the business with ethics, code of business conduct and morals along with responsibility to the community, society and the environment, as always practices

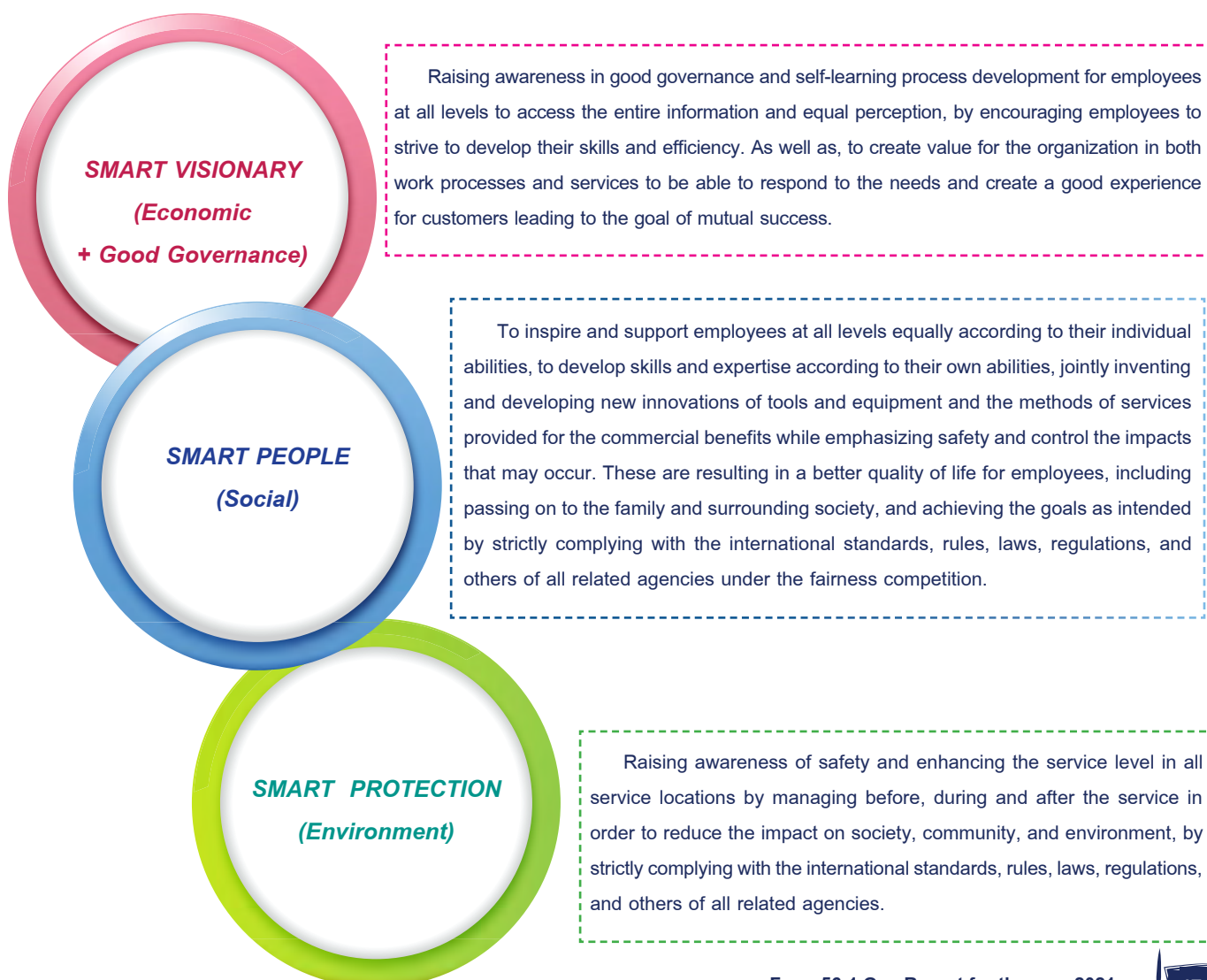
Corporate Sustainability Management Goals

The Company has reviewed the sustainability management policy annually by the Sustainable Development Committee. Which has considered and changed the strategy of sustainable development to “**Visionary for Smart Decision**” starting from 2020-2023, which recognizes the importance of technological change and the approaches to living in a new era as well as considering changes in the trends of various situations as may occur, including the relevant requirements and internal and external factors that may affect stakeholders. In 2021, the Company has integrated Sustainable Development Goals (SDGs) in accordance with its business operations by striving to achieve success with a purpose to achieve the vision Strategy direction and goals for sustainable development in all sectors.

Sustainability Strategy

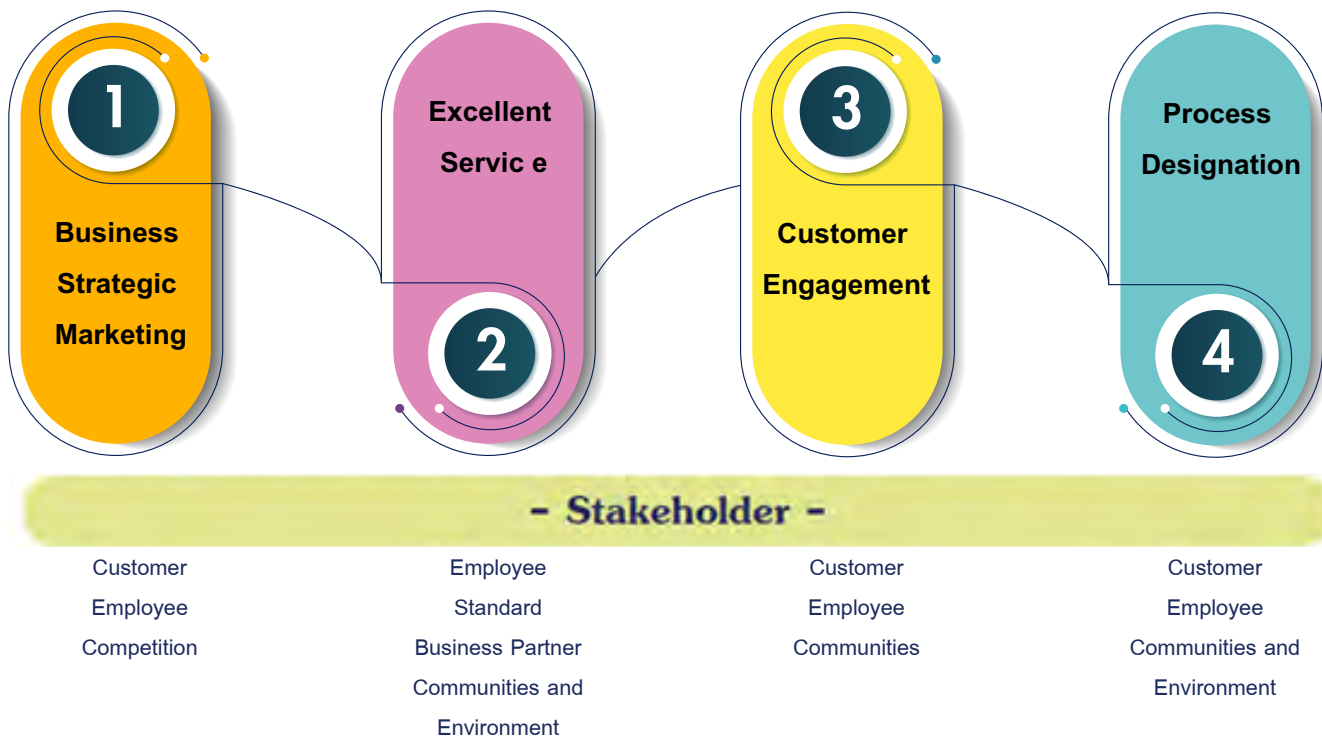


Sustainability Framework



3.2 Management of impacts on Stakeholders in the Value Chain

3.2.1 Value Chain



“ Visionary for Smart Decision

To deliver confidence with excellent service with knowledge and expertise to customers including recruiting and selecting various factors that is an element in the performance of duties as well as modern technology for customer to receive accurate information and use it to make the right decision to create sustainable mutual financial value ”

Reporting Guidelines

The Company operates its business based on the 8 corporate social responsibilities guidelines as regulated by the Securities Exchange of Thailand, the “CSR Guidelines” of the Securities and Exchange Commission and the Corporate Social Responsibilities Guidelines by the Corporate Social Responsibility Institute (CSRI) of the Stock Exchange of Thailand, together with the Guidelines of Global Reporting Initiative - GRI : G4 and lead Sustainable Development Goals: SDGs to integrate in accordance with business operation as the main practice in both the main office and the branch offices, also in the form of social responsibility reports so that the business can be conducted orderly, transparent, fair, accessible and verifiable. As a result, all stakeholders are confident in the management, leading to success in sustainable business operation.








Sustainability Committee


The Board of Directors has assigned the Company to establish the Sustainable Development Committee of TNDT (Company) (Sustainable Development Committee: TNDT-SDC) (Board of Directors), which consists of “Deputy Managing Director” as the chairman, including senior executives and supervisors of all levels, as well as employees from all departments of the Company and its subsidiaries to become a member with the authority to support and impel to achieve sustainability management in the area of “Sustainability Management Policy Announcement” “Sustainability Management Strategy Formulation” as well as “Sustainability Management Framework” as a guideline to create a balance between Business operation and responding to the expectations of the stakeholders as well as operating the business in accordance with the principles of Good Governance (CG) that takes into account the creation of maximization benefits for all stakeholders equitably in accordance with the Code of Business Conduct covering the economic, social and environmental aspects in order to determine policies, strategies and plans that are consistent with the goals of the Company and is the relevant international standard.

3.2.2 Stakeholder analysis in the business value chain


In 2021, the company applied the United Nations Sustainable Development Goals (UN SDGS) as a guideline for analysing and defining the scope of sustainability issues covering 3 dimensions including economic and governance dimensions, social dimensions. and environmental dimensions

SDGs issues	Stakeholders	Sustainability		
		Economic & Governance Dimension	Social dimension	Environmental dimension
 <p>3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol</p> <p>3.6 Reduce the number of deaths and injuries from road traffic accidents.</p> <p>3.9 Reduce the number of deaths and illnesses from hazardous chemicals and from pollution and contamination of air, water and soil.</p>	<ul style="list-style-type: none"> - Customer - Employee - Alliance 		<ul style="list-style-type: none"> • Human Rights • Safety and Healthy - Occupational Health Management and safety in work and service - Manage work environment risks, health and well-being of employees - Control and prevent the dangers of the harmful use of drugs and alcohol. - Manage safety to reduce the number of injuries and deaths from road accidents. - Efficient management of emergencies, crises and business continuity in order not to affect business, society, community and environment 	
 <p>4.4 Increase the number of young people and adults with require necessary skills including technical and professional skills for employment having a decent job and entrepreneurship</p> <p>4.7 Ensure that all learners have the knowledge and skills necessary to promote sustainable development, including education for sustainable development and sustainable livelihoods, human rights, gender equality and promote culture</p>	<ul style="list-style-type: none"> - Employee - Supplier 	<p>Good Governance</p> <ul style="list-style-type: none"> - Training, promoting and cultivating employees with knowledge and skills on sustainable development, human rights, ethics and anti-corruption. - Communicate and create mutual understanding through information technology media for everyone in the organisation including related parties to be informed and complied with under the same policy 	<p>Human Rights Innovation (Knowledge Management)</p> <ul style="list-style-type: none"> - Enhance potential and develop personnel to gain knowledge and equally train the technical and other necessary skills that are required. - Organise training courses on safety and environment from both inside and outside the organisation. - Transfer knowledge, professional expertise and sharing innovations with educational institutions, government agencies and external organisations. 	

SDGs issues		Stakeholders	Sustainability		
			Economic & Governance Dimension	Social dimension	Environmental dimension
	5.5 Ensure women to fully participate and have equal opportunity to lead at all levels of decision-making in politics, economics and public affairs.	- Shareholder / Investor - Employee	Good Governance - Recruit and select directors based on necessary skills, specialisation and has a variety of board structures which has at least one female committee	• Human Rights - Employment policy based on knowledge, expertise with non-discriminatory of gender, religion, race and culture	
	6.2 Achieve the goal of providing everyone with access to fair sanitation and hygiene and stop excretion in the open air 6.3 improves water quality by reducing pollution, eliminating littering and reducing the release of hazardous chemicals and hazardous materials. 6.4 Increase water usage efficiency across all sectors and ensure sustainable water usage and supply in order to solve the problem of water shortage	- Employee - Community		• Safety and Healthy - Occupational Health Management and safety in work and service - Manage work environment risks , health and well-being of employees	• Environment Management - Manage waste and residual materials responsibly by implementing 3R including Recycle, Reuse, Reduce and manage hazardous substances properly and appropriately.
	8.2 Achieve higher levels of economic productivity through diversity. Improve technology and innovation including focusing on manufacturing sectors with high added value and mainly use labour 8.5 achieve full employment, productivity and having decent job for all women and men including youth and people with disabilities and provide equality of wages and value	- Employee - Community - Shareholder - Supplier	• Customer Centric - Enhance the standard of service by developing ability, training, educating and creating new qualify personnel according to international standards - To develop and seek the technology of tools, equipment, innovations that are always up-to-date	• Human Rights - The Company has established employment policy with a non-discriminatory of sex, religion, race, culture, including providing fair welfare and compensation. - The Company has established policies and regulations based on basic rights that employees and their families should receive by consider equality, or greater than various basic standards that employees truly deserve	

SDGs issues		Stakeholders	Sustainability		
			Economic & Governance Dimension	Social dimension	Environmental dimension
 8 ลดต้นทุนและจ้างงานที่มีคุณภาพ (Continuous)	8.6 Reducing the proportion of unemployed youth, uneducated and untrained 8.7 Take effective measures immediately in order to eliminate forced labor, end modern slavery and human trafficking 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers	- Employee - Community - Shareholder - Supplier	• Customer Centric - Build good relationship with customers by providing satisfying service and discuss with customer in order to improve service processes that meet customer needs and comply with international standards	• Human Rights - There are projects / activities that support occupational Health and safety at work To reduce accidents to all personnel equally.	
 9 พัฒนาโครงสร้างพื้นฐาน, วิทยาศาสตร์, เทคโนโลยี, และนวัตกรรม	9.4 Improve infrastructure and industries to achieve sustainability by optimising resource utilisation and using cleaner and more environmentally friendly industrial technologies and processes. 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries	- Employee - Supplier - Customer	• Digital Transformation - Implement Microsoft 365 to enhance productivity, communication, and timely coordination for agility, flexible and responsive to today's uncertain situations - Use modern technology to provide services, which can increase efficiency, reduce time, cost and accidents caused by operators. - Reduce the use of resources in the work process by creating and storing more electronic files.	• Innovation (Knowledge Management) - Develop and transfer knowledge, professional expertise and sharing innovations with educational institutions, government agencies and external organisations	• Safety and Healthy - Purchasing, procuring and using environmentally friendly resources under the project "Green Procurement" by setting "environment" as one of the main considerations for sourcing resources along with "quality, price, delivery time".
 10 ลดความเหลื่อมล้ำ (Continuous)	10.3 Ensure equal opportunity and reduce inequality of outcomes including by eliminating discriminatory laws, policies and practices.	- Employee - Supplier - Customer		• Human Rights - Respect human rights with equality with regard to human dignity, freedom of individuals with non discriminate in respect of origin, race, nationality, skin color, sex, age, language, religion, culture Class, disability, not discriminate or exclude anyone and encourage everyone to have awareness of their rights, duties and responsibilities towards other people and society	

SDGs issues		Stakeholders	Sustainability		
			Economic & Governance Dimension	Social dimension	Environmental dimension
	12.2 Achieve sustainable management and efficient use of natural resources.	<ul style="list-style-type: none"> - Employee - Customer - Alliance 			<ul style="list-style-type: none"> • Environment Management - Manage waste and residual materials responsibly by implementing 3R including Recycle, Reuse, Reduce and manage hazardous substances properly and appropriately. - Purchasing, procuring and using environmentally friendly resources under the project "Green Procurement" by setting "environment" as one of the main considerations for sourcing resources along with "quality, price, delivery time".
	12.4 Achieve the management of all chemicals and wastes throughout their life cycles in an environmentally friendly way, based on the agreed international cooperation framework and significantly reduce emissions into the air, water and soil.				
	12.5 Reduce waste through prevention, reduction, reuse and recycling.				
	12.7 Promote sustainable government procurement practices				
	13.1 Enhance resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	<ul style="list-style-type: none"> - Employee - Community 			<ul style="list-style-type: none"> • Environment Management - Reduce greenhouse gas emissions by reducing the use of electricity, water supply and fuel by 1% per year.
	13.2 Integrate climate change measures into policies, strategies and national planning				
	13.3 educational development, improve awareness as well as human and institutional ability for climate change mitigation and adaptation and early warning				

SDGs issues		Stakeholders	Sustainability		
			Economic & Governance Dimension	Social dimension	Environmental dimension
 <p>16.3 Promote the rule of law both nationally and internationally and ensure that everyone has equal access to justice.</p> <p>16.5 Reduce corruption and all forms of bribery</p> <p>16.6 Develop an effective, responsible and transparency institution at all levels</p>		<ul style="list-style-type: none"> - Employee - Customer - Supplier - Government Agency 	<ul style="list-style-type: none"> • Customer Centric - Create value for sustainable business, focusing on transparent and efficient management. Prepare corporate ethics policy, business ethics and good corporate governance principles in both organisational structure and management strategy - There is a regular corruption risk assessment. In the case that an act that implies corruption or misconduct is found, employees at all levels, including all groups of stakeholders can notify through the channels specified by the Company in order to carry out data verification, corrected and prevented including report to the Board of Directors to prevent and monitor risks from corruption and corruption 	<ul style="list-style-type: none"> • Human Rights - Respect human rights with equality and does not discriminate against anyone and encourage everyone to have awareness of their rights, duties and responsibilities towards other people and society 	

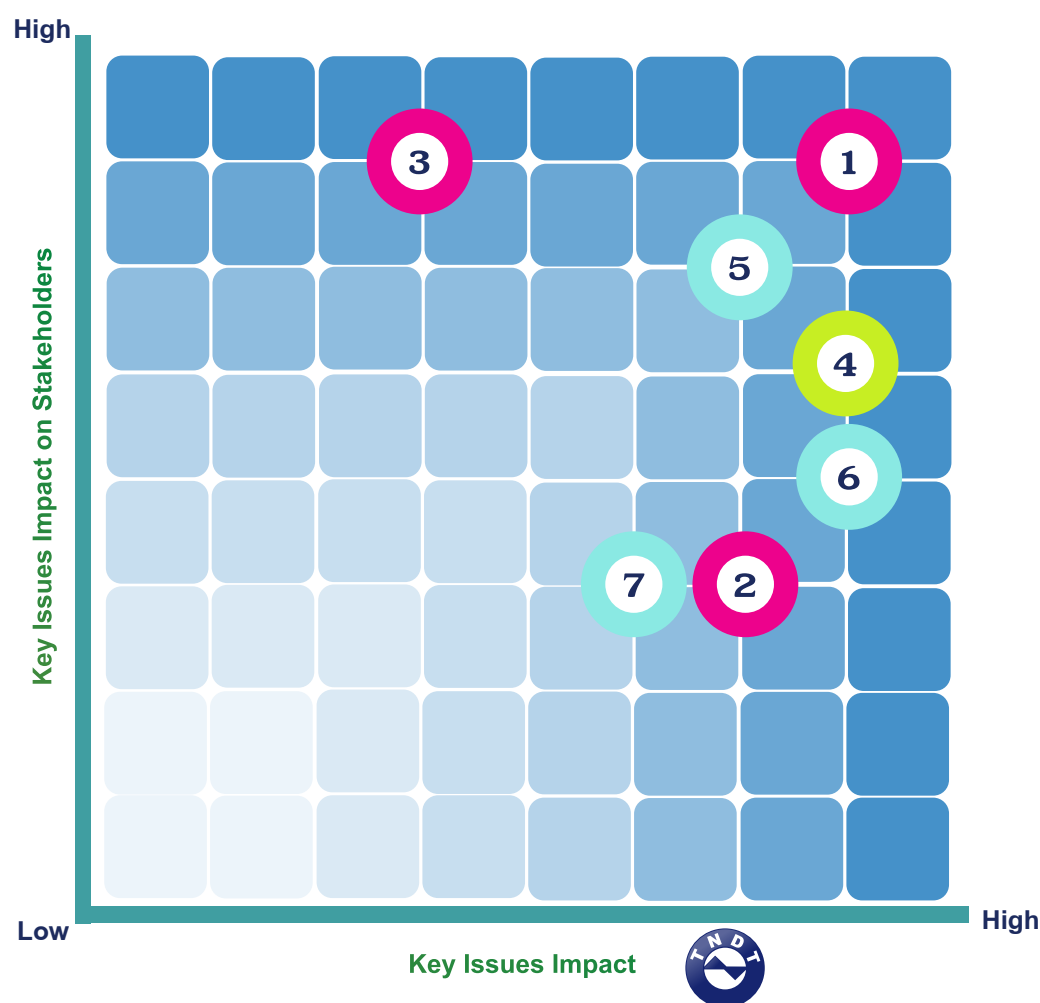


3.2.3 Selection, Assessment, and Significant Issues

TNDT Recognize and emphasize to the selection and prioritization of main issues in sustainable development (Materiality) to meet the needs and expectations of the appropriate stakeholders in accordance with the Company's business operations which has been evaluated and prioritised based on the chain of forwarding credibility along with activities that have been carried out together Including Provide opportunities for communication through various channels between the Company and stakeholders. In addition, the Global Reporting Initiative (GRI G4) Reporting Guidelines were used to analyse and audit various operations in order to achieve sustainability in all processes.



3.2.4 Summary of Key Points in the Report



3.2.5 Sustainability Issues

Dimension	Main Issues	SDGs Issues
Economic and Good Governance	1. Good Governance Corporate Governance 2. Digital Transformation Transformation to Creativity with Technology 3. Customer Centric Adjustments to Enhance the Service Together	
Environment	4. Environment Management Environmental and Energy Management	
Social	5. Human Rights Respect and Equal Rights 6. Safety and Healthy Occupational Health and Safety Management 7. Innovation (Knowledge Management) Application and Innovation	

3.3 Economic AND Governance Dimension

3.3.1 Corporate Governance

The Board of Directors encourages the Company to uphold and prioritize the management according to the code of business conduct, and the good corporate governance. This includes both the organizational structure and the management strategy which has specific roles and systematic work procedures that are transparent and verifiable, for example clearly defining of visions and strategies, being transparent in the business operations, taking care of the safety for the employees, properties and the environment within the organization and the surrounding communities, and also to follow the regulations and enforcements of the Company including those of the Stock Exchange of Thailand, the Securities and Exchange Commission and any other related to business laws. To this, the Board of Directors and the employees have always adhered to the practice in order to create the standard of the business that all groups of stakeholders can trust, strengthen the image of the Company and lead to the development of sustainable business.

In 2021, the Company has been assessed for Corporate Governance Responsibility (CGR) on "Excellent Level" for 6 consecutive years. The Company will maintain the quality of management and governance, including further development even more.

3.3.2 Fair Operating Practices

The Company determines to provide the service with utmost responsibility to health, properties and environment by upholding the integrity, fairness, attentiveness and the quality of the services on the basis of code of business conduct, professional ethics, the international standards laws and regulations from the first step of the procedure to the delivery of the testing results to the industrial sectors or to the customers with precision and accuracy, guaranteeing the quality and safety in each steps. The procedures or the inspected work piece, including the quotation of the price according to the regulations are done fairly and appropriately. The advices are given, the service instruction are introduced, and the appropriate tools and equipment are used according to the business of the customers within the regulating standard as specified fully in the contract while maintaining the customers' confidentiality.

In 2021, the Company obtained the score of the satisfaction surveys at 100% from customers, in the title of "Priorities for the future". (Please see the title of "Corporate Governance, Principle 5 : Nurture Innovation and Responsible Business", page 127)



3.3.3 Anti-Corruption Policy

(1) The Board of Directors aims to operate the business with honesty, integrity and emphasizes the responsibility to the community and to all groups of stakeholders and strictly follows the good corporate governance policies, including ethics, code of business conduct and the Company's work procedures. Therefore, the Company was of opinion to set up the anti-corruption policy to act as a guideline in conducting business and to develop to a sustainable organization.

(2) In order to protect and control the risk of fraud in business operations, the anti-corruption policy shall be trained and publicized to all the employees in the organization. They are prohibited from engaging or accepting corruptions in all forms, be it for the direct or indirect benefits to self, customers or any groups of stakeholders. This includes all businesses and departments relating to the Company with no regards of any consequences to the profits or any other assets of the Company.

(3) The anti-corruption policy was monitored, reviewed and assessed at least once a year, as well as the practical and requirements revision of the procedures in accordance with the remodelling of the business, regulations and the legal requirements.

In 2021, the Company has monitored and reviewed the operations and found no corruption within the organization. There were no complaints or whistleblowing from stakeholders as well. Additionally, the Company has signed cooperation with customers in operating in compliance with morality and ethics by adhering to the responsibility to stakeholders, including prevention and anti-corruption, for example, UAC GLOBAL PUBLIC COMPANY LIMITED / IRPC (Public) Co., Ltd., etc.



3.4 Social Dimension

3.4.1 Respect for Human Rights and Fair Labor Practice

The Company set up the policies and regulations under fundamental rights which the employees and their families are entitled to, with regards to the fairness, equality or greater than the basic standards which the employees should entirely be given. These are :-

(1) Distributing the benefits and incentives appropriate to the skills, equally and fairly.

(2) No violation of privacy, no disclosure, or no dissemination of employees' personal data, including no arbitrarily handing over employees' data to third parties except the legal proceedings.

PDPA Policy



A⁺





(6) Provide safety equipment and systems according to the rules and regulations for the employees, customers and the communities in order to prevent accidents from operation which may affect the lives, properties, environment and the reputation of the customers.



(7) Pay attention to the employees' quality of life and occasional assistance, such as the area for Muslim prayers, breast milk and first aid room, sports promotion budget, visiting baskets in case of sickness and childbirth, vegetable plant for sharing project, etc. Additionally, the Company also provides the recreation area for the employees to relax or exercise, for example table-tennis tables, soccer pitches, petanque courts and courtyard for activities / parties on various occasions, etc.



- Wide landscape for relaxing and activities -

Recreation Area



“Vegetable Gardening Project”

Activities landscape in Rayong Branch, to promote relationship and collaboration



- Supporting sports/ Co-Activities -



- Visiting Employees -

(8) Allow the employees to complain or suggest any topics concerning the business operations via channels such as Comment Box / E-Mail / postal / Human Resource Department / Company's questionnaires, etc. The Company will not disclose any information of the complainants.

Independent Committee / Company Secretary Office / Whistleblowing Unit

Thai Nondestructive Testing Public Company Limited.

19 Soi Ramkhamhaeng 60 Yak 8 (Suason 8), Ramkhamhaeng Rd., Huamark, Bangkok, Bangkok 10240

Independent Committee : independent@tndt.co.th

Company Secretary Office : secretary@tndt.co.th

Whistleblowing Unit : whistleblow@tndt.co.th



The best

Tel. :

+662-735-0801 (Auto 10 Lines)
+6680-0702553

Fax. : +662-735-1941

In 2021, the Company has obtained an outstanding establishment award from the Ministry of Labor on September 10, 2021, the 2nd year for labor relations and labor welfare at “the National Level”. Meanwhile, the Company has strictly implemented guidelines to prevent and solve drug problems in the workplace. These were for employees’ good quality of lives, free from the drugs. For last year, there were random checks of alcohol and drug to 115 employees (8,332 times), no drugs addict was found at all.

Additionally, during the long-lasting COVID-19 pandemic situation, the Welfare Committee, comprised of employees’ representatives from each division, has coordinated with the Occupational Health and Safety Committee in promoting and supporting the epidemic news and notification channels, coordination, and assistance during the outbreak and the employees’ working from anywhere, for the safety of employees and the surrounding stakeholders to pass over the situation well This is for the appropriateness and the sustainability of the organization in the future.

3.4.2 Consumer Responsibility

(1) The Company emphasizes greatly on the rights of the customers and the co-workers in the operating area. There are trainings in cooperation with the customers regularly in order to provide knowledges and better understandings to the customers and their subsidiaries, for example NDT basic knowledge course, radiation safety training, basic knowledge of inspection and radiation emergency drills, in order that both the customers and the Company can benefit from the mutual understanding of the safety precautions and the services of the Company.

(2) Services: High efficiency for high quality in every step.

(2.1) Business Operations comply with the international standard procedures such as ASTM, ASME, etc. This includes the laws and regulations of related public entities, for example the Department of Energy Business, Office of Atoms for Peace or Thailand Institute of Nuclear Technology.

(2.2) Employ knowledgeable and specialized personnel who have been certified to the international standards, for example ASNT, API, ZSWIP, etc. Perform the task and report the outcomes according to the code of business conduct, moral and good virtue with precision, accuracy to meet the standards dictated and prohibit to change the results untruthfully.

(2.3) Use modern, high quality tools and equipment which meet the international standards and the better development of tools as well. The programs used must be licensed from the producers, as well as be updated and verified while the tools and equipment re-calibrated when the period is due by the producers and certified



organizations such as the Office of Atoms for Peace, the Technology Promotion Association (Thai-Japan), Department of Medical Science, including organizations which are certified with ISO17025, for better accuracy of the inspections and results. .

(2.4) Provide safety equipment and system according to the rules and regulations for the employees, customers and the communities in order to prevent accidents from operating which may affect the lives, properties, environment and the reputation of the customers.

(2.5) Deliver the results accurately, precisely, completely and within the given time.

(2.6) Constantly perform customers’ satisfaction in order to improve and develop the more efficient services, resulting in the highest level of customers’ satisfaction.



- Apply quality safety tools and equipment to meets the requirements -



- Qualified Personnel as on international standards -



- Services Provide with efficiency and quality -

In the year 2021, the results of customers' satisfaction surveillances can be seen in the title of "Corporate Governance under the topic of Principle 5 : Nurture Innovation and Responsible Business" on the title of "Customer" page 127.

You can file a complaint at
<https://www.tndt.co.th/th/contactus/>

CONTACT FORM / WHISTLEBLOWING

Name Surname	Email
<input type="text"/>	<input type="text"/>
Phone	Company
<input type="text"/>	<input type="text"/>
Subject	Department
<input type="text"/>	Choose Department
Message <input style="width: 100%; height: 100%;" type="text"/>	
You can also attach your information here <input type="button" value="Select file"/>	
<small>Attach PDF files only (Maximum 3MB)</small>	
<input style="background-color: #0056b3; color: white; padding: 5px 20px;" type="button" value="SUBMIT"/>	

3.4.3 Community and Society Development

(1) The Company aims to understand all of the cultures and traditions in every operating area in order to coexist peacefully.

(2) The Company is willing to develop and generate the quality of lives, to provide work, to support the activities and help out the people of the communities and societies in appropriate occasion, such as donating old calendars to create Braille letter cards as teaching materials for the visually impaired, donation of max-aluminium ball for the physically disabled, as well as donation of consumer products and medicines during the Covid 19 pandemic. The Company also promoted the careers for people with disabilities, by raising pigs, straw mushroom cultivation, raising scallops/snails in plastic ponds, and subsidizing products provided by blind musicians. Moreover, the Company has participated in social activities with the Department of Labor Protection and Welfare, for example joining the Royal Kathin ceremony of the Department of Welfare in 2021, etc.

(3) The Company will not cause a negative impact to the communities near the operating areas and will conserve the environment and the resources in the vicinity.



Social Activities

Rangsit babyhome



Donate consumer products to Rangsit Children's, its needs during the epidemic crisis and being partial assistance and encouraging this crisis survival.

Flood Disaster



Flood donation in Ban Khwao District, Chaiyaphum Province



Quality of life promotion
by the creation of jobs and
careers for sustainability



Raising Pigs



Raising scallops/snails in plastic ponds



Promote and support the value creation of the disabilities to pass on products from their community.

3.4.4 Innovations and the Publicizing of Innovations

The Company has always supported employees with knowledge, expertise, and creativity. These will be the starting point to develop internal innovations for business advantages and readiness to transform to modern technologies, to apply in the business process along with the continuous development of useful ideas and value creation to the organization. In 2021, the innovations were carried out as follows:-

(1) The Company has formed the Creative Research and Development Division (CRD) (Organization Structure in 2021 changed to Advanced NDT & Maintenance Division) for personnel to research, develop and invent tools, equipment to be modernized innovations which are according to international standards and practicable. These are capable to create values in the services process with more efficiency. The Company has invented “the Semi-auto powered X-ray machine for oil and gas pipeline inspection by non-destructive testing”, obtaining the supporting fund from National Innovation Agency (NIA) under the project of “Technological transformation for financial support” in year 2017. Such machine would be modified to suit to the usage characteristics and has been operated in “Natural Gas Transmission Line Project No. 5, Part 2 Chacheungsao-Ayuthaya-Nonthaburi” and “The Oil Pipeline Extension Project to North-eastern Region, Bangpa-in-Chainart and Saraburi-Khonkaen”, since year 2018 up till now, with the total project value of approximately 79 million baht.

(2) Establish the “TNDT Creative Knowledge Center” project to encourage employees with creative and positive attitude backgrounds to develop and wider their ideas. These will lead to the work process improvement, management, as well as developing and modernizing the business to support future transforming. In 2021, the Company has started a pilot project by selecting 9 qualified employees to join the project and inviting 2 external speakers with expertise in the Design Thinking process to give both theoretical and practical knowledge, carry out via the online system.

(3) Collaborate with public and private partners to develop technology and innovation, starting with the development of nuclear technology, which is the Company's core business, with the Thailand Institute of Nuclear Technology (Public Organization) (TINT) according to the memorandum that was signed in 2020. In 2021, there were 2 meetings between the management and there was always an exchange of knowledge at the operational level according to chance to improve the services, innovation creation, generate the instruments, equipment, radioactive materials which will be useful in various industrial sectors of Thailand later.

(4) Improve work processes by applying new technologies and innovations to reduce redundant steps and assist in the allocation planning of business resources. Its internal database will be easily accessed and secure. This will enable organizations to co-work more effectively and respond to current business operations.



3.3 Environment Dimension



3.3.1. Environment Conservation

(1) The Company emphasizes on the rules and regulations which benefit to the social and environment for both public and private sectors, especially in all activities relating to the business operation, for example the regulations for radiation possession and utilization by the Office of Atoms for Peace, Ministry of Science and Technology, the regulations by the Department of Energy Business, Ministry of Energy, including all international regulations and practices.

(2) The Company promotes the project or activities of Corporate Social Responsibility (CSR) and Environment by the cooperation of the managements and employees in all departments. It allows stakeholders to participate in the activities of the Company in appropriate occasion and time.

(3) The Company has managed to purchase with Green Procurement Policy. It's ooperations are in accordance with the international standards and all relating regulations. On disposing of leftover wastes from the services, such as radioactive wastes, sprays cans or magnetic powder, these will be returned to the manufacturers or to the wastes disposal companies that have been licensed by the Department of Industrial Works, to be correctly disposed and shall not affect or be harmful to the society and environment. In the year 2021, the Company has disposed of the toxic wastes and unused of materials correctly and properly. The details were as follows :-

1. The Professional Waste Technology (1999) Public Company Limited : the company which proceeded the disposal waste technically and legally, and was licensed with the Department of industrial work. There were :



- Check/improve/prepare the location for readiness -

- 1.1 320 Kilograms of Chemical contaminated cloths.
- 1.2 1,520 Kilograms of Radiographic processing chemicals.
- 1.3 1,808 Kilograms of Waste residual spray cans.
- 1.4 2 Kilograms of Batteries and vehicle batteries.
- 1.5 10 Kilograms of Light bulbs wastes.

2. The Manufacturer :

- 2.1 36 Units of Radioactive wastes.

(4) The Company encourages employees to use resources and energy efficiently and/or modifies or recycles for the highest benefit, resulting to reduce the cost of operations, as well as to educate the employees regularly in the matters pertaining to the environment.

(5) The Employees' Campaign of preliminary office waste separation before leaving in a big bucket is to facilitate in disposing, selling and taking as an expense in the activities of the Company.

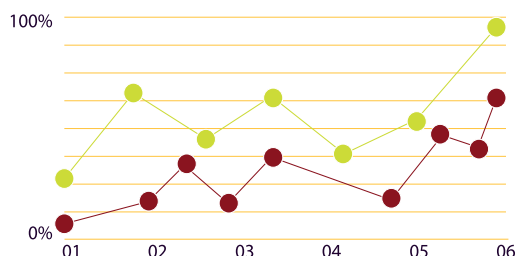
(6) Training and publicizing the Policy of Environment to the employees in order them to be aware of and comply with the policy which strictly focus on the standard practices and the environmental laws.



- Adopting waste materials into renewed parts -

Management Discussion and Analysis : MD&A

04



4.1 Analysis of Operations and Financial Position

4.1.1 Auditor's Report and Accounting Policy

Auditor's Report which are audited the financial statement of Company during the year 2019 – 2021, can be summarized as follows:

Auditor's Report for financial statements which present the consolidated of financial position of the Company ended December 31, 2019, was audited by Mr. Akaradech Plieansakul, Certified Public Accountant Registration No. 5389 from M. R. & Associates Company Limited. The Opinion of auditor's are unqualified that the consolidated statement of financial position of Thai Nondestructive Testing Public Company Limited and subsidiaries at the year ended December 31, 2019 and consolidated statement of profit and loss and consolidated statement of cash flow for the year ended and separate financial statements that present of the financial position of the Company only at the year ended December 31, 2019 with performance and cash flow for the year then ended are correctly on significant issues in accordance with Thai Financial Reporting Standards.

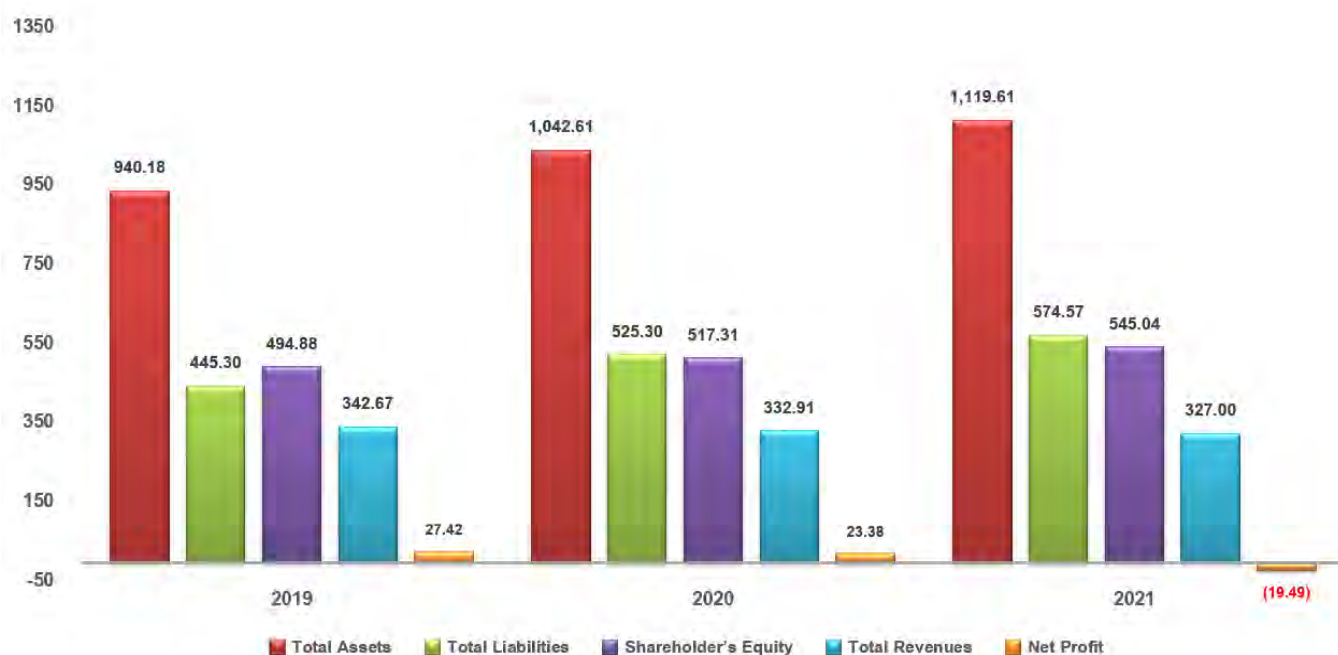
Auditor's Report for financial statement which present consolidated of financial position of the Company at the end December 31, 2020, was audited by Mr. Akaradech Plieansakul, Certified Public Accountant Registration No. 5389 from M. R. & Associates Company Limited. The Opinion of auditor's are unqualified that the consolidated statement of financial position of Thai Nondestructive Testing Public Company Limited and subsidiaries at the year ended December 31, 2020 and consolidated statement of profit and loss and consolidated statement of cash flow for the year then ended and separate financial statements that are present of financial position of Thai Nondestructive Testing Public Company Limited at the year ended December 31, 2020 with performance and cash flow for the year then ended are correctly on significant issues in accordance with Thai Financial Reporting Standards.

Auditor's Report for financial statement which are present consolidated of financial position of the company at the end December 31, 2021 which audited by Mr. Akaradech Plieansakul, Certified Public Accountant Registration No. 5389 from M. R. & Associates Company Limited. The Opinion of auditor's are unqualified that the consolidated statement of financial position of Thai Nondestructive Testing Public Company Limited and subsidiary at the year ended December 31, 2021 and consolidated statement of profit and loss and consolidated

statement of cash flow for the year then ended and separate financial statements that are present of financial position of Thai Nondestructive Testing Public Company Limited at the year ended December 31, 2021 with performance and cash flow for the year then ended are correctly on significant issues in accordance with Thai Financial Reporting Standards.

4.1.2 Financial Statement as of December 31, 2021. [The Company Only]

million baht



* Total revenue is income from services and income from finance lease agreements.



Financial Position / Operating Results (Million Baht)	2019	2020	2021
Total Revenues	342.67	332.91	327.00
Total Cost and Expenses	307.46	308.22	341.08
Gross Profit	109.20	98.51	93.56
Net Profit (Loss)	27.42	23.38	(19.49)
Total Assets	940.18	1,042.61	1,119.61
Total Liabilities	445.30	525.30	574.57
Shareholder's Equity	494.88	517.31	545.04
Retain Earning (unappropriated)	333.70	356.13	93.89

Financial Ratio	2019	2020	2021
Net Profit (Loss) Margin (%)	8.00	7.02	(5.96)
Return on Equity (%)	5.69	4.62	(3.67)
Return on Asset (%)	2.95	2.36	(1.80)
Debt Equity Ratio (times)	0.90	1.02	1.05
Net Profit (Loss) per Share (Baht)	0.046	0.039	(0.031)
Book Value per Share (Baht)	2.47	2.59	2.26

Revenue of Services (Million Baht)	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
1. Revenue of the Service - NDT	280.19	81.77	249.76	75.02	208.53	63.77
2. Revenue of the Service - Inspection	58.33	17.02	47.57	14.29	45.44	13.90
3. Revenue of the Solar PV RoofTop	0.00	0.00	21.20	6.37	69.14	21.14
Total Revenue of the Services	338.52	98.79	318.53	95.68	323.11	98.81
4. Other Revenue	4.15	1.21	14.38	4.32	3.89	1.19
Total Revenue	342.67	100.00	332.91	100.00	327.00	100

Report of the Board of Directors' Accountability to Financial Report

The Board of Directors has provided the preparation of Financial Statements, in compliance with the Public Company Limited Act B.E. 2535, the Financial Reporting Standards under the Accounting Act B.E. 2543, and the Securities and Exchange Act B.E. 2535, including the Capital Market Supervisory Board's Notification Re: Rules, Conditions and Methods for Reporting Disclosure of Information on Financial Status and Operating Results of Securities Issuing Companies, by realizing the importance of duties and responsibilities for the consolidated financial statements of the Company and its subsidiaries, as well as related financial reports which have been disclosed adequately in the Company's notes to the financial statements. The financial statements of the Company for the year ended 31st December 2021 has been prepared, in accordance with the Financial Reporting Standards of Thailand and the Accounting Policies which performed appropriately, transparently, timely, and completely to prevent any corruption or deviate actions. Furthermore, the preparations of financial statements have been considered regularly, carefully and reasonably. The Company have been audited by M.R. & ASSOCIATES Co., Ltd., the Certified Public Accountant, being in line with the SET/SEC Regulations and mentioned in the Form 56-1 One Report 2021.

As the performance mentioned above, the Board of Directors has appointed the Audit Committee of which comprised 3 Independent Directors with qualification according to SET/SEC Regulations. The Audit Committee has performed its duties independently to be responsible for evaluating the accuracy and transparency of the financial statements as well as relevant financial reports of the Company and its subsidiaries, including the internal control system of each quarter to ensure that the Company has adequate corporate governance, connected transactions and conflict of interests disclosure with transparent and sufficient, compliance with the Rules, Regulations and law related to Business Operations, and proper usage of Information Technology System. The Audit Committee has responsibilities as assigned and the results of performance have been reported to the Board of Directors. The opinion of the Audit Committee has already been disclosed on "the Report of Audit Committee". In the Board of Directors' meeting on February 25, 2022, in which all of the Audit Committee members, the Certified Public Accountant, the concerned Executives and internal audit team have attended to evaluate the sufficiency of the Company's internal control system for the year 2021, compliance with the SET regulations and COSO guidelines as already specified in the Form 56-1 One Report 2021.

The Board of Directors, agreed with the Audit Committee, was of the opinion for the financial statements of the Company and subsidiaries for the year ended 31st December 2021 which has been prepared in accordance with the Financial Reporting Standards of Thailand with reliable, transparency and with adequate disclosure. The external auditor has provided opinion on the report of the independent auditors and no significant observations. The Company's internal audit was conducted with appropriateness covering risk management, risk assessment in anti-corruption in all of the Company's activities with sufficient and appropriateness covering the risk factors, effectiveness in business performance and disclosure of comprehensive information, together with having efficiently protected the Company's assets. Moreover, the Company and its subsidiaries have operated the businesses without corruption and in compliance with the rules, regulations and related laws, and found no major fraudulent incidents, which was in line with the opinion of the external auditor reporting with no significant observations on the financial statements of the Company.

Furthermore, the Board has promoted and encouraged the Company and Subsidiaries' Management in continuous developing the quality of the internal control system, the assessment of risk management, the protection and anti-corruption policy, the good corporate governance, including the compliance with rules, regulations, and related laws and the information technology system. These were emphasized for sustainability development with adequate and appropriate to enable the achievement of the established objectives and goals.



(Mr. Suwat Dangpibulskul)
Chairman of the Board



(Miss Chomduen Satavuthi)
President / Managing Director

4.1.3 Management Analysis and Explanation (Company Financial Statements)

(1) Overview of Operating Results

While the economy and industry as a whole have been slowing down and the audit service industry has been recovering slowly, the price competition is still severe. Therefore, although the Company received more jobs, due to economic conditions, some customers, both large and small, were unable to pay their outstanding debts on time and some even had to liquidate their businesses. This situation affects the financial liquidity to continue the ongoing projects and to get new opportunities to be completed quickly, including the preparation of the organization to cope with the rapid and volatile changes in technology, innovation, and society that exist today and continue in

the future with consumer behavior that demands efficiency, speed, convenience, and safety, which indicates the inevitable entry into the era of using advanced technology. All these are necessary for the Company to try to overcome the traps that hinder the return to stability and sustainability quickly. In addition, the Covid-19 situation has been spreading around the world in 2020 and the continued decline in world oil prices has resulted in a recession in the economy, which will affect the financial status of businesses, including the Company itself.

The Company's direct revenue is still from its NDT services rather than inspection services, as shown in the table below:

Structure of Revenue from Services (Million Bath)	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
1. Revenue from Services - NDT	280.19	81.77	249.76	75.02	208.53	63.77
2. Revenue from Services - Inspection	58.33	17.02	47.57	14.29	45.44	13.90
3. Revenue from Solar PV Rooftop	0.00	0.00	21.20	6.37	69.14	21.14
Total Revenue from Services	338.52	98.79	318.53	95.68	323.11	98.81
3. Other Revenue	4.15	1.21	14.38	4.32	3.89	1.19
Total Revenue	342.67	100.00	332.91	100.00	327.00	100.00

Investment policy

The Company has given importance to technical development and a one-stop service model, as well as preparation for expanding its business base both within the country and in neighboring countries to reduce the risk and continually increase revenue through the investment policy to consider businesses that support and benefit the Company, as well as industries with significant growth and yield trends. In the case of an associated company, the Company shall provide a controlling stake as a director in proportion to its shareholding.

The Company has entered into joint ventures with entrepreneurs in the Lao People's Democratic Republic, which are not connected persons. The Company holds 70% of shares and the Joint Venture Company holds 30% of shares under the name "LTNDT" since 2011, having been in business as a project consultant. It was granted investment promotion (BOI) for a period of 15 years, which is in the process of studying the project's feasibility and waiting for the right hedging opportunities.

The Company has a joint venture with Thai businessmen and entrepreneurs of the Republic of the Union of Myanmar, which are not connected persons. The Company holds 46% of shares. Thai businessmen and companies in the Republic of the Union of Myanmar. Holding shares in the ratio of 46% and 8% of the paid-up capital respectively under the name "TNDT CM" in 2013 to prepare to operate a coal mining business in the Republic of the Union of Myanmar. to deliver to the Company's 20 MW coal-fired power plant initially with a concession for a period of 30 years. In 2019, TNDT CM has revised and added the Company's objectives to create opportunities to expand its business base and to comply with new businesses to join.

The Company has invested in a 20 MW coal-fired power plant project in the Republic of the Union of Myanmar since 2015 under the name of TNDT Power Company Limited “TNDT POWER” by signing a Memorandum of Agreement (MOA) and Power Purchase Agreement (PPA) with the Shan State Government in 2015, with a 30-year concession and purchase of electricity in baht equivalent. And through EIA and HIA analysis, as well as receiving investment promotion from the Myanmar Investment Commission (MIC) in 2018, at the same time, about 80% of the foundations of power plants and office buildings have been laid and the project is in the process of selecting the power plant builders and co-investors.

In 2018, the Company started a project to install and produce solar power on the roof (Solar Rooftop), and in 2019-2021, the Company undertook 5 projects, 3 of which have been recognized revenues.

In addition, the Company signed a Memorandum of Understanding (MOU) with CGN Dasheng Electron Accelerator Technology Co., Ltd. in 2018 to jointly develop technology and create innovations based on the benefits of Electron Beam. In 2019, the agreement was signed. Electron Accelerator Technology and Supply Cooperation together with CGN Dasheng Electron Accelerator Technology Co., Ltd. and Advanced Sterilization (Eastern) Co., Ltd. to jointly develop technology and create innovations from “Electron Beam Properties” as a starting material to create added value for medical, industrial, agricultural, public health, and environmental protection products and products using the Company’s area in Rayong as a learning and research center to support the development of future innovations in the Eastern Economic Corridor (EEC) area, being the first in Southeast Asia (ASEAN) and in 2021, the project is in the process of testing such innovative technology.

For investments in the Republic of Indonesia, where the Company had been accepting NDT testing since 2016, the Company was still looking for a suitable way to register as a subsidiary and completed its operation in 2020. It jointly invested with entrepreneurs in Indonesia by establishing and investing in the name of “PT TNDT INSPECTION AND CONSULTATION”, which is not a connected person. The Company holds 95% shares and Mr. Sukrawardi Indonesians hold 5% of the paid-up capital in order to conduct business related to electrical installation and related businesses in Indonesia.

(2) Performance and Profitability

Revenue

In 2021, the Company’s revenue from rendering services was 323.11 million baht, an increase from the operating results in 2020 where the Company’s revenue was 318.53 million baht or an increase of 4.58 million baht, representing a decrease of 1.44% when compared with 2020 and the operating results in 2020 where the Company had revenue of 318.53 million baht or a decrease of 19.99 million baht when compared to 2019 with revenue of 338.52 million baht. In 2020, the decline was due to the NDT market conditions and the economic, including the Covid-19 situation, causing the Company’s revenue to decline from 2019.

In 2021, the petrochemical industry still has opportunities to grow. Even though the Covid-19 situation, periodic interruptions still occur such as: traveling for inspection or intermittent service according to the government’s entry restrictions in each province, the increase in high demand for domestic petrochemical products increase has still resulted in a better way of overall NDT business.

The Company’s Revenue Recognition Policy begins when starting to serve customers successfully each day and will issue work vouchers to customers the next day. The Company will recognize them as unbilled receivables immediately and collect all work vouchers to issue reports to customers at the end of each month or after the reports have been delivered to the customer. Then, the invoices will be delivered, which will be recognized in the account as account receivables. As a result, the payment period from customers is over 100 days, which is a normal business and can be divided into periods as follows:

- The period of work until the issuance of the reports takes about 30 - 45 days.
- When the reports have been delivered, the customers will take time to verify the accuracy and completeness within 15 - 30 days.
- At the end of the said period, the customers must accept in the form of a report and the Company will issue invoices.

This may provide a credit term of approximately 30 days or more depending on the agreement between the Company and the customers.

However, customers who are overdue for more than 100 days are mostly old customers who have regularly requested the services for a long time and are large customers. Small customers who request the services for only a short period of time will receive credit terms for only 30 days, with no issue in collecting them.

Detail of revenue in each quarter for the past three years are as follows:

(Unit: Million Bath)

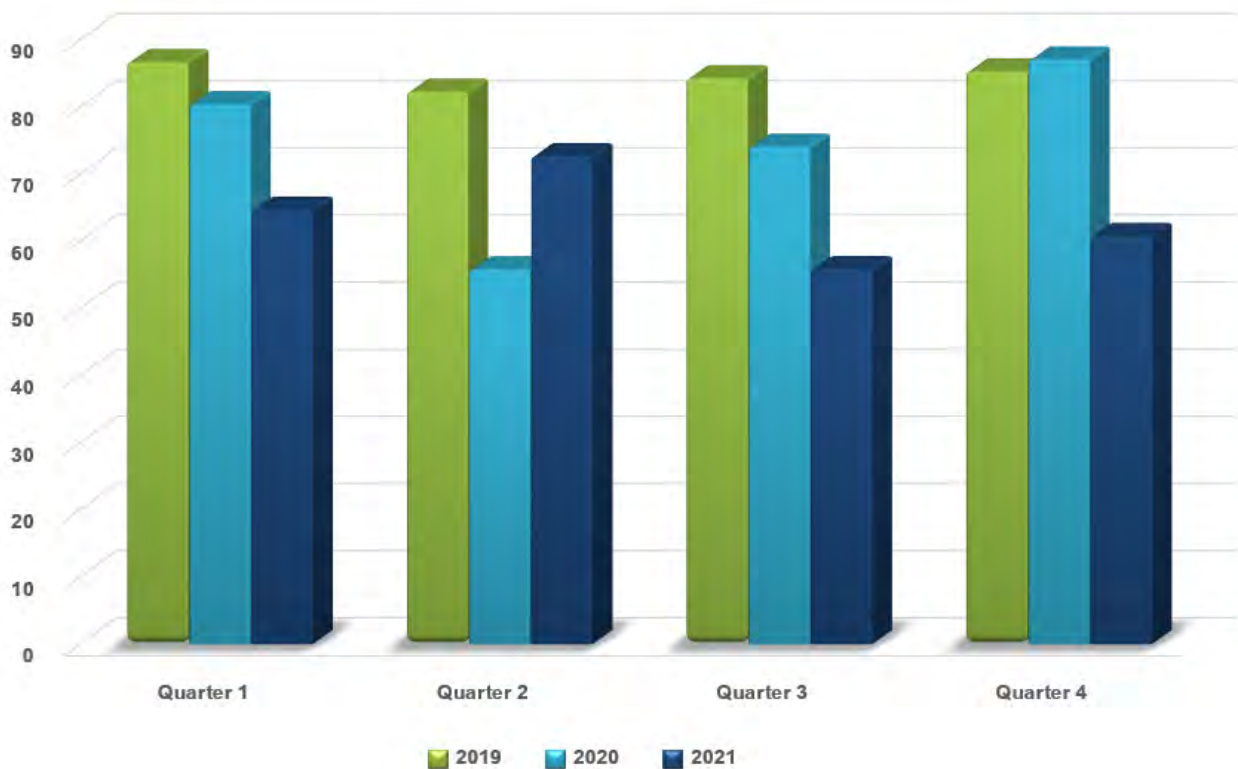
Quarter / Year	2019	2020	2021
1 st quarter	86.68	80.40	64.70
2 nd quarter	82.26	55.80	72.65
3 rd quarter	84.28	74.07	55.84
4 th quarter	85.30	87.06	60.78
Total Revenue from services	338.52	297.33	253.97

In addition, in 2021 and in 2020, revenue under lease agreements was 69.14 and 21.20 million baht, respectively. Other revenue of the Company in 2021 was 3.89 million baht, a decrease

of 10.49 million baht when compared with 2020, where other revenue was 14.38 million baht, with other revenue being interest revenue, rental revenue, and profit from asset disposal.

**A Bar Chart showing the comparison of service income for the past three years.
(Year 2019 - 2021)**

Million Bath



Expenses

The ratio of cost of services to revenue from rendering services in 2021 was 71.15%, an increase from 68.31% in 2020, as in 2021 the Company's cost of providing services has increased from the investment in the past year, resulting in an increase in the percentage of the cost of services in 2021 compared to 2020.

The ratio of cost of services to total revenue in 2021 is 55.26%, and in 2020 is 61.01%, while 2019 is 66.92% to total revenue, with the cost of services in 2021, 2020, and 2019 in the amount of 180.70 million baht, 203.11 and 229.32 million baht, respectively. In 2021, The ratio of cost of services to total revenue decreased by 5.75%.

The structure of cost of services in 2021 comprised the cost of personnel or operators in NDT accounting for more than 60%. The remainder is the cost of consumables used for the service and other depreciation and miscellaneous costs, respectively.

Administrative expenses in 2021 were 71.66 million baht or 21.92% of total revenue. In 2020, administrative expenses were 60.14 million baht or 18.06% of total revenue and in 2019, administrative expenses were 48.50 million baht or 14.15% of the total revenue. In 2021, there were additional expenses, resulting from the Gain and Loss of Exchange Rate, Fees and Salary, Profession Fees, Legal advisory Fees and Tax legal Fines.

Finance costs were mainly due to interest expenses on loans. In 2021, the amount of interest expense was 39.86 million baht, in 2020, it was 28.05 million baht and in 2019, the balance was 29.63 million baht. It can be seen that interest expense tends to increase as the Company provides funds for use in operations and investments by the amount of support for project development, overdraft lines, and loans from financial institutions and connected persons, resulting in the Company's interest expenses increasing until now.

Total expense (excluding financial costs) in 2021 was 301.22 million baht, or 92.11% of total revenue, in 2020, was 280.17 million baht, or 84.16% of total revenue, and 277.82 million baht in 2019, or 81.08% of total revenue. The increase in total expenses in 2021 is a result of expenses related to the cost of capital lease agreements (Solar Rooftop project) and Finance Cost.

Gross Margin and Profit Margin for the year

The gross profit of 2021 is equal to 93.56 million baht or equivalent to 28.96 percent, in 2020 is equal to 98.51 million baht or 30.93% of service revenue and in 2019 the balance is 109.20 million baht or accounting for 32.26% of revenue from rendering services. However, in 2021, the Company's gross profit decreased from 2020 by 4.95 million baht or decreased by 5.02%. The decrease in gross profit has been in line with the decrease in income, in a proportion greater than the decrease in the cost of service, resulting in the decrease in gross profit.

In 2021, the Company's operating result was a loss of 19.49 million baht or a loss of 5.96% of total revenue. In 2020, the Company's operating result was a profit of 23.38 million baht or a profit of 7.02% of total revenue and in 2019, the Company had a profit of 27.42 million baht or a profit of 8.10 % of total revenue. The losses incurred in 2021 were attributed to investment interest obligations, bond issuance fees, project advisory fees, and legal advisory fees.

In addition, if considering the profitability ratio, it is found that in 2021 the gross profit margin was 28.96% of the revenue from rendering services, a decrease from 2020, which was the gross profit margin of 30.93 % of revenue from rendering services. In 2019, the gross profit margin was 32.26%. It can be seen that in 2021 the gross profit margin decreased compared to 2020, due to a decrease in revenue. However, the Company's cost did not decrease as most of the cost was fixed cost. In addition, in 2021, the Company's operating result was a loss of 5.96%. The decrease in net profit margin also results in a lower return on equity.

(3) Asset Management Capabilities

Assets

As of December 31, 2021, the Company's total assets were valued at 1,119.61 million baht, an increase of 77.00 million baht. Compared to 2020 or 7.38%. Such assets would be classified as current assets of 473.80 million baht (equivalent to a 42.32% of total assets) and non-current assets of 645.81 million baht (57.68% of total assets), with current assets increased from 2019 by 21.64 million baht or 47.89% due to the following main reasons:

1. Cash and Cash Equivalents

In 2021, it was 1.17 million baht, 1.08 million baht in 2020, and 2.18 million baht in 2019. Cash and cash equivalents increased from 2020 by 0.09 million baht, resulting in an increase in cash and cash equivalents in 2021 compared to 2020.

2. Trade Accounts Receivable

As of December 31, 2021, accounts receivable was 78.51 million baht. In 2020, trade accounts receivable was equal to 110.82 million baht and in 2019, trade accounts receivable was 108.13 million baht. In 2021, accounts receivable decreased by 32.31 million baht or decreased. 29.16% from 2020. The decline in trade accounts receivables in 2021, economic problems, and the COVID-19 outbreak caused some debtors to request extensions of repayment and the Company's service revenue had also decreased, and some of the Company's trade accounts receivable may be delayed. For example, trade accounts receivable from business alliances invested in obtaining business; however, the investment in tools in 2021, the innovative business was completed during the test run of the tool. Therefore, the investment in the tool may be another reason for the decline in revenue, resulting in a decline in debtors in 2021. However, most of the trade accounts receivable accrued in 2021 are customers who have not yet made their payments and are overdue for less than 3 months, which is normal for the business and will be able to collect debts from customers within approximately 112 days.

In addition, in setting an allowance for impairment for expected credit losses, the Company has established a policy by calculating a credit loss model that Expected Credit Loss ECL (Expected Credit Loss) calculated by independent assessors with expertise in TFRS 9 standard assessment, population groups focusing on outstanding balances based on debtor aging, as well as considering the characteristics of specific receivable on a case-by-case basis. As most of the Company's customers are juristic persons, it is considered based on financial position information, performance, and past payment history to list only those accounts receivable that are expected to be billable. Although such debts are not long overdue, if considered and expected to be unable to collect, it will set up an allowance for impairment for all expected credit losses. When the follow-up process has not been paid, the Company will consider the worthiness of litigation in court. If it is not worth it, the Company will write off bad debt and will no longer consider accepting work from such customers. The Company set up an allowance for impairment for expected credit losses for the trade account receivable as of December 31, 2021, equal to 42.56 million baht, in 2020 equal to 38.53 million baht, and as of December 31, 2019, equal to 41.14 million baht.

Compared to the accounts receivable of 2021, the outstanding balance was relatively low compared to other businesses, and the Company believes that such accounts receivable will not have a significant negative impact on the Company's liquidity.

3. Current Portion of Finance Lease Receivable

As of December 31, 2021, receivable under the capital lease agreements was 86.16 million baht and in 2020, the total receivable under the finance lease agreements was 20.31 million baht, which 1 solar-rooftop project completed in 2020 and 2 more projects in 2021.

4. Advances to Subsidiaries

As of December 31, 2021, advances paid to subsidiaries amounted to 346.39 million baht, in 2020 amounted to 335.96 million baht, and in 2019, advances paid to subsidiaries were 321.56 million baht, an increase of 10.43 million baht, or an increase of 3.10 percent from 2020.

5. Investment in Subsidiaries Accounted for using the Cost Method

As of December 31, 2021, the investment in subsidiaries recorded by the cost method was 13.46 million baht, the same as in 2020, in the amount of 29.04 million baht. In 2021, the Company sold its investment in a subsidiary to another subsidiary, recorded by the cost method amounted to 15.58 million baht, or a decrease of 53.66%. as of 2021. As of December 31, 2021 has not been paid and recorded as a receivable from the sale of investment in a subsidiary. The purpose of sold was to transform the shareholding structure of the Company's Group, in which all its subsidiaries were under the same governance.

6. Right-of-use Assets

As of December 31, 2021, the balance of right-of-use assets was 84.91 million baht and in 2020, the balance was 38.65 million baht, which is the following year of accounting records according to the accounting standards in force in 2020. The Company entered into a contract to sell and lease back the capital for some operational tools and equipment Cost price about 52.04 million.

7. Other Non-Current Assets

As of December 31, 2021, the balance was 34.59 million baht, in 2020 the balance was 67.83 million baht, and in 2019 the balance was 25.96 million baht. In 2021, non-current assets decreased from 2020 by 33.24 million baht or by 49.00%, and in 2020 with an increase from 2019 of 41.87 million baht or an increase of 161.29%, mainly due to the Company's investment in the Solar Rooftop project, especially in 2021 with a decrease of 33.24 million baht.due to the completion of 2 projects more.

8. Consumables

As of December 31, 2021, the balance was 4.77 million baht, in 2020 the balance was 5.47 million baht, and in 2019 the balance was 5.18 million baht for storing consumables for use in testing and testing services. After checking, the Company took into account the appropriate amount of the remaining balance. In 2019, 2020, and 2021, the consumables had their shelf life of 5 days, 6 days, and 7 days, respectively.

9. Property, Plant, and Equipment-Net

As of December 31, 2021, the value was 239.87 million baht, in 2020, the value was 234.40 million baht, and in 2019, the value was 258.76 million baht. Property, plant, and equipment in 2021 increased from 2020 by approximately 78.75 million baht, in 2021 transferred to rights-of-use assets of approximately 52.04 million baht, in 2020 transferred to rights-of-use assets of approximately 32.50 million baht, according to Financial Reporting Standard No. 16 (1). An additional investment was approximately 32.80 million baht in 2021 arising from the building under construction of the EB project in the amount of 78.79 million baht and in 2020 with the amount 25.33 million baht, and (2) depreciation in 2021, in the amount of 21.20 million baht. In 2020, the depreciation expense was approximately 24.69 million baht, a decrease of approximately 3.49 million baht. (3) An increase in investment was approximately 0.94 million baht, mainly due to tools and equipment in operation, especially the PAUT add-on equipment, which is an advanced technology. For the past depreciation policy, the Company used a depreciation period of 5-10 years depending on the useful life of each asset class.

When considering the rate of return on fixed assets as a result of the Company invested in the purchase of advanced technology used in operations more for the benefit of accepting inspection using high technology which assists the Company to generate more revenue from rendering services in the future as well as expanding more service lines. The returns on fixed assets were 3.55% in 2021, 22.11% in 2020, and 22.52% in 2019. The Company has invested mostly in the EB construction projects and a small amount in advanced technology equipment.

(4) Liquidity and Capital Adequacy

In 2021, the Company had total current assets of 473.80 million baht or 42.32% of total assets, and in 2020, it had total current assets of 471.92 million baht or 45.25% of total assets. In 2021, current assets increased from 2020, mostly were the accounts receivable from the Sale of Investments in Subsidiaries increased by 16.37 million baht, the advance payment to subsidiaries increased 10.43 million baht, and the account receivable have not yet been billed decrease 32.31 million baht, mainly which is related to the amount of decreased income.

Current liabilities as of December 31, 2021, amounted to 384.31 million baht, 381.53 million baht in 2020, and 375.31 million baht in 2019, an increase of 2.78 million baht or 0.73% increase compared to 2020. The decrease in current liabilities was overdrafts and short-term loans from financial institutions. Short-term loans from bank overdrafts and short-term loans from financial institutions decreased by 32.04 million baht or 21.33%, while short-term loans decreased by 28.44 million baht or 25.17%. However, accrued expenses and other current liabilities increased by 48.89 million baht or 59.43% due to the construction payable for the EB project in the amount of 61.20 million baht, the Solar Rooftop project, including liabilities under the lease agreement due. increased within 1 year and accrued dividends amounting to 22.19 million baht. Other current liabilities have not significantly changed.

The above changes resulted in the Company's liquidity ratio in 2021 being 1.23 times, in 2020 being 1.24 times, and in 2019 being 1.20 times, a decrease from 2020 which is 0.01 times. The quick-current ratio in 2021 was 0.21 times, 0.29 times in 2020, and 0.29 times in 2019. The reason for the significant increase in the 2021 liquidity ratio was an increase in debt or short-term obligations, which can be seen from the increase in the Company's current liabilities but the amount is not as much as mentioned above.

Overall, the liquidity of the Company from 2019 until the end of December 31, 2021, the Company's liquidity was at a good level with net cash flow from positive operating activities all the time, with a cash flow of 71.98 million baht, 26.26 million baht and 43.25 million baht in 2019, 2020 and 2021, respectively. It had cash inflows from service revenue and had a good debt collection system. In addition, the Company's net cash flow used for investment continued to increase from 2019 to 2021. The investment was for business expansion and value-added

to increase. Moreover, in 2021 and 2020, it had an investment in building during the construction of the EB project and ordering tools and changing equipment more than in 2019. For these reasons, the Company had net cash used in investing activities in 2021 equal to (65.36) million baht, net cash used in investing activities in 2020 equal to (41.28) million baht, and net cash flows used in investing activities in 2019 equal to (24.00) million baht

The net cash flows from (used in) financing activities were 22.30 million baht in 2021, 13.92 million baht in 2020, and (46.63) million baht in 2019. In 2021, the Company had repayments of several loans, including repayments of lease liabilities and interest expenses. However, in 2021, the Company provided additional funds from both short-term and long-term loans from financial institutions and entered into new capital lease agreements to acquire certain assets, including the issuance of convertible debentures and the exercise of conversion rights to common shares amounting to 69.99 million baht, resulting in positive cash flow in financing activities. However, this indirectly shows the Company's good liquidity. In 2021, financing from overdrafts and short-term loans from financial institutions decreased by 32.04 million baht, long-term loans increased by 57.65 million baht, and incurred liabilities of 58.02 million baht under the lease agreement. In addition, there was also repayment of long-term loans of 38.80 million baht, repayment of liabilities under the lease agreement of 27.32 million baht, and interest payment of 31.23 million baht.

In the past, the average debt collection period of the Company was in the range of 120 - 160 days and the average repayment period was at the level of 6 - 10 days, while the duration of the Cash Cycle decreased, showing that in the past, the Company was capable of generating more retained earnings and use it as a source of funds for continuous business operations. Therefore, if working capital is needed to expand its business in the future, the Company still has the potential to obtain a source of loans from financial institutions.

Source of Funds

1. Liabilities

The total liabilities of the Company in 2019 were 445.30 million baht, 525.30 million baht in 2020, and 574.57 million baht in 2021. In 2021, the total liabilities increased from 2020 by 49.27 million baht, or an increase of 9.38%. Most of them were current liabilities. The total current liabilities in 2019, 2020, and 2021 were 375.31 million baht, 381.53 million baht, and 384.31 million baht, respectively. The main reason for the increase in current liabilities in 2021 was mainly due to accrued expenses and other current liabilities increased by 48.89 million baht and liabilities under lease agreements due within 1 year increased by 8.77 million baht. For 2021, non-current liabilities increased from year 2020 by 46.49 million, or an increase of 32.33% non liabilities arising from the estimation of other non-current liabilities, long term loans, finance lease liabilities, deferred tax liabilities. As a result, total current liabilities increased from 2020.

2. Shareholders' Equity

The ratio of shareholders of the Company has continuously increased throughout 2007 to December 31, 2021, as follows:

- As of December 31, 2007, the shareholders' equity was 198.79 million baht.

- As of December 31, 2008, the shareholder's equity was 234.59 million baht.

- As of December 31, 2009, has shareholders' equity was 269.71 million baht.

- As of December 31, 2010, the shareholders' equity was 284.44 million baht.

- As of December 31, 2011, the shareholders' equity was 337.02 million baht.

- As of December 31, 2012, the shareholder's equity was 383.26 million baht.

- As of December 31, 2013, the shareholders' equity was 439.32 million baht.

- As of December 31, 2014, the shareholders' equity was 493.49 million baht.

- As of December 31, 2015, the shareholder's equity was 523.19 million baht.

- As of December 31, 2016, the shareholders' equity was 535.74 million baht.

- As of December 31, 2017, the shareholders' equity was 550.60 million baht.

- As of December 31, 2018, the shareholders' equity was 469.11 million baht.

- As of December 31, 2019, the shareholders' equity was 494.88 million baht.

- As of December 31, 2020, the shareholders' equity was 517.31 million baht

- As of December 31, 2021, the shareholders' equity was 545.04 million baht.

The cause of the increase during 2007 to 2008 was the increase of registered capital and the Company's operating results with a significant profit from operations. As of December 31, 2007, it was due to a capital increase of 20 million baht and a share premium of 28.59 million baht and retained earnings received from operations mainly. The shareholders' equity as of December 31, 2010 - 2017, 2019-2020 directly increased from profits from business operations. Anyway in 2021, where the shareholders' equity increased, due to the convertible debentures were issued and exercised to convert to ordinary shares, causing the capital and share premium to increase approximately 69.29 million and a decrease from the cash dividend payment of approximately 22.07 million, including a decrease from the operating result, a loss of approximately 19.49 million.

The debt to equity ratio of the Company as of December 31, 2019 was 0.90 times; as of December 31, 2020 was 1.02 times; and as of December 31, 2021 was 1.05 times, respectively. This is a result of financing by incurring debt to expand the business as well as investment. However, this ratio is still considered to have low financial risk as the business has mainly financed from financial institutions.

3. Investment Expenses

The Company's past investment expenditures were aimed at expanding the capacity to provide inspection and testing services in safety engineering by Non-Destructive Testing process to support the needs of customers that tended to increase and to focus on reducing service costs. In addition, additional office space was expanded in 2014 until 2018, whereby the Company invested mainly in purchasing tools and equipment used in service operations, and EB construction project in 2021. The details are as follows:

(Unit : Million Baht)

ITEMS	31 December 2019	31 December 2020	31 December 2021
Expenses for investing in other fixed assets Apart from tools and equipment	4.58	27.83	77.78
Expenditures for the purchase of tools and equipment used for service provision	19.09	4.97	0.96

(5) Liabilities and Management Obligations

Long Term Lease Agreement

The Company entered into an area lease agreement from Mrs. Kongmuang Daengphibunsakul (a relative of Mr. Suwat Daeng Phibunsakul, who is a director of the Company) to rent a 2-story, 3-story commercial building under title deeds No. 40803 and 40804 with an area of 21.2 and 17 square wah, respectively, located at 267/157 - 8 Sukhumvit Road, Map Ta Phut Subdistrict, Mueang District, Rayong Province, for use as an accommodation of company employees, with a monthly rental rate of 20,000 baht for 2019, amounting to 0.24 million baht, 0.24 million baht for 2020, and 0.24 million baht for 2021. As for the renewal of the lease, Mrs. Kongmuang Daengphibunsakul has signed a lease agreement confirmation letter, promising that she is willing to extend the lease for another 1 year from the end of the agreement (December 31, 2015) and that the rental fee is at the same rate of 20,000 baht per month.

This lease is for the accommodation of the Company's employees for their convenience of working and providing services to customers and the rental rate is the general rate when compared to nearby rental rates. The Audit Committee has considered the above transactions as reasonable with a fair price.

In addition, in 2014, the Company also entered into a land lease agreement with buildings from Mr. Thanon Satawut, Deputy Managing Director, who is the son of Ms. Chomdewan Satawut and Mr. Suwat Daeng Phibunsakul. The lease of the said land is a lease for the expansion of a Bangkok office building to accommodate the expansion of the workload and the increasing number of personnel with a monthly rental rate of 18,000 baht (eighteen thousand baht) with an agreement to extend the rental period to 10 years, totaling 2,160,000 baht (two million, one hundred and sixty thousand baht). The Board of Directors deemed that the rent was fair and lower than the rent in the vicinity as well as a general price in normal business operations.

Projects

1. Electron Beam : It is a research and service center for electron accelerator technology. Machinery and equipment were purchased from the People's Republic of China amounting to approximately 2.0 million US dollars (approximately 67.8 million baht) and the Company has already paid amounting to 5.0 million baht and they are expected to deliver within 2021. The Company has also built a sterile building and office amounting to 25.60 million baht and will be completed in 2021.

2. Solar PV Rooftop : The Company has a project to install the system. Producing electricity from solar PV Rooftop, there are 5 projects totaling 66.73 million baht, of which 2 projects are in the process of installation to be completed, amounting to 6.99 million baht.

Guarantees

The Company has a company guarantee issued by a local bank for the performance of the Company's engineering services agreement to a number of private companies and public agencies, totaling approximately 38.50 million baht, with collateral for the mortgage of the land and buildings on the Company's land.

Obligations Due to Subsidiaries

The subsidiary (TNDTPW) has a credit card facility for fuel payment of 0.1 million baht with the bank as collateral for fixed deposit of the subsidiary with the said bank amounting to 0.1 million baht.

The subsidiary (TNDTPW) has commitments from a coal-fired power plant project in Shan State in Myanmar in connection with the purchase of machinery and related equipment amounting to approximately 158.4 million baht, 567.0 million yen and 15.3 million USD (approximately 840.10 million baht). The source of funds for the payment of such obligations is borrowing from the Company (as the parent company) from financial institutions and other sources of funds as necessary

(6) Factors Affecting Future Operations

External Factors

1. Economic, Political, and Industrial Outlook

Amid economic and political volatility both domestically and internationally that occurred during the past year, including the Covid-19 situation that has spread around the world in 2020 until 2021 and the continuous decline in oil prices in the world market has resulted in the overall economic recession. The economic recession also affects the financial status of businesses, including the Company itself, making the management more difficult for both business planning and formulating a strategy in order to deliver results to meet the goals that have been set. It is not only a domestic operation, but it also needs to study and closely monitor the epidemic situation, economic, political, and industrial trends of neighboring countries as the Company has expanded its investments to the Republic of Indonesia and the Republic of the Union of Myanmar, which are countries with rapidly developing economies, especially in infrastructure and energy, where the occurrence of problems will affect the Company's operations.

2. On-Time Repayment

Economic volatility that may result in debtors' lack of liquidity in repaying debts to the Company or defaulting on debt payments will also result in a lack of financial liquidity of the Company.

Internal Factors

1. Availability of Tools and Equipment

In order to operate continuously to meet the needs of customers and in time to enter the service, the availability of tools and equipment is, therefore, important. In order not to miss the opportunity to accept work from customers, the Company has the policy to prepare tools and equipment by ensuring that it is always in a ready-to-use condition. In addition, modern tools and equipment are developed according to international standards by using the resources available in the country as much as possible to reduce dependence on foreign countries. This can reduce the cost of importing tools from abroad.

2. Investment and Budgeting for Investment

As the Company is in the investment phase to expand its business base both within the country and in neighboring countries, the budgeting for investment requires careful consideration of the Company's liquidity as well as the foreign exchange rate, which affects the budgeting of the business.

In this regard, the Company has many factors affecting its future operations which can be found in **"Risk Management"** page 38-46

Budget

1. Technology Research and Development and Innovation Creation

The use of budgets from 1982 (starting the business) to 2015 average 2-3% of the total revenue and the researchers were a group of personnel within the organization. Therefore, salaries, expenses of tools and equipment used in research, and the costs of renovation, repair, maintenance, and maintenance of the facility, raw materials, were included in the service cost.

In 2019, it prepared or complied with the terms and conditions of this subsidy with a budget of 2,852,654.92 baht, and in 2020 has been further developed with a budget of 38,000 baht.

2. Overview of Business Operations

From 1982 to 2015, no specific R&D unit was established. The research breakthroughs resulted from the field performance impact of a group of engineers who brought improvements, technological developments, and innovations within the organization. In 2015, as technology and operating procedures had undergone extensive changes in the Inspection, the Company established a Creative Research and Development (CRD) department, bringing together a group of personnel specializing in technology research and development to create concrete innovations to be used to compete in the Testing and Inspection Market both domestically and internationally until its initial success by using the technology of electromagnetic fields to replace the use of some radioactive

substances and it continued to be improved to be complete to be used in the Republic of Indonesia in 2018 with an income of 1,367,960 baht, in 2019 with an income of 5,653,102 baht.

In 2016, the Company received the "Best Innovative Organization" award from the National Innovation Agency (Public Organization) from innovative results used in the inspection of oil and gas pipelines with a semi-automatic x-ray drive system with electromagnetic field process (X-Ray Crawler with Magnotope) and on November 21, 2017, the Company received a grant under the project of "Convert Technology Into Capital" from the National Innovation Agency (Public Organization) according to the government's innovation promotion policy under the topic, "Semi-Automated X-Ray Drive Systems For Non-Destructive Inspection of Oil and Gas Pipeline". The Company used the said capital to invent the propulsion system until it was completed in November 2018 to be used in practice for "Natural Gas Pipeline Project No. 5, Part 2" worth approximately 52 million baht and for "Northeastern Oil Pipeline Project Ayutthaya - Chaiyaphum" worth about 27 million baht.

3. Characteristics of Research and Development of Technology and Innovation

The CRD focuses on applying and enhancing novelty by using scientific and technological methods. In the future, the goal is to create a new brand in the audit industry by applying research and experimental development to the invention of tools and inspection processes, leading to the creation of innovations in testing processes in line with the technological era in the near future.

Organizational Innovation Development

1987

Using water to increase the level instead of setting up scaffolding in the globe tank to reduce the danger in confined spaces

1992

Innovate inspection at height with a scorpion to reduce the time and the cost of installing scaffolding

1997

To create an innovative temperature control system in a processing temperature control unit to maintain film quality in hot weather

2002

To produce a survey meter for the safety of personnel and related persons before work and reduction of dependence on foreign countries

2014

To research and develop film reading devices (film reading box or viewer) to reduce the purchase and import from abroad and to suit the domestic climate



2015

Creative Research and Development (CRD) department was established, including a group of personnel specializing in technology research and development to create concrete innovations to be used to compete in the audit market both at home and abroad

2016

The Company received the “Best Innovative Organization” award from the National Innovation Agency (Public Organization)

2017

The Company received funding under the project, “Convert Technology Into Capital” from the National Innovation Agency (Public Organization) according to the government’s innovation promotion policy under the title “Semi-Automated X-Ray Drive Systems For Non-Destructive Inspection of Oil and Gas Pipeline” (X-Ray Crawler)

2018

The Company used the capital received in the year 2017 for the invention of the propulsion system tool until it was completed in November 2018 and was put into practice in “Natural Gas Pipeline Project No. 5, Part 2” that the Company received during 2018 - 2020 with a project value of approximately 52 million baht.

2019

The Company has used the propulsion system in the “Northeastern Oil Pipeline Project Ayutthaya - Chaiyaphum” project received during the end of 2019-2021, with a total project value of approximately 27 million baht.

2020

The Company utilized the aforementioned tools to continuously operate the Natural Gas Pipeline Project No. 5, Part 2 project since 2018, and the Northeastern Oil Pipeline Project Ayutthaya - Chaiyaphum project continuously from 2019 until the present. In 2020, revenues were recognized in each project amounting to approximately 37.50 million baht and 15.26 million baht, respectively.

2021

(1) The Company has carried out the construction and equipment for E-Beam Building Center to prepare for the business operation in the Electron Beam Sterile field. In 2021, such tools and equipment have been in the process of testing the installation.

(2) Establish the “TNDT Creative Knowledge Center” project to encourage employees with creative and positive attitude backgrounds to develop and wider their ideas. In 2021, the Company has started a pilot project by selecting 9 qualified employees to join the project and inviting 2 external speakers with expertise in the Design Thinking process to give both theoretical and practical knowledge, carry out via the online system.

(3) Collaborate with public and private partners to develop technology and innovation, starting with the development of nuclear technology, which is the Company’s core business, with the Thailand Institute of Nuclear Technology (Public Organization) (TINT) according to the memorandum that was signed in 2020. In 2021, there were 2 meetings between the management and there was always an exchange of knowledge at the operational level on occasion.

4.2 Significant Financial Information

(1) Summary of Financial Position and Performance

Summary of Statement of Financial Position /Statement of Profit and Loss	Financial Statements of the Company						Consolidated Financial Statements					
	Ended Dec. 31, 2019		Ended Dec. 31, 2020		Ended Dec. 31, 2021		Ended Dec. 31, 2019		Ended Dec. 31, 2020		Ended Dec. 31, 2021	
	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%
Cash and Cash Equivalents	2.18	0.23	1.08	0.10	1.17	0.10	4.13	0.39	2.88	0.26	2.96	0.26
Current Investment	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00
Trade Receivables - Net	108.13	11.50	110.82	10.63	78.51	7.01	108.13	10.29	110.82	9.95	78.51	6.70
Current Portion of Finance Lease Receivable - Net	-	-	0.50	0.05	2.41	0.21	-	-	0.50	0.05	2.41	0.21
Short-Term Loans to and Interest Receivable from Related Persons	-	-	-	-	-	-	6.00	0.57	6.05	0.54	6.11	0.52
Receivable from Sale of Investment in Subsidiary	-	-	-	-	16.37	1.46	-	-	-	-	-	-
Cash Advanced to Subsidiaries	321.56	34.20	335.96	32.22	346.39	30.94	-	-	-	-	-	-
Supply	5.18	0.55	5.47	0.52	4.77	0.43	5.18	0.49	5.47	0.49	4.77	0.41
Other Current Assets												
- Cash Advance Payment	4.91	0.52	4.78	0.46	4.35	0.39	67.50	6.42	68.66	6.16	58.00	4.95
- Other	8.31	0.88	13.30	1.28	19.82	1.77	8.87	0.84	14.70	1.32	21.61	1.85
Total Current Assets	450.28	47.88	471.92	45.25	473.80	43.99	199.82	19.00	209.09	18.77	174.37	15.10
Restricted Deposits at Bank	-	-	5.00	0.48	17.03	1.52	0.10	0.01	5.11	0.46	17.13	1.46
Account Receivable which are Collection with are Expected Time Period to Receive Over the years.	22.46	2.39	22.58	2.17	22.02	1.97	22.46	2.14	22.58	2.03	22.02	1.88
Finance Lease Receivable - Net	-	-	19.81	1.90	83.76	7.48	-	-	19.81	1.78	83.76	7.15
Loan to Other Party - Net	63.58	6.76	58.58	5.62	57.57	5.14	63.58	6.05	58.58	5.26	57.57	4.92
Investment in Available-for-Sale Securities	0.04	0.00	0.04	0.00	0.04	0.00	0.04	0.00	0.04	0.00	0.04	0.00
Investment inSubsidiaries Accounted for using the Cost Method	23.20	2.47	29.04	2.79	13.46	1.20	-	-	-	-	-	-
Property, Plant and Equipment- Net	258.76	27.52	234.40	22.48	239.87	21.42	606.17	57.67	559.32	50.21	564.59	48.20
Right - of - Use Assets - Net	-	-	38.65	3.71	84.90	7.58	-	-	38.78	3.48	84.97	7.26
Intangible Assets - Net	0.52	0.06	0.50	0.05	1.82	0.16	0.52	0.05	0.50	0.04	1.82	0.16
Other Cash Advance	94.50	10.05	93.97	9.01	90.47	8.08	130.40	12.40	130.82	11.74	128.78	11.00
Other Assets	26.86	2.93	68.12	6.53	34.87	3.11	28.11	2.67	69.37	11.53	36.13	3.08
Total Non-Current Assets	489.90	52.12	570.69	54.75	645.81	57.68	851.37	81.00	904.91	81.23	996.81	85.11
Total Assets	940.18	100.00	1,042.61	100.00	1,119.61	100.00	1,051.19	100.00	1,114.00	100.00	1,171.18	100.00

(1) Summary of Financial Position and Performance (continued)

Summary of Statement of Financial Position /Statement of Profit and Loss	Financial Statements of the Company						Consolidated Financial Statements					
	Ended Dec. 31, 2019		Ended Dec. 31, 2020		Ended Dec. 31, 2021		Ended Dec. 31, 2019		Ended Dec. 31, 2020		Ended Dec. 31, 2021	
	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%
Bank Overdrafts and Short-Term Borrowings from Financial Institutions	170.99	18.19	150.21	14.41	118.18	10.56	170.99	16.27	150.21	13.48	118.18	10.09
Trade Payables	5.39	0.57	4.37	0.42	4.30	0.38	5.39	0.51	4.38	0.39	4.30	0.37
Current portion of Other Payable	-	-	-	-	-	-	-	-	-	-	6.0	0.51
Current Portion of Liabilities under Hire Purchase and Finances Lease Contracts	9.21	0.98	19.70	1.89	28.46	2.54	9.63	0.92	20.19	1.81	28.54	2.44
Current Portion of Long-Term Borrowings	12.21	1.30	11.97	1.15	17.67	1.58	12.21	1.16	11.98	1.07	17.67	1.51
Short-Term Loan	123.68	13.15	113.00	10.84	84.55	7.55	139.08	13.23	129.56	11.63	101.69	8.68
Income Tax Payable	0.25	0.03	-	-	-	-	0.25	0.02	-	-	-	-
Accrued Expenses and Other Current Liabilities	53.58	5.70	82.27	7.89	131.15	11.71	197.71	18.81	189.11	16.98	165.22	14.11
Total Current Liabilities	375.31	39.93	381.53	36.60	384.31	34.32	535.27	50.92	505.42	45.36	441.60	37.70
Other Payable - Net of Current Portion	-	-	-	-	-	-	-	-	-	-	57.50	4.91
Liabilities under Hire Purchase and Finances Lease Contracts - Net	16.32	1.74	49.31	4.73	71.88	6.42	16.83	1.60	49.46	4.44	71.95	6.14
Long-Term Borrowings - Net	37.71	4.01	73.80	7.08	86.96	7.77	37.71	3.59	73.80	6.63	86.96	7.42
Liability for Post-Employment Benefits	15.95	1.70	18.08	1.73	15.52	1.38	15.95	1.52	18.08	1.62	15.52	1.33
Deferred Tax Liabilities	-	-	1.08	0.10	6.50	0.58	-	-	1.08	0.10	6.50	0.55
Other Non-Current Liabilities Provisions	-	-	1.50	0.14	9.40	0.84	-	-	1.50	0.23	9.40	0.80
Total Non-Current Liabilities	69.99	7.45	143.77	13.79	190.26	17.00	70.49	6.70	143.92	12.92	247.83	21.16
Total Liabilities	445.30	47.38	525.30	50.39	574.57	51.32	605.76	57.62	649.34	58.29	689.43	58.86
Issued and Fully Paid-up Share Capital	100.00	10.64	100.00	9.59	120.47	10.76	100.00	9.51	100.00	8.98	120.47	10.29
Premium on Common Shares	51.17	5.44	51.17	4.91	99.99	8.93	51.17	4.87	51.17	4.59	99.99	8.54
Common Shares Awaited for Registration	-	-	-	-	220.68	19.70	-	-	-	-	220.68	18.84
Appropriated for Legal Reserve	10.00	1.06	10.00	0.96	10.00	0.89	10.00	0.95	10.00	0.90	10.00	0.85
Retained Earnings are Unappropriated	333.70	35.48	356.13	34.15	93.89	8.38	302.62	28.80	320.99	28.82	51.34	4.39
Other Components and Non-Controlling Interests	0.00	0.00	0.00	0.00	0.00	0.00	(18.36)	(1.75)	(17.51)	(1.57)	(20.74)	(1.77)
Total Shareholders' Equity	494.86	52.62	517.31	49.61	545.04	48.68	445.43	42.38	464.66	41.72	481.75	41.14
Total Liabilities and Shareholders' Equity	940.18	100.00	1,042.61	100.00	1,119.61	100.00	1,051.19	100.00	1,114.00	100.00	1,171.18	100.00

(1) Summary of Financial Position and Performance (continued)

Summary of Statement of Financial Position /Statement of Profit and Loss	Financial Statements of the Company						Consolidated Financial Statements					
	Ended Dec. 31, 2019		Ended Dec. 31, 2020		Ended Dec. 31, 2021		Ended Dec. 31, 2019		Ended Dec. 31, 2020		Ended Dec. 31, 2021	
	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%	Million Bath	%
Revenue from Services	338.52	98.79	297.33	89.31	253.97	77.97	338.52	98.93	297.33	89.43	253.97	77.95
Finance Lease Income	-	-	21.20	6.37	69.14	21.14	-	-	21.20	6.38	69.14	21.22
Other Revenue	4.15	1.21	14.38	4.32	3.89	1.19	3.64	1.07	13.94	4.19	2.70	22.05
Total Income	342.67	100.00	332.92	100.00	327.00	100.00	342.16	100.00	332.47	100.00	325.81	100.00
Cost of Services	229.32	66.92	203.11	61.01	180.70	55.26	229.32	67.02	203.11	61.09	180.70	55.46
Cost of Finance Lease	-	-	16.91	5.08	48.86	14.94	-	-	16.91	5.09	48.86	15.50
Administrative and General Expenses	43.00	14.15	52.79	20.94	65.27	19.96	49.20	14.38	55.63	16.73	70.97	21.78
Total Expenses	272.32	81.07	272.81	81.95	294.83	90.16	278.52	83.01	275.65	82.91	300.53	92.24
Profit (Loss) Before Financial Cost and Income Tax	70.35	20.53	60.10	18.05	32.17	9.84	63.65	18.60	56.82	17.09	25.28	7.76
Financial Cost	29.63	8.65	28.05	8.43	39.86	12.19	30.64	8.96	28.87	8.68	40.62	12.47
Loss of Impairment of Financial Assets	5.50	1.60	7.35	2.21	6.39	1.95	5.50	1.61	8.85	2.66	6.39	1.96
Income Tax	7.80	2.28	1.31	0.39	5.42	1.66	7.80	2.28	1.31	0.40	5.42	1.66
Profit (Loss) for the year	27.42	8.00	23.38	7.02	(19.50)	(5.96)	19.70	5.75	17.78	5.35	(27.15)	(8.33)

(1) Summary of Financial Position and Performance (continued)

Summary of Statement of cash flow	Financial Statements of the Company			Consolidated Financial Statements		
	Ended Dec. 31, 2019	Ended Dec. 31, 2020	Ended Dec. 31, 2021	Ended Dec. 31, 2019	Ended Dec. 31, 2020	Ended Dec. 31, 2021
Profit (Loss) Before Income tax	35.22	24.69	(14.07)	27.50	19.10	(21.73)
Adjustments for:						
Depreciation and amortization / Loss on Write of Assets / Loss on Impairment of Financial Assets / Gain on Sale Equipment, Unrealize of Gain or Loss of Exchange Rate, Interest Revenue, Expenses for Post-Employment Benefits, Interest Expenses, Reversal of Accrued Directors' Remunerations and Accrued Employee Bonus, Estimated Cost of Project Asset Maintenance	66.61	54.47	72.76	70.93	57.91	78.12
Operating Cash Flow before Movements in Working Capital	101.83	79.16	58.69	98.43	77.00	56.39
Decrease (Increase) in Trade Receivable	(13.98)	(4.71)	27.49	(13.98)	(4.72)	27.49
Finance Lease Receivable	-	(20.17)	(65.44)	-	(20.17)	(65.44)
Decrease (Increase) in Supply	0.41	(0.30)	0.69	0.41	(0.29)	0.69
Decrease (Increase) in Other Current Assets	3.67	(6.73)	(3.51)	3.57	(11.48)	0.63
Decrease (Increase) in Other Non-Current Assets	(15.05)	(30.05)	28.82	(15.05)	(30.05)	28.82
Increase (Decrease) in Trade Payable	(2.17)	(1.00)	(0.08)	(2.17)	(1.00)	(0.08)
Increase (Decrease) in Accrued Expenses and Other Current Liabilities	5.40	8.99	2.22	15.44	27.96	5.99
Other Payable (Decrease)	-	-	-	-	-	(6.50)
Liability for Post-Employment Benefits	-	-	(3.47)	-	-	(3.47)
Operating Cash Flow before Income Tax	80.11	25.19	45.40	86.65	37.27	44.53
Interest Received from Finance Lease Receivable	-	0.83	4.19	-	0.83	4.19
Proceeds from Refunded withholding Tax	-	5.13	-	-	5.13	-
Income Tax Expenses	(8.12)	(4.88)	(6.33)	(8.13)	(4.88)	(6.33)
Net Cash Flow for Operating Activities	71.99	26.26	43.25	78.52	38.34	42.38
Increase (decrease) in Restricted Deposits at Bank	-	(5.0)	(12.03)	-	(5.0)	(12.03)
Increase in Cash Advance to Subsidiary	(9.94)	(14.39)	(10.43)	-	-	-
Land and Properties Plant and Equipment	(13.93)	(20.34)	(44.91)	(21.14)	(46.98)	(49.52)
Additions to Right-of-use Assets	-	(1.32)	-	-	(1.32)	-
Increase in Intangible Assets	(0.13)	(0.23)	(1.56)	(0.13)	(0.23)	(1.56)
Increase in Cash Advance	-	-	3.50	(4.36)	(2.39)	2.11
Cash Receive from Sale Equipment	-	-	0.03	-	-	0.03
Interest Revenue	-	-	0.04	-	-	0.04
Net Cash Flow from (used in) Investing Activities	(24.00)	(41.28)	(65.36)	(25.63)	(55.92)	(61.00)

(1) Summary of Financial Position and Performance (continued)

Summary of Statement of Cash Flow	Financial Statements of the Company			Consolidated Financial Statements		
	Ended Dec. 31, 2019	Ended Dec. 31, 2020	Ended Dec. 31, 2021	Ended Dec. 31, 2019	Ended Dec. 31, 2020	Ended Dec. 31, 2021
Increase (Decrease) in Bank Overdrafts and Short-Term Borrowings from Financial Institutions (Decrease)	(4.22)	14.20	(32.04)	(4.22)	14.20	(32.04)
Increase in Loan from Related Person (Decrease)	16.95	(8.03)	(22.17)	14.36	(7.45)	(22.17)
Decrease in Loan from Other Parties	(10.80)	(5.70)	(3.00)	(10.80)	(5.70)	(3.00)
Payments of Liabilities under Hire Purchase and Finance Lease Contracts	(8.35)	(10.25)	(27.32)	(8.70)	(10.73)	(27.81)
Increase in Long-Term Borrowings	-	20.00	57.65	-	20.00	57.65
Repayment of Long-Term Borrowings	(20.76)	(19.12)	(38.80)	(20.76)	(19.12)	(38.80)
Increase in Finance Lease Contracts	-	44.08	58.02	-	44.08	58.02
Issue Convertible Debentures and Exercise the Right to Convert into Ordinary Shares	-	-	69.99	-	-	69.99
Expenses on Issuance of Convertible Debentures	-	-	(8.92)	-	-	(8.92)
Dividend Payment	-	-	(0.01)	-	-	(0.01)
Interest Paid	(19.46)	(21.26)	(31.23)	(20.70)	(21.34)	(31.26)
Net Cash Flow from (used in) Financing Activities	(46.63)	13.92	22.20	(50.81)	13.94	21.67
Resulting Exchange Difference	-	-	-	(0.81)	2.39	(2.97)
Cash and Cash Equivalent at Beginning	0.82	2.18	1.09	2.86	4.13	2.89
Net Cash and Cash Equivalent Increase (Decrease)	1.36	(1.09)	0.08	1.27	(1.25)	0.08
Cash and Cash Equivalent at Ending	2.18	1.09	1.17	4.13	2.88	2.96

(2) Financial Ratio

Financial Statements of the Company

Financial Ratio	Ended Dec. 31, 2019	Ended Dec. 31, 2020	Ended Dec. 31, 2021
LIQUIDITY RATIO			
Liquidity Ratio (Time)	1.20	1.24	1.23
Quick Liquidity Ratio (Time)	0.29	0.29	0.21
Operating Cash Flow Ratio (Time)	0.19	0.07	0.11
Receivable Turnover (Time)	2.26	2.87	3.22
Collection Period (Days)	159	125	112
Inventory Turnover (Time)	42.60	38.17	35.30
Day Sales Outstanding (Days)	8	9	10
Account Payable Turnover (Time)	35.31	41.64	41.50
Average Payment Period (Days)	10	9	9
Cash Cycle (Days)	157	125	113
PROFITABILITY RATIO			
Gross Profit Margin (%)	32.26	31.69	28.85
Operating Profit Margin (%)	10.40	8.31	(5.54)
Other Profit Margin (%)	-	-	-
Cash to Net Profit (%)	204.39	106.35	(307.35)
Net Profit Margin (%)	8.00	7.02	(5.96)
Return on Owner's Equity (%)	5.69	4.62	(3.67)
EFFICIENCY RATIO			
Return on Assets (%)	2.95	2.36	(1.80)
Return on Fixed Assets (%)	22.52	22.11	3.55
Total Assets Turnover (Time)	0.37	0.34	0.30
FINANCIAL POLICY RATIO			
Debt to Equity ratio (Time)	0.90	1.02	1.05
Interest Coverage Ratio (Time)	2.69	0.98	1.22
Obligation Coverage Ratio (Time)	5.17	1.29	0.96
Dividend Payout (%)	-	-	73.33

General Information and Other Important Information



5.1 General and Other Important Information

5.1.1 Location

Company Name	:	THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED
Head Office	:	19 Soi Ramkhamhaeng 60 Yaek 8 (Suanson 8), Ramkhamhaeng Road, Huamark,
Telephone	:	(66) 0-2735-0801 (Auto 10 lines)
Fax	:	(66) 0-2735-1941
Branch Office	:	29 Banphlong Road, Mabtaphut Sub-District, Muang Rayong District, Rayong 21150
Telephone	:	(66) 0-3869-2226-7
Fax	:	(66) 0-3869-2229
Home page	:	www.tndt.co.th
E-mail	:	headoffice@tndt.co.th

5.1.2 Reference Persons

Independent Director :

INDEPENDENT COMMITTEE

19 Soi Ramkhamhaeng 60 Yaek 8 (Suanson 8), Ramkhamhaeng Road, Huamark, Bangkok, Bangkok 10240

E-mail: independent@tndt.co.th

Company Secretary Office :

MISS SASIPRAPHA SAENGCHAI

19 Soi Ramkhamhaeng 60 Yaek 8 (Suanson 8), Ramkhamhaeng Road, Huamark, Bangkok, Bangkok 10240

TEL. (66) 0-2735-0801 (Auto 10 lines)

FAX. (66) 0-2735-1941

E-mail: secretary@tndt.co.th

Investor Relations Office :

MR. SOMOUY TANGCHITTHAVORNGUL

19 Soi Ramkhamhaeng 60 Yaek 8 (Suanson 8), Ramkhamhaeng Road, Huamark, Bangkok, Bangkok 10240

TEL. (66) 0-2735-0801 (Auto 10 lines)

FAX. (66) 0-2735-1941

E-mail: som_ouy@tndt.co.th

Registrar :

THAILAND SECURITIES DEPOSITORY CO.,LTD.

93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400

TEL. (66) 0-2009-9381

FAX. (66) 0-2009-9476

Certified Public Accountant :

MR. AKADET PLIENSAKUL CPA No. 5389

M.R. & ASSOCIATES Company Limited

705-706 Chaophaya Tower (Shagri-La Hotel)

89 Soi Wat Suan Plu, New Road, Bangrak, Bangkok 10500

TEL. (66) 0-2630-7500

FAX. (66) 0-2630-7506

Internal Audit Governance / International Trading Coordinator

MR. THANUN SATAVHUTHI

19 Soi Ramkhamhaeng 60 Yaek 8 (Suanson 8), Ramkhamhaeng Road, Huamark, Bangkok, Bangkok 10240

TEL. (66) 0-2735-0801 (Auto 10 lines)

FAX. (66) 0-2735-1941

E-mail: thanun@tndt.co.th

Other companies in which the proportion of shares held is 10% or greater

Please see the Shareholding Structure of the Company & Subsidiaries on page 6

Other references :

- None -

5.2 Other Significance

- None -

5.3 Legal Dispute

1. In November 2020, the Company was filed one case in the civil court, on the charge of default of contract, violate and being claimed of damages in the amount of 985,222. - Baht. Currently, the lawsuit is not finalized.

2. In September 2021, , the Company was filed one case in the civil court, on the charge of default of contract, violate and being claimed of damages in the amount of 18,000,000. - Baht.

In these, the legal dispute of the Company (Only) may have a negative impact on the assets or business operation of the Company, but not more than 5% of shareholders' equity as of the fiscal year end.

Additionally in January 2021, the Subsidiary (TNDTPW), as the respondent, received the written subpoena from the court for mediation before the civil case, on the charge of default of construction contract, violate and being claimed of damages in the amount of 70,000,000.- Baht. The petitioner and subsidiary entered into the compromise agreement to pay no less than 500,000 Baht per month and to be completed within 3 years.

For more information, please see the Notes to Financial Statement of the Auditor “**title 32. OTHERS, Subtitle : g, h, i**”
page 218-219

5.4 Secondary Market

The Company is not listed on the Stock Exchange of other countries

5.5 Contact Financial Institution

The KASIKORNBANK Public Company Limited (Klongchan Branch)

33 Serithai Rd., Klongchan,

Bangkapi, Bangkok

10240

Tel : +662 733 7136

Part 2

Good Corporate Governance



Corporate Governance (CG)



6.1 Overview of Corporate Governance Policies and Practices

6.1.1 Corporate Governance

The Board of Directors realizes and strives to be the leader of the organization who wants to promote and create value for the business to create sustainability for the Company and its subsidiaries in both business operations, management, Including governance with emphasis on the management of the work with transparency, fairness, being able to be examined and with responsibility. On the basis of having professional ethics, ethics and good morals by committing to creating the most effective benefits for all stakeholders in the value chain to aim to create a better business standard. in which, this will enable all stakeholders to gain confidence, create a good image of the Company as well as lead to a truly sustainable business development.

The Board of Directors has established a written corporate governance policy for directors, executives and employees of all levels to adhere to and comply with as follows:

1. The Board of Directors will abide based on policies and guidelines related to the performance of duties of the Board of Directors, which it covers nomination and remuneration for directors and top management. Independence from management, director development and performance evaluation, including supervision of subsidiaries and associated companies, and others.

2. The Board of Directors will set a visible vision, management structure, strategy, as well as responsible for the safety of the personnel, property and the environment both in the organization and nearby communities including guidelines for working with transparency, able to monitor, tracking and measure business performance systematically as well as the effectiveness of risk management, independence and responsibility for the performance of their duties in accordance with good corporate governance principles, performing duties in accordance with the law strictly and carefully considering the relevant regulations in all countries that has invested in.

3. The Board of Directors encourages employees at all levels to comply with good corporate governance principles as well as policies and practices relating to shareholders and stakeholders of all groups. Covering responsibility for shareholders, equality, promoting the exercise of shareholders' rights, prevention of the use of inside information, prevention of conflicts of interest, responsibility for all groups of stakeholders. Compensation for infringement, anti-corruption and measures to act against those who do not comply with policies and guidelines.

4. The Board of Directors encourages employees at all levels to comply with the rules and regulations of the company as well as the regulation that along with the announcement of the Stock Exchange of Thailand, the Capital Market Supervisory Board and the laws relating to the business conduct strictly and continuously monitor changes.

5. The Board of Directors has to review the appropriateness and approve the good corporate governance policy at least once a year, as well as establishing a system for inspection, monitoring, evaluation and review for employees of all levels to adhere and practice in order to reach sustainability.

The Board of Directors has acted as a role model in corporate governance by encouraging senior management and executives to follow with a commitment to conduct their business on the basis of social, community and environmental responsibility based on the sustainable development guidelines of the relevant departments. Additionally, the Board of Directors has assigned the Audit Committee to supervise and review by reporting the results of good corporate governance to the Board regularly at least once a year or if any related changes, as well as reporting to the public via Form 56-1 One Report and SD Report.

Please see “**Corporate Governance Report (CG Report)**”, on page 116-145.

6.1.2 Code of Business Conducts

The Board of Directors has established a policy on the Code of business Conducts to promote and expect directors, executives and employees of all levels to acknowledge and adhere to comply with. The Company also has a system to monitor the practice on a regular basis. It is the duty of executives at all levels to be a good role model as well as to promote and raise awareness of employees under their command to acknowledge, understand and strictly adhere to the business ethics with honesty, fairness and responsibility to the stakeholders, shareholders and all parties involved. The code of conduct includes the determination of disciplinary penalties in order to prevent actions that may lead to corruption, leading to a good image of the organization, stakeholders of all groups continue to gain confidence in business operation and sustainable business development.

The Board of Directors has assigned the Audit Committee to oversee and review by reporting the results of the Code of Business Conducts to the Board regularly at least once a year or if any related changes, as well as reporting to the public via Form 56-1 One Report and SD Report.

6.1.3 Major Changes and Developments of Policy, Guidelines and Corporate Governance Systems in the past year

(1) Review of Policies, Guidelines, and Governance

The Company attaches great importance to the application of the Good Corporate Governance Principles (CG Code) for listed companies of the Stock Exchange of Thailand and practices in all activities of the organization by applying the CG Code as a guideline for practice since reporting Annual Report for 2019, except for certain matters which the Company has planned including finding other practices for transparency in business operations. For more performance can be seen in the “**6.1.4 Exemption from compliance with good corporate governance principles**”, on page 92-93.

(2) Charter

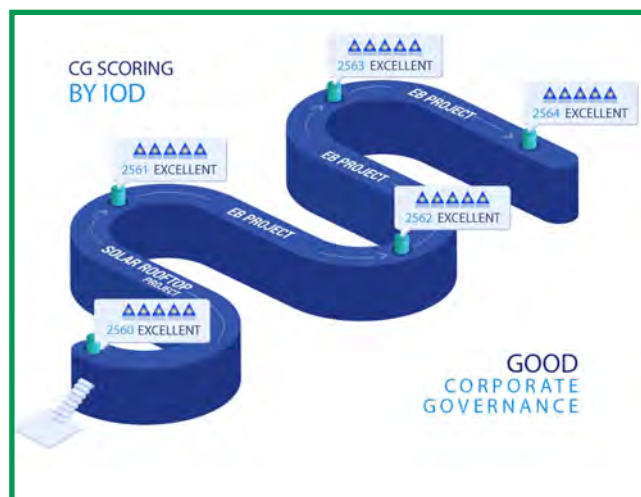
2.1 Review and Improve

All committees reviewed and revised the board charter at the Board Meeting No. 1/2022 on February 26, 2022.

(3) Corporate Governance Survey Project (CGR)

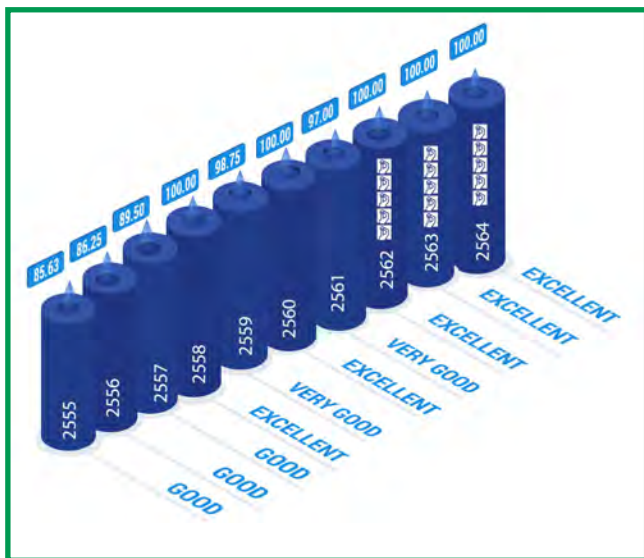
Since 2019, the Company's Board of Directors has considered, reviewed and monitored the implementation, including applied the eight principles of good corporate governance (CG Code) in order to have a good business performance, be credible to all groups of stakeholders, benefit the society as a whole and create sustainable business value.

The Company obtained an “**Excellent**” rating for corporate governance of listed companies for the year 2021 by the Thai Institute of Directors for 6 consecutive years with a score of 94%, which is equivalent to 2020.



(4) A project to assess the quality of the shareholders' meeting

The Company adheres to the criteria and follows the guidelines in the "AGM Checklist", which is set by the Thai Investors Association. The Company was assessed on the quality of the 2021 Annual General Meeting of Shareholders with 100 points (in 2020, obtained a score of 100 points).



(5) Sustainable Shares

The Company has participated in the sustainability assessment to be selected as one of the list of sustainable stocks or Thailand Sustainability Investment (THSI) for the first year by receiving the sustainability assessment score of 2021 with a score of 47%. The recommendations received from the assessment will be used as a guideline for improving sustainability performances and expecting the score of assessment in 2022 shall be 70% upper.



6.1.4 Exemption from compliance with good corporate governance principles

The Company recognized the importance of applying CG Codes for listed companies in the SET and practiced in all activities of the organization. However, the Company has not practiced in the followings: -

1. Chairman of the Board of Director should be Independent Director.

With the only exception that the Chairman of the Board did not come from the Independent Directors and that he also acted as the President of Executives. Due to the Non-Destructive Testing and Inspection for engineering safety, which was the specific business, required the personnel with knowledge, skills and had a long experience in the business, in order to lead the Company to success. However, both the operations of the Company and the Board of Directors were formed on the basis of good corporate governance, in accordance with the guidelines of the Stock Exchange of Thailand. The Chairman and the President of Executives was not the same person, in practice, the Chairman could not exercise the power in the place of the Board of Directors without the consent of the Board. The President of Executives should also follow the procedures of the Board of Directors which were always under the rules and regulations of the Company as well as being approved and under the supervision of the Board of Directors consisting of both Independent Directors and Non-Executive Directors as more 50 percentages of all Directors. This resulted in a balance of power, verifiable and the management that was transparent and concise. Moreover, the said authorization of power did not allow the President of Executives to authorize the issues in which he or any individuals might have conflicts of interests or connected transaction in any way to the Company.

Additionally, the Company had separated the position of the Chairman of the Board and the Managing Director, not making them under one person so as to be in accordance with the guidelines for good corporate governance.

(2) Determine the term on duty of the Independent Directors should not exceed 9 consecutive years from the first date of appointment without any exception.

The Board of Directors consists of 3 independent directors, of which 2 independent directors are exceeding for more than 9 consecutive years. In these, the Board has considered that even the term on duty of the 2 Independent Directors are more than 9 years, their independent opinions and duties performances with knowledgeable and expertise have done the best interests for the Company and in compliance with the Company's rules and regulations, and the Capital Market Committee. For another term on their duties, the Board of Directors should consider and approve and present to the AGM meeting for approval.

(3) Good Governance Committee and Risk Management Committee

The Board of Directors has not yet formed these 2 sub committees. Therefore, the Board has assigned the Audit Committee to review the conducts and the corporate governance principles, including setting up the Risk Management Policy and the Internal Control System to review and assess the risks management of the operations in all aspects both internal and external organization including the overseas businesses, for the best interests and the prevention of corruptions. These were done by appointing the internal auditor to audit the work procedures in each department of the Company.

(4) The Board should consist of more than 50% of independent directors.

The Board of Directors consists of 8 directors, the 3 directors are members of audit committee / independent directors / Non-Executive Director of which more than 1/3 of entire Board, and the other 2 Directors are not Independent Directors / Non-Executive Director. There was counterbalance of 5 Non-Executive Directors, more than a half of the entire board, to review the management and have the freedom to manage the audit work.



Governance Structure and Key Data on

the Board of Directors, Specific Committees, Management, Employees, and Others

07



7.1 Governance Structure

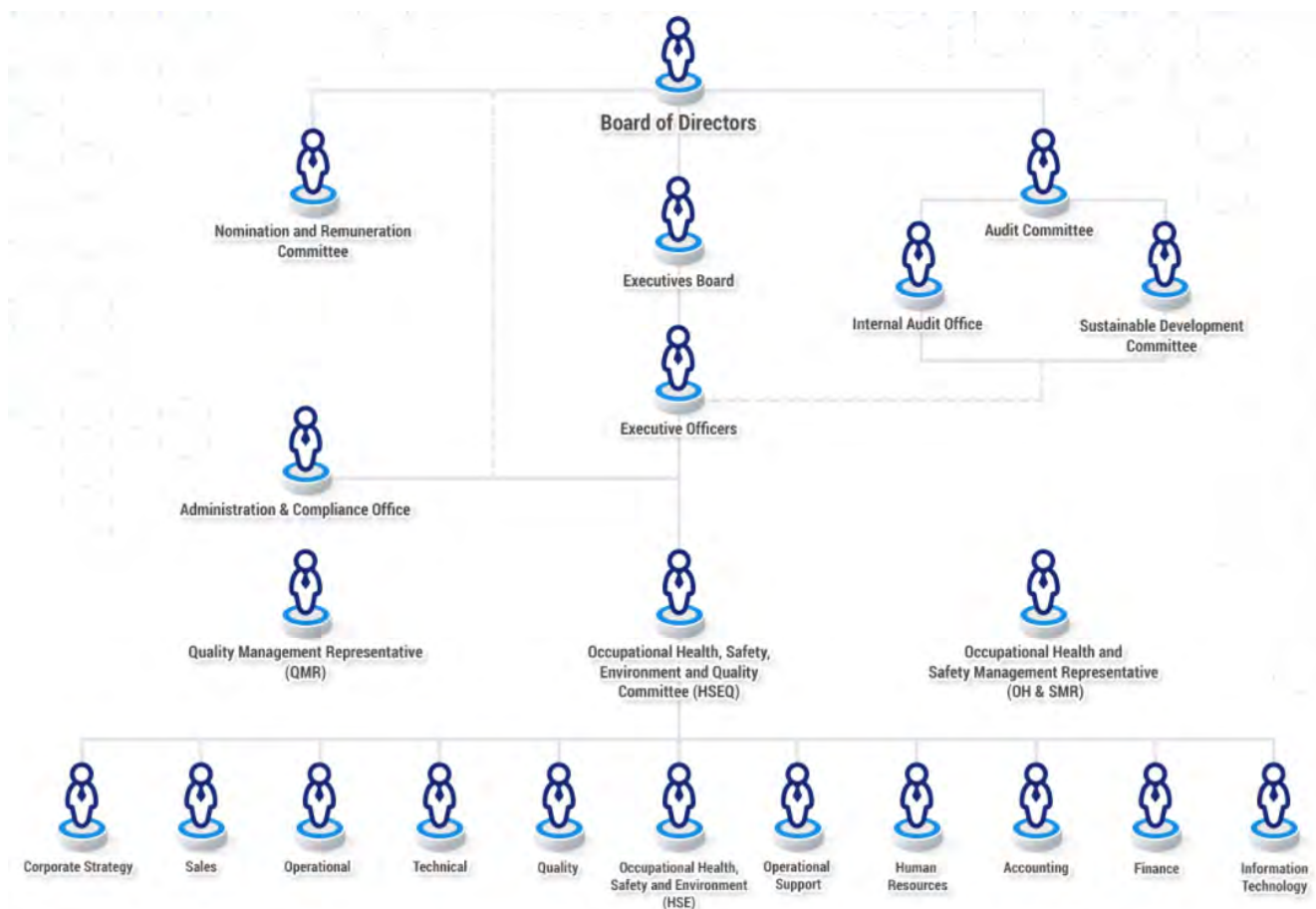
(1) Management Structure

The Company restructured its organization on May 3, 2021 to support business expansion into new businesses, including being a channel and opportunity for the employees at all levels to be growth in their duties, according to their specialties or interests.

The Company in year 2021 has 4 boards as follows:

Director's Name		Board of Directors	Nomination and Remuneration Committee	Audit Committee / Independent Director	Executive Board
1. Mr. Suwat	Dangpibulskul	x	-	-	-
2. Mr. Chaya	Jivacate	/	/	-	-
3. Miss Chomduen	Satavuthi	/	-	-	x
4. Mr. Krirkkiat	Satavuthi	/	-	-	-
5. Squadron Leader Anek	Panturaks	/	-	-	-
6. Dr. Wicha	Jiwalai	/	x	x	-
7. Mr. Vichai*	Watcharavatanakul	/	/	/	-
8. Dr.Jumpon*	Kluaymai-ngarm	/	-	/	-

Remark :
 x = Chairman
 / = Director
 * = A Director proficient and graduate in accounting.



7.2 Board of Directors

(1) Detail of the Board of Directors

The Name list and profile of the Board of Directors are under **(1) Management Structure** on page 94 and **Attachment 1** : the details of the directors, the executives, the authorized persons, the top assigned person to be responsibility in accounting and finance, the supervisory accountant and the company secretary, on pages 246-254.

(2) Composition of the Board

The Board of Directors consists of 8 Directors, with 3 Executive Directors and 5 Non-Executive Directors, 3 of whom are Independent Directors.

Authorized Directors

Miss Chomduen Satavuthi co-signs with Mr. Chaya Jivacate, Mr. Suwat Dangpibulskul, Mr. Krirkkiat Satavuthi, or Squadron Leader Anek Panturaks with the Company's seal affixed.

(3) Authority and Responsibilities of Chairman of the Board of Directors

1) Responsible as the leader of the Board of Directors to oversee, monitor, supervise, and the duties' performance of the Executive Board and other Committees to make them achieve the objectives, policies, and goals of the organization pursuant to the specified plan efficiently and effectively.

2) Ensure that all directors contribute to the company's ethical culture and good corporate governance. The board should assume a leadership role in creating and driving a culture of compliance and ethical conduct throughout the company, and lead by example.

3) Set the board meeting agenda by discussing with the CEO and Independent Director to ensure that important matters are included in the agenda and proposed thoroughly to the meeting.

4) Call the Board of Directors' meeting and overseeing the delivery of the notice which included the sufficient documents and having time for the Directors to consider.

5) Act as the Chairman of the Board of Directors' meeting and the Shareholders' meeting and controls the meeting effectively in accordance with the Company's Article of Association and the agenda.

6) Allocate sufficient time for the Board and the Executives to propose all topics, and for Directors to debate important matters thoroughly, as well as encourage the Directors to exercise independent judgment for the best interest of the Company.

7) Act as a decisive vote in Board meetings in case of equal votes of both sides.

8) Promote the constructive relations between all the Committees, and between the Directors and the Executives.

9) Oversee and monitor the disclosure of information, in compliance with relevant rules and regulations, on the Form 56-1 One Report and the company website www.tndt.co.th

(4) Authority and Responsibilities (Board of Directors)

Strategy / Policy

1) Specify, review and approve the vision, mission, commitment, policies, strategies, goal, business plans, budget and operating direction of the Company annually, as well as allocate the significant resources appropriately by deploying the suitable technology and innovation, and having the access protection system, in order for the effective and efficient performance as specified.

2) Oversee and monitor the business operations to be tailored to changing internal and external factors appropriately, by adhering on the corporate governance, ethics and good moral, the activities that benefit to society as a whole and does not affect directly and indirectly to all stakeholders.

The Executives is assigned to set up, review and develop the policies/manuals, such as the Charter of the Board of Directors, Principles of Corporate Governance, the Code of Business Conduct or Anti-corruption policy in written, to communicate to directors, executives, and employees for adhering as a common practice.

3) Consider, select, appoint, remove, transfer and determine Authority and Responsibilities of the Board of Directors, sub-Committee, Managing Director / CEO, and Company Secretary Including Executives.

Role and Duties

1) Perform duties in accordance with Authority and Responsibilities in accordance with the laws, regulations, objectives, and the Company's Article of Association including other relevant matters as well as the resolutions of the Board of Directors and the shareholders' meeting compliance with their fiduciary duties for the Company's best interest.

2) Responsible for shareholders' right on equitable basis and operate with the shareholders' best interest at heart. Ensure information disclosure is accurate, complete, transparently, timely and in compliance with the relevant regulations, rules, and regulations of the relevant agencies.

3) Review and approve, as well as to supervise and monitor the performance regularly, to ensure that the operations are in line with the policy.

4) Consider and approve the Company's authority plan regarding the necessary and relevant matters to the Company or beneficial to the business of the Company. The authorities of the Board of Directors are as follows:

4.1 Authorize the search for and the investment in properties, when the budget is more than the authority of the Executive Board.

4.2 Authorize the search for, repair and sales of the movable assets, when the budget is more than the authority of the Executive Board.

4.3 Authorize the investment, the sales in equities, and/or debt instruments when the budget is more than the authority of the Executive Board.

4.4 Authorize the founding, merging or dissolution of the subsidiaries.

4.5 Authorize the obtaining or cancellation of the credit facilities when the budget is more than the authority of the Executive Board.

4.6 Authorize the loaning to the companies that is also the Company's shareholders or to companies that engage in business deals together or to any other companies when the budget is more than the authority of the Executive Board.

4.7 Authorize the guarantee of the credit facilities to the companies that is also the Company's shareholders or to companies that engage in business deals together or to any other companies when the budget is more than the authority of the Executive Board.

5) Appoint / authorize a director, several directors, or any other persons ("Attorney") to perform any actions on behalf of the board of directors under the extent authorized by the Board of Directors deems appropriate. The Board of Directors may cancel, withdraw, change or revise authorizations as deemed necessary.

Thus, authorizations must not have characteristics of allowing the aforementioned persons to consider and/or approve of transactions in which they or other persons with potential conflicts of interests as stakeholders or other potential conflicts of interest with the company or its subsidiaries, except for approval of routine business transaction according to normal trade conditions or according to policies and criteria considered and approved by the Board of Directors under criteria, conditions and designated methods concerned with connected / related transactions and acquisition or distribution transaction of key properties of registered companies according to announcements by the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or any other announcements by related agencies.

6) Consider, appointment, the scope of authority and responsibilities, Management Structure of the Executive Committee, Managing Director and Sub-Committees such as the Audit Committee, the Nomination and Remuneration Committee, etc., as appropriate.

7) Consider / appoint / determine the scope of authority, responsibility, management structure in written for individuals who act as a director, executive or authorized person in a subsidiary, in order to perform the duties as assigned and in accordance with the subsidiary's policy. They are to protect the interests of subsidiaries and in compliance with the policy of the parent company, including to disclose important information, such as connected transactions or capital increase/reduction transactions, etc.

8) Consider and approve the guidelines and policies of the remuneration of the Company's Directors and the Top Executives by the Board Nomination and Remuneration Committee present.

9) Consider and approve the remuneration of the Board of Directors as proposed by the Nomination and Remuneration Committee before proposing to the shareholders for approval.

Overseeing and Monitoring Compliance

1) Oversee and monitor the executives to perform various matters according to the policies, goals and defined work plans to increase the maximum economic value to the Company and report of the performance to the Board for acknowledgment and evaluation of performance.

2) Oversee and monitor the Company's compliance with regulatory laws, rules and regulations of the Securities and Exchange Commission (SEC), the Capital Market Commission, the Stock Exchange of Thailand (SET) and / or agencies associated with the Company's business

3) Oversee the directors to take responsibilities and allocate sufficient time to enable performing their duties as assigned.

4) Determine, review and approve the charter of the Board of Directors and Sub-Committees annually and perform the duties completely.

5) Consider and approve the Report of The Sub-Committees' responsibilities and the Accountability to Financial Report.

6) Have the policy to empower non-executive directors, independent directors/audit committee / non-executive directors mutualize the meeting as necessary, to discuss various matters regarding the management as their interesting without the management attending.

Company Secretary

Ms. Sasiprapha Saengchai, Company Secretary, Office Management Department was appointed as Company Secretary according to the resolution of the Board of Directors Meeting No. 4/2012 on November 8, 2012.

7.3 Information about Sub-Committees

Audit Committee

(1) Detail of the Audit Committee Member

The Name list and profile of the Board of Directors are under **(1) Management Structure** on page 94 and **Attachment 1** : the details of the directors, the executives, the authorized persons, the top assigned person to be responsibility in accounting and finance, the supervisory accountant and the company secretary, on pages 246-254.

(2) Composition of the Board

The Audit Committee consists of 3 Directors, all the members are non-executive directors, non-employees or consultants of the Company and possess all required qualifications as stipulated by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

(3) Authority and Responsibilities

Overseeing and Monitoring Compliance

1) Review the Company's financial report and monitor the disclosure transparency and appropriateness.

2) Review the Company's internal control and audit systems adequately and efficiently, review internal auditor's independence and approve the appointment, remove, dismiss and evaluate the chief of the internal audit unit or any other unit in charge of an internal audit, as well as determine operating framework and schedule of internal audit unit.

3) Review the Company compliance with the laws and regulations imposed by the Securities and Securities Exchange, the SET's regulations and any relevant regulations concerning the business operation, including overseeing the Company's Compliance unit.

4) Consider, select and nominate independent accountants to be the Company's auditor as well as propose the auditor's remuneration and dismiss the auditor, including establishing operation guideline with the certified public accountant. The Committee shall meet with the auditors at least once a year, without the management attendance.

5) Ensure accurate and complete information disclosure in case of connected transaction or any transaction that may raise conflict of interest issues and that transactions are entered with reasonableness for the benefit to the Company.

6) Consider other issues that may affect the Company's business and propose them to the Board of Directors for consideration.

7) Report the performance of the Audit Committee in accordance with the regulations of the SET including related agencies and published in the Company's Annual Report. The report must be signed by the Chairman of the Audit Committee and must contain the following minimum information:

(7.1) Opinions on the accuracy, completeness and credibility of the Company's financial report.

(7.2) Opinions on legal compliance on the rule and regulations of the SEC and the SET or laws related to the Company's business.

(7.3) Opinions on sufficiency of the Company's internal control system.

(7.4) Opinions on auditor's suitability.

(7.5) Opinion on potential conflict of interest transactions.

(7.6) Number of Audit Committee's meetings and meeting attendance by each audit director.

(7.7) Overall opinion or observation rendered by the Audit Committee receives on execution of duty in line with charter.

(7.8) Other transactions that should be known by shareholders and general investors with the scope of the duties and responsibilities set forth by the board of directors.

8) Act in other issues as assigned by the Board of Directors with the consent of the Audit Committee.

Corporate Governance

(1) In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts which may significantly affect the Company's financial condition and operating results, the Audit Committee shall report it to the Board of Directors for corrective action within the appropriate time.

(1.1) any transaction which cause a conflict of interest.

(1.2) any indication or corruption case, or significant defect in the internal control system

(1.3) any violation or illegal practice of the SEC and SET's regulations or any related law to the Company's business.

If the Board or the Executive do not take any corrective action on the time prescribed by the Audit Committee, the Committee must disclose such action in the annual report and report to the SEC or the SET.

(2) Review policy and guidelines for prevention and anti-corruption as well as assessing the risk of corruption that may occur in all process. The Company also promote and encourage employees to cultivate awareness and practices.

(3) Review the practices and rearrange the policies, including guidelines on ethics and code of business conduct, CG principles and CSR at least once a year, and propose to the Board of Directors for acknowledgment and approval. The Corporate Governance Report is published in the Company's annual report. The report must be signed by the Chairman of the Audit Committee.

(4) Review the Company's operation to comply with the SET, SEC's regulations and other standards related to the business operation of the Company.

Audit Committee Secretary

Ms. Sasiprapa Saengchai, Company Secretary - Office Management Department, was appointed as the Secretary of the Audit Committee by the resolution of the Audit Committee Meeting No. 4/2012 on November 8, 2012. She has performed her duties until November 14, 2020.

And by the resolution of Audit Committee Meeting No. 6/2020 on November 14, 2020, Miss Alisa Thaosisakul, Head of Internal Audit Department, was appointed as the Secretary of the Audit Committee.

The Nomination and Remuneration Committee Member

(1) Detail of the Nomination and Remuneration Committee Member

The Name list and profile of the Board of Directors are under **(1) Management Structure** on page 94 and **Attachment 1** : the details of the directors, the executives, the authorized persons, the top assigned person to be responsibility in accounting and finance, the supervisory accountant and the company secretary, on pages 246-254.

(2) Composition of the Committee

The Nomination and Remuneration Committee consists of 3 Directors, 2 independent Directors and 1 non-Executive Director, of whom more than half of the Directors are Independent Directors.

(3) Authority and Responsibilities

Nomination

1) Consider the board structure, in terms of size, composition, and the proportion of Independent Directors in the Board of Directors to be appropriate to the business, organization, and the relevant environment.

2) Consider, set up and review the guidelines and policies in nominating the Board of Directors and other Committee Members, including the qualifications of Board Members and Top Executives or key positions in the management structure on the Company's Good Corporate Governance Manual and Succession Plan. The guideline and policies are also reviewed annually and proposed to the Board of Directors at least once a year.

3) Nominate the candidates for the position of Directors, Committee Members who retired by rotation and / or appointed to the appropriateness of the structure and qualifications of the Board of Directors to meet the required specifications. The nominees have to be proposed to the Board of Directors and/or to the meeting of shareholders for approval (case by case basis).

4) Prepare a Skill Matrix development plan to continuously improve skills, knowledge and relevant abilities in order to achieve the performance objectives, goals and the best interests of the organization.

5) In case the Board of Directors has appointed any individuals to be a consultant, his/her information including independence or no conflict of interest shall be disclosed in the annual report.

6) Coordinate to arrange orientation for new directors according to the guidelines of the Stock Exchange of Thailand and the Development Plan.

7) Assess the performance of Managing Director and propose to the Board of Directors for approval.

8) Perform other issues relating to the nomination as assigned by the Board of Directors, with the consent of the Nomination and Remuneration Committee.

Remuneration

1) Consider and review the guidelines and policy of remuneration for the Board and Committees, both monetary and non-monetary of which are the fixed rate of remuneration (such as Meeting Allowance and Remuneration Allowance), and remuneration depending on the company's operation results (such as bonus) with principles or guidelines and structure which are fair and reasonable. Moreover, the review of guidelines and policy shall be consistent with the strategies and long-term goals of the company, by comparing to other company in the related industry and at a similar level, as well as being accountability and responsibility both regular and assigned duties and considering

the business expansion and the growth of the company's profits, then propose to the Shareholders' Meeting for approval.

2) Consider and review the guidelines and policy of remuneration for the Managing Director, which includes wages, yearly bonus and other benefits, both monetary and non-monetary, with principles or guidelines and structure which are fair and reasonable. The review of guidelines and policy shall be consistent with the strategies and long-term goals of the company, by comparing to other company in the related industry and at a similar level, as well as being accountability and responsibility both regular and assigned duties and considering the business expansion and the growth of the company's profits

3) In case the Board of Directors has appointed any individuals to be a consultant, his/her information including independence, or no conflict of interest shall be disclosed in the annual report.

4) Perform other issues relating to the remuneration as assigned by the Board of Directors with the consent of the Nomination and Remuneration Committee.

Corporate Governance

1) Support the Company to allow the shareholders to nominate directors to replace those who retired by rotation prior to the Annual General Meeting.

2) Provide policy, guideline and the performance assessment, as well as consider Self Assessments of Board, Committees and Executives both on an individual and team basis including the senior management assessment, then proposed to the Board of Directors for approval.

3) Perform other issues relating to the corporate governance as assigned by the Board of Directors with the consent of the Nomination and Remuneration Committee.

4) Determine, review and proposed the charter of the Nomination and Remuneration Committee to the Board of Directors for approve annually and perform the duties completely.

5) Report the duties as required by the SET as well as the relevant authorities and published in the Company's Annual Report. The report must be signed by the Chairman of the Nomination and Remuneration Committee.

Nomination and Remuneration Committee Secretary

Ms. Sasiprapha Saengchai, Company Secretary, Office Management Department was appointed as Nomination and Remuneration Committee Secretary according to the resolution of the Nomination and Remuneration Committee Meeting No. 1/2014 on November 11, 2014.

Executive Board

(1) Detail of the Executive Board

The Name list and profile of the Board of Directors are under **(1) Management Structure** on page 94 and **Attachment 1** : the details of the directors, the executives, the authorized persons, the top assigned person to be responsibility in accounting and finance , the supervisory accountant and the company secretary, on pages 246-254.

(2) Composition of the Board

The Executive Committee consists of 1 director and executives' representatives from each department of the Company.

(3) Authority and Responsibilities

1) Determine the policies, strategies, work plans, command, corporate plans and targets for the Company's business, to comply with the policies as determined by the Board of Directors.

2) Plan the investment and capital raising process according to the Company's policies.

3) Approve the appointment of consultant as necessary for business operations.

4) Determine the employee's benefits as appropriate to situations, cultures and relevant regulations.

5) Approve the procurement, cancellation, or selling of assets, investments and other expenses necessary for business operations, the details are mentioned in the authority plan.

6) Approve the asset procurement, expenses due to the Company's operations, under the contract and/or the agreement with the business partners. The details are mentioned in the authority plan.

7) Authorize the Managing Director to operate the business within the scope of authority and responsibility as determined by the Executive Board under the supervision of the Executive Board.

8) Authorize any Executive Board or any person or persons to operate under the control of the Executive Board within a period of time deemed fitting by the Executive Board. The Executive Board may cancel, withdraw, change, or revise authorized persons or authorizations as deemed necessary.

9) Have authority and responsibility according to policies assigned by the Board of Directors.

The Scope of Authority for Approval of Executive Board is under the principles of laws and regulations of the SEC and SET or the laws that is related to the Company business as well as the Company's articles of association.

In all, any potential connected transaction or conflict of interests or related person by the law, regulations and/or article of association with the Company or subsidiaries. The transaction with such nature must be proposed to the Board of Directors and/or the Shareholders' meeting (depending on the issue) for approval according to the Company's regulations or relevant laws.

Executive Board Secretary

Ms. Sasiprapha Saengchai, Company Secretary, Office Management Department was appointed as Executive Board Secretary according to the resolution of the Board of Directors Meeting No. 4/2012 on November 8, 2012.

Company Secretary

To be in comply with The Securities and Exchange Act B.E. 2535 (amendment), the Resolutions of the Board of Directors to appoint Miss Sasiprapha Seangchai as Company Secretary and Executive Board Secretary by the meeting No. 4/2012 held on November 8, 2012, commencing on November 8, 2012 onwards. This person is successfully participated in training, seminars and related courses required, and being able to carry out the duties of the Company Secretary and support the Company business and the Board of Directors to adhere to related laws and regulations, and principles of Good Corporate Governance.

(1) Duties and Responsibilities

1) Being a Secretary to the Board of Directors by coordinating with all parties in organizing Board of Directors Meetings and Shareholders Meetings so as to adhere to principles of Good Corporate Governance and related regulations, the Company's Articles of Associations and best practices, and related laws such as the Securities and Exchange Act and the Public Limited Company Act B.E. 2535.

2) Coordinate and take responsibility for disclosing the Company's information in line with the SET's and SEC's regulations, and other regulatory bodies.

3) Provide basic advice to the Board of Directors and Management who have to follow the Company's Articles of Association, rules of the SEC and SET, and any new regulations that may be relevant to the Company.

4) Prepare and store the important documents such as the registration of the Company's directors, the invitation letter and minutes of the Board of Directors Meeting, the invitation letter and minutes of the Shareholders Meeting, the Annual Disclosure Information (56-1), the Annual Report (56-2), shares holding report of directors and management team, and reports of conflicts of interest filed by directors and the management.

5) Supervise various activities and events performed by the Board of Directors to ensure the efficiency and effectiveness of their works, and the greatest benefits to the Company.

6) Coordinate and arrange new director orientation.

7) Coordinate with related parties to ensure that the resolutions from the Board of Directors Meetings and the Shareholders Meetings are carried out.

8) Execute additional duties as assigned by the Board of Directors and the Securities and Exchange Commission announcement.

In case of the Company Secretary cannot perform her duties, the Board shall appoint a new Company Secretary within 90 days from the date the former secretary vacates office or fails to perform her duties.

Executives

(1) Detail of Executives

Executives' Name		Position
1. Ms. Chomduen	Satavuthi	President / Managing Director
2. Mr. Thanun	Satavuthi	Executive Vice President / Deputy Managing Director Internal Audit Manager (Acting) Corporate Strategy Manager (Acting)
3. Mr. Tin Maung Aye		Academic Director
4. Mr. Somouy	Tangchithavornkul	Director of International Business Division and supervise the Operational Manager / Quality Manager / (ISO) HSEQ Manager
5. Mr. Thammarath	Sroysomboon	Manpower Manager Operation Support Manager
6. Ms. Vajana	Sakulraemrungs	Office Management Manager (Secretary Office Division) Human Resource Manager
7. Mr. Niyom	Minivathakorn	Finance and Accounting Manager

(2) Authority and Responsibilities (Managing Director)

The Managing Director shall have authorities and responsibilities as assigned by the Board of Directors within the Company's regulations. The Responsibilities of the Managing Director can be summarized as follow.

1) Manage and control the Company's normal business operations.

2) Implement on any issue as assigned by the Board of Directors.

3) Oversee an overall business operation to be consistent with the policies provided by the Board of Directors.

4) Approve procurement, cancellation, or selling of assets, investments and other expenses necessary for business operation, details are mentioned in the authority plan.

5) Approve asset procurement, expenses due to the Company's operation, and/or contracts with the business partners, details are mentioned in the authority plan.

6) Consider business strategies and funds raising plan to propose to the Board of Directors by priority.

7) Hire, appoint and terminate employees, determine remuneration rate, give award, raise salary, remuneration and bonus for employees at all level according to the remuneration policies.

8) Open and close bank deposit accounts with financial institutions to facilitate normal business operation. The decision must be made base on the Company's best interest.

9) Approve the appointment of consultant as necessary for business operation through the Company's Board of Directors.

In all, the Managing Director must comply with the Company's regulations and the Board's resolution. The Managing Director must not approve any transaction that she or related person may potentially have conflict of interests with the Company or subsidiaries. The transaction with such nature must be disclosed to the Board of Directors for consideration

The Managing Director cannot approve any actions other than what are mentioned above, unless assigned by the Board of Directors.

7.4 Selection of the Board Members and Top Executives

The Nomination and Remuneration Committee has the authority and responsibility in nominating and selecting. In all, the persons who will be appointed to be the Company's Directors and Top Executives must have qualifications according to the Section 68 of the Public Company Act B.E. 2535 and the Company's regulations. Moreover, the Directors and Executives must not have prohibited characteristics according to the Notification of Capital Market Supervisory Board No. Tor.Jor. 28/2551 concerning Request and Permission for New Share Issuance dated 15 December 2008, the selection process and criteria are as follows:

(1) The Board of Directors Selection

Process and Relevant Issues

Board member selection, appointment and termination process and relevant issues are determined in the Company's Regulations, which can be concluded as follows:

1. The Board of Directors shall comprise of no less than 5 members and no more than 15 members. The Board Members are appointed by the shareholders' meeting. The Board must consist of at least 3 directors, 3 years tenure/each, and 1/3 of Directors shall retire by rotation on the AGM of Shareholders.

The Board of Directors consists of 8 Directors, they are (1) 3 Executive Directors, 1/3 is a female director, having managerial skills, knowledgeable in the Company's business and discretionary in management, and (2) 5 Non-Executive Directors, 3 are Members of the Audit Committee / Independent Directors and Non-Executive Directors (more than 1/3 of the entire Board) and 2 are Non-Executive Directors, having various knowledge and expertise which is the best interests to the Company's operations. In these, at least half of the board members must reside in Thailand.

2. Independent Director must be qualified in accordance with the Notification of the Capital Market Supervisory Board No. Tor Chor. 4/2552 Re: concerning Request and Permission for New Share Issuance (Vol. 2).

Definition of "Independent Director"

Independent Director refers to a Director whose qualifications are in line with the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stocks Exchange of Thailand (SET), as follows;

1) Holding shares not exceeding 0.5% of the total shares with voting right of the Company, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the Company, provided that the shares held by the related parties of such Independent Director shall be included. (including the connected persons as stipulated in section 258 of Securities and Exchange's Act)

2) Being not or has never been an Executive Director, staff, employee, advisor who receives salary, nor controlling parties of the Company, its parent company, subsidiaries, associates, same level subsidiaries, major shareholders, controlling parties of the Company or entities may have a conflict. Unless it is clear from the mentioned manner for not less than 2 years before his appointment as a Director.

3) Being not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of executives, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the Company or its subsidiaries.

4) Having no or never have business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, controlling parties of the Company or entities may have a conflict in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, controlling parties of the Company or entities may have a conflict. Unless it is clear from the mentioned manner for not less than 2 years before his appointment as a Director.

5) Being not the Director who is nominated to be the representative of Directors of the Company, major shareholders, or any other shareholder related to the major shareholders.

6) Being not or has never been the auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of Company, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company. Unless it is clear from the above manner for not less than 2 years before his appointment as a Director.

7) Being not or has never been the professional service provider, including but not limited to legal service or financial advisor with received the service fee more than 2 million per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above-mentioned service firms. Unless it is clear from the mentioned manner for not less than 2 years before his appointment as a Director.

8) Doing not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, advisor who receives salary, nor holds share for more than 0.5% of the total shares with voting right of any other company which operates same and competitive business with the business of the Company, or its subsidiaries.

9) Being no any characteristic, which is unable to have the independent opinion regarding the business operation of the Company.

Remark:

The definition of Independent Directors of the Company which specify the configuration of the shareholding of Independent Director as on item 1) / 8) are more intensive than the minimum requirements of the SEC or the SET, regarding the shareholding in the Company, not more than 1 percent of share.

3. The shareholders' meeting shall select the board members using criteria and procedures as follow.

(1) A shareholder shall have one vote for each share held.

(2) A shareholder shall have votes according to the item (1) to vote for a candidate or multiple candidates, but, for the latter case, the vote may not be distributed for any particular candidates in any particular order.

(3) Candidates who receive highest numbers of vote, in ranking order, will be appointed as the directors according to the amount of vacant positions that must be appointed in such particular time. In case the selected candidates have equal votes exceed numbers of vacant positions in such particular time, the Chairman of the meeting shall make final decision.

4. During every Annual General Shareholders' Meeting, a-third of Board members at that time must retire by rotation. If the number of directors cannot be indivisible by 3, the closest number to a-third shall be used. The retired directors during the first and second years will be selected by taking draws. For the following years, the directors who are in the longest position shall be retired. The retired directors may be re-appointed to the positions.

5. Any director who wishes to resign from the position must submit the resignation letter. Such letter shall be effective on the date it reaches the Company.

6. To vote any director out of the position prior to the rotation period, the motion require 75% of total participating votes in the shareholders' meeting with shares no less than half of total shares held by participating shareholders.

(2) Audit Committee Member Selection

Process and Relevant Issues

The Company's Audit Committee must be of the Company's Directors, appointed by the Board of Directors. All of the Audit Committee members are not Executives, Employees, Consultants of the Company and possess all required qualifications as stipulated by the SET and any relevant announcement, Regulations, and/or order of the SET. The Audit Committee shall consist of no less than 3 members with at least a member proficient in finance and accounting. The term of tenure is 3 years, and not more than 9 years continued or 3 terms.

(See definition of "Independent Director" on item (1) The Board of Directors Selection)

(3) Nomination and Remuneration Committee Member Selection

Process and Relevant Issues

The Company's Nomination and Remuneration Committee shall consist of 3 members, they are 1 Non-Executive Director and 2 Independent Directors. The Resolutions of the Board of Directors has appointed the Nomination and Remuneration Committee by the Meeting No. 6/2014 held on November 10, 2014, while more than half of the entire members must be Independent Directors, and the Chairman of the Committee must be Independent Director. The 3 members must have qualifications as determined by the SEC Regulations and any relevant announcement, regulations, and/or order of the SET, together with having a 3 years term of tenure, and not more than 9 years continued or 3 terms from the date of appointment.

(4) Executive Board Selection

Process and Relevant Issues

The Board of Directors shall appoint the Executive Board from the Board members and/or management team as appropriate. The Board of Directors shall appoint a board member to preside over the Executive Board as the Chairman of the Executive Board. The Executive Board will manage the business as assigned by the Board of Directors or the resolution of the shareholders' meeting.

(5) Executives Selection

Process and Relevant Issues

Please see “**Principle 4 : Ensure Effective CEO and People Management**” the title of “**2. Top-Executives and Executives Nomination**”, page 123-124

7.5 Orientation for the New Director

Taking a position as new director, he/she will take an orientation to acknowledge significant information about the nature, structure and guidelines of the Company's business, including the objectives, goals, vision, mission, corporate values as well as legal advice, rules and conditions of being a listed company director on the listed company in the SET, in which are the relevant notifications, regulations and the Public Company Act, the Company Board's regulations, adequately before performing his/her duty. They are in accordance with the Board Orientation Guideline of the SET.

The Board also promotes and encourages new director to attend training, seminars on the courses related to the duty, there are courses of the Thai Institute of Directors Association (IOD), especially the Director Certification Program (DCP), Director Accreditation Program (DAP), including the SEC, the SET and other related association. They are for developing knowledge, capabilities and increasing skills continuously, which are beneficial to the performance of duty of director and are in accordance with the director development plan. This is done to comply with relevant laws and regulations and report to the board of directors in the next board meeting as well.

7.6 Remuneration and Benefits

7.6.1 Remuneration of Directors

(1) Remuneration in Cash

During the Extraordinary Shareholders' Meeting No. 15/2021 on April 26, 2021, the shareholders' meeting approved the Directors, Nomination and Remuneration Committee and Audit Committee remuneration package of Baht 2,500,000.- in total for normal meeting and remuneration allowance. However, the Company had already paid Baht 2,500,000.- in total, which the meeting allowance of

- Chairman of the Board, Chairman of the Nomination and Remuneration Committee and Chairman of the Audit Committee were at Baht 15,000.- each

- Directors, Nomination and Remuneration Committees and Audit Committees were at Baht 10,000.- each.

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(2) Other Remunerations

No any other benefits and compensation than the meeting and remuneration allowances under item A.

(3) The meetings in year 2021, there were

- 10 meetings of the Board of Directors
- 6 meetings of the Audit Committee
- 3 meetings of the Nomination and Remuneration Committee
- 8 meetings of the Executive Board (no meeting and remuneration allowances).
- 6 meetings among the Non-Executives and Independent Directors/Member of Audit Committee, without the attendance of the Executives (no meeting and remuneration allowances).

(Unit : Bath)

Director's Name		Position	Meeting Allowance	Remuneration	Total
1. Mr. Suwat	Dangpibulskul	- Chairman of the Board	120,000.00	220,000.00	340,000.00
2. Mr. Chaya	Jivacate	- Vice Chairman of the Board - Nomination and Remuneration Committee Member	110,000.00	200,000.00	310,000.00
3. Miss Chomduen	Satavuthi	- Director - President - Managing Director	80,000.00	200,000.00	280,000.00
4. Mr. Krirkkiat	Satavuthi	- Director	80,000.00	170,000.00	250,000.00
5. Squadron Leader Anek Panturaks		- Director	80,000.00	170,000.00	250,000.00
6. Dr. Wicha	Jivalia	- Independent Director - Chairman of the Audit Committee - Chairman of the Nomination and Remuneration Committee	200,000.00	230,000.00	430,000.00
7. Mr. Vichai-akul	Watcharavatan-	- Independent Director - Audit Committee Member - Nomination and Remuneration Committee Member	160,000.00	175,000.00	335,000.00
8. Dr.Jumpon	Kluaymai-ngarm	- Independent Director - Audit Committee Member	130,000.00	175,000.00	305,000.00
Total of 8 Directors			960,000.00	1,540,000.00 ^{1/}	2,500,000.00

Remark:

^{1/} All the 8 directors presented their intention not to receive the remuneration, total amount of 1,540,000.- (One million five hundred and forty thousand Baht), so as to reserve for the Company's business expansion opportunity.

7.6.2 Managing Director' Remuneration**(1) Remuneration in Cash**

Managing Director's remuneration in cash from the Company are salary and other income, providence fund and bonus (if any).

(2) Other Remunerations

- Vehicles for the Company Management Affairs.
- Other expenses and benefits according to the Company's Rules and Regulations

7.6.3 Executives' Remuneration**(1) Remuneration in Cash**

In year 2021, total of 8 Executives from division managers or higher received total remuneration in cash from the Company. They are salary and other income, providence fund and bonus (if any).

(2) Other Remunerations

- Vehicles for the Company Management Affairs.
- Other expenses and benefits according to the Company's Rules and Regulations.

Item	Amount (Bath)		
	2019	2020	2021
Salary + Other Income	9,822,852.00	9,822,852.00	7,576,860.00
Bonus	-	-	-
Providence Fund	691,889.00	664,708.00	-
Welfare	355,657.42	246,210.92	319,469.87
Total	10,870,398.42	10,733,770.92	7,896,329.87

7.6.4 Employees' Remuneration

(1) Remuneration in Cash

The Company's policy in remunerating for its employees is on the basis of appropriateness, fairness, knowledge, capability, performance, and compatibility with the industry's average pay scale. Moreover, the employees' remunerations must be appropriate to the business expansion and the Company's growth.

In year 2021, total remuneration which the employees received in cash from the Company are salary and other income, providence fund, professional fee, and bonus (if any), etc.

The Company has established provident fund in the Company's name for all the Company's employees by appointing Kasikorn Fund Management Company Limited as the fund manager, starting from 1 January 2005. The Company would contribute to the fund at the amount 5-10% of employees' salary, depending on working duration. The employees shall contribute no less than 5% of salary, but will not exceed amount contributed by the Company.

Since January 1, 2017 onwards, the Company's provident fund has been transferred to K Master Pool Fund of Kasikorn Fund Management. The employees can contribute at 5-15% of employees' salary since starting the membership, while the Company still contributes to the fund the same rate at 5-10%. The purposes are for the employees' capabilities to select individual investment as appropriate, in order to generate the good returns in both short and long term. The returns are based on the age and type of funds they select, so as them to save for future and / or financial security after retirement. Currently, there are 49 fund members, divided into

(2) Other Remunerations

Moreover, the Company has provided various benefits for employees according to the law. The Company has adjusted and increased its welfare and fringe benefit offering to the employees, for example, healthcare payments, group life and accident insurance and annual health check for employees, and other types of financial and non-financial assistance such as funds for the funeral arrangements of employees, their parents, children or legal spouse, the marriage, the monk ordinations, emergency loan, preparing reliable sources providing the loan with special interest rate for housing, etc.

Item	Amount (Bath)		
	2019	2020	2021
Salary + Other Income	117,826,645.00	113,066,298.00	101,677,686.70
Bonus	936,878.00	-	-
Providence Fund	1,626,426.00	1,533,954.00	-
Professional Fees	3,673,411.00	3,876,005.00	3,454,743.00
Welfare	1,064,992.07	906,386.78	343,369.64
Total	125,128,352.07	119,382,643.78	105,475,799.34

Sex	No. of People	Investment Plan No. of People	No. of People	Employee	Company		
Female	13 People	Plan 1	2 People	5 %	8 People	5 %	2 People
		Plan 2	7 People	8 %	1 People	6 %	3 People
		Plan 3	2 People	10 %	3 People	7 %	2 People
		Plan 4	2 People	14 %	1 People	9 %	2 People
							10 %

Sex	No. of People	Investment Plan No. of People	No. of People	Employee		Company	
Male	36	Plan 1	16 People	5 %	16 People	5 %	8 People
		Plan 2	6 People	6 %	1 People	6 %	3 People
		Plan 3	10 People	8 %	2 People	7 %	4 People
		Plan 4	4 People	9 %	1 People	8 %	2 People
				10 %	8 People	9 %	3 People
				15 %	8 People	10 %	16 People

7.6.5 Number and Level of Employees

(1) Number of Employees

Item	Amount (People)		
	2019	2020	2021
Male	264	262	230
Female	66	68	66
Total	330	330	296

(2) Level of Employees

Level of Employee	Number of Employee (People)		
	Male	Female	Total
Top Executives	1	1	2
Executive - Department	9	1	10
Executive - Division	9	2	11
Company Secretary	0	2	2
Engineer	40	0	40
Technical Supervisor	22	11	33
Technician	129	6	135
Office / Admin. Clerk	19	44	63
Total	229	67	296

7.6.6 Significant changes in the number of employees in the past 3 years

- None -

- None -

7.6.7 Major labor disputes in the past 3 years

7.7 Human Resource Development Policy

All the training courses can develop potential and create opportunities for employees' growth, as well as the quality of the Company's business operations. These potentials can provide a variety of services, being able to meet the customers' needs in each process of testing and inspection including other related lines. As a result, the Company has grown in reputation and revenues, while the employees have grown in experience and expertise in their jobs and became proficient in their profession. The training in the previous year are as follows:



7.7.1 In-house Training

The Company has trained the technicians for several methods of NDT technics to serve the customers' requirements. The technicians and engineers were to be taken examination and certified for the standard criteria of "The American Society of Non-destructive Testing (ASNT)" and other International Organizations such as ISO, etc. Moreover, the local and foreign experts were invited to train the technicians and engineers for more knowledge, for example, Advanced Technologies, Radiation Safety, International Standards for Welding in Industrial such as ASME Code, Confined Spaces, etc.

In 2021, the Company has provided more channels to attend online training, to reduce the risk of spreading the epidemic and the burden for employees to travel to the training centers in Bangkok and Rayong.

HSE / SAFETY In-house Training Courses by Lecturer of the Company (through MS TEAM Program)	Level of attendees - Number of participants (People)							
	Admin	Operation	Technician	Admin & Technical Supervisor	Engineer	Asst.- Company Secretary	Asst.-Manager	
							Division	Dept.
Working at Height Knowledge Training	-	-	15	- / 1	2	-	-	-
ความปลอดภัยอาชีวอนามัย และสภาพแวดล้อมในการทำงาน สำหรับลูกจ้างเข้าทำงานใหม่	5	1	18	- / 1	8	-	-	1
Radiation Safety	-	-	41	- / 2	1	-	-	-
การสร้างพฤติกรรมความปลอดภัย	-	-	11	- / -	-	-	-	-
MSW Training	-	-	7	- / -	-	-	-	-
การขัดแย้งป้องกันอุบัติเหตุ	4	-	2	- / 1	-	-	-	1
ความปลอดภัยในการทำงานกับสารเคมี	2	1	4	- / 1	-	-	-	-
การป้องกันการติดเชื้อไวรัสโคโรนา 2019	2	2	24	- / 3	6	-	-	-



Some courses, practical training is needed in each division, for proficiency and practical operation.

In 2021, the Company has provided internal training on safety and environment (HSE) in the Company, they are as follows.

HSE / SAFETY In-house Training Courses by Lecturer of the Company (ผ่านโปรแกรม MS TEAM)	Level of attendees - Number of participants (People)							
	Admin	Operation	Technician	Admin & Technical Supervisor	Engineer	Asst.-Company Secretary	Asst.-Manager	
							Division	Dept.
การใช้เครื่องมือและวิธีการฉีดพ่นฆ่าเชื้อ Covid-19	-	-	15	- / 1	2	-	-	-

For internal NDT training, lecturing knowledge has been changed to lecture through the MS TEAM program as well. In the practical part, the experts and lecturers on the job site will teach separately, while governing and monitoring by the Company's

personnel accredited by the American Society for Non-destructive Testing (ASNT) and other international organizations to certify the quality of training in each part.

NDT In-house Training Courses by Lecturer of the Company	Level of attendees - Number of participants (People)							
	Admin	Operation	Technician	Admin & Technical Supervisor	Engineer	Asst.-Company Secretary	Asst.-Manager	
							Division	Dept.
MT,PT I - Liquid Penetrant Testing and Magnetic Particle Testing Level I	-	-	15	- / 1	2	-	-	-
MT I,II - Magnetic Particle Testing Level II	-	-	17	- / -	1	-	-	-
PT I,II - Liquid Penetrant Testing Level II	-	-	9	- / -	1	-	-	-
VT I,II - Visual Inspection Level II	-	1	27	- / 1	6	-	-	-
UTM I, II - Ultrasonic Thickness Measurement Testing Level II	-	-	18	- / 1	9	-	-	-
API 510 - Preparation Authorized Pressure Vessel Inspection	-	-	12	- / 1	1	-	-	-
API 570 Preparation Authorized Piping Inspector	-	-	7	- / 1	1	-	-	-
PAUT I, II - Phased Array Ultrasonic Testing Level II	-	-	2	- / -	1	-	-	-
Ferrite Scope	2	2	13	- / 5	3		1	1
Verification - MT II - Radiographic Testing Level II	-	-	2	- / -	1	-	-	-
Verification - PT II Liquid Penetrant Testing Level II	-	-	2	- / -	1	-	-	-
Verification - RT II - Radiographic Testing Level II	-	-	1	- / -	-	-	-	-



In addition, the Company has invited specialists both local and international to strengthen the knowledge on various aspects for the employees in all levels so as to develop knowledge and related skills, to support the performance of the individual employee.

It also created and shared ideas and new perspectives between the outside organizations, created relationships between departments within the organization and applied to develop and perform their duties within the organization efficiently even more.

Quality System / Soft Skill Courses / Activity In-house Training Courses by Lecturer of the Company	Level of attendees - Number of participants (People)							
	Admin	Operation	Technician	Admin & Technical Supervisor	Engineer	Asst.- Company Secretary	Asst.-Manager	
							Division	Dept.
Orientation; Company's Regulation, Quality, NDT Introduction	14	-	14	1	4	-	-	2
การใช้งาน Microsoft Office 365	10	2	1	-	2	-	-	-
ความเข้าใจในระบบคุณภาพ ISO 9001 / ISO 17020	5	-	2	1	-	-	-	1

In-house Training Courses by External Lecturer	Level of attendees - Number of participants (People)							
	Admin	Operation	Technician	Admin & Technical Supervisor	Engineer	Asst.- Company Secretary	Asst.-Manager	
							Division	Dept.
Understanding & Implementation ISO 9001: 2015	9	1	1	1 / 3	3	1	2	1
ISO 9001: 2015 Internal Auditor	9	1	1	1 / 3	3	1	2	1
ความปลอดภัยในการทำงานในที่อับอากาศ	1	-	8	2 / -	7	-	1	-
การดับเพลิงขั้นต้น	19	8	87	2 / 13	40	-	1	3
การฝึกซ้อมดับเพลิงและการฝึกซ้อมอพยพหนีไฟ	37	7	51	12 / 9	18	-	10	6

In 2021, a new law was revised and announced, concerning the criteria, methods, and training courses of confined spaces. Its requirement was a review of safety knowledge in confined

spaces every 5 years. Such training has been organized in an online format to meet legal requirements.

In-house Training Courses by External Lecturer (Through MS TEAM Program)	Level of attendees - Number of participants (People)							
	Admin	Operation	Technician	Admin & Technical Supervisor	Engineer	Asst.- Company Secretary	Asst.-Manager	
							Division	Dept.
ทบทวนความปลอดภัยในการทำงานในที่อับอากาศ	1		77	- / 13	11	-	5	2



7.7.2 External Training

The Company has provided opportunities for employees' external training, both local and foreign organizations which should be standardized and international acceptance. These training were for developing the efficiency and expertise to keep pace with the development and rapid change of technologies and were to respond the customers' more requirements. Selecting the employees to external training, the Company would consider the moral and effectiveness of the training organization, and the worthy benefits as appropriate. Due to the business involved in the safety of lives, properties and environments, the precision and accuracy of the test results would determine the customers' satisfaction and trust, meaning to the future of the Company as well. By the availabilities of these reasons, the Company could be expanded up till the present time.

(1) Board of Director

The Directors would attend the training courses and seminars, concerning to their roles and responsibilities, which would be in accordance with the rules and regulations of SEC, SET and the relevant authorities, as well as to be organized by SEC, SET, IOD, TIA, Thaipat, MaiA, etc. annually to perform the duties, advise, improve, develop and to be guidelines for the Company's operations, including giving advice or suggestions for better improvement and developing the Company's operations. These activities were to report to the Board of Directors meeting every time. The Committees participating in the training and seminars in 2021 were:

(A) Mr. Vichai Watchravathanakul

Independent Director / Director of the Audit Committee
Director of the Nomination and Remuneration Committee
8 Courses, Total 45.0 Hrs.

- ตลาดหลักทรัพย์แห่งประเทศไทย : การประชุมออนไลน์ “ร่วมกับการตรวจสอบของบริษัทจดทะเบียน”
- รายการทางบัญชีที่สำคัญบนงบการเงิน ซึ่งนักบัญชีต้องระมัดระวัง
- ประเด็นสำคัญที่ควรนำมาพิจารณารายการบัญชีด้านสินทรัพย์และหนี้สินในงบการเงินตามมาตรฐานการรายงานทางการเงิน
- การบันทึกบัญชีรายได้และค่าใช้จ่าย ผลกระทบต่อการคำนวณกำไรสุทธิ
- เกณฑ์คงค้าง ปัญหาการบันทึกบัญชีตามมาตรฐานการรายงานทางการเงิน ของกิจการ NPAEs
- รวมประเด็นปัญหาภาษีอากรที่ต้องแก้ไข ของธุรกิจการขายสินค้าและบริการ
- การวางระบบบัญชี ระบบเอกสาร และรายงานทางการเงินให้ถูกต้อง ตามมาตรฐานการรายงานทางการเงิน
- การควบคุมภายในและปรับปรุงระบบบัญชี จุดที่นักบัญชีต้องระมัดระวัง

(B) Dr. Jumpon Kluaymai-ngarm

Independent Director / Director of the Audit Committee
1 Course, Total 3.0 Hrs.

- สมาคมส่งเสริมสถาบันกรรมการบริษัทไทย (IOD) : อบรม “Lessons Learnt from Financial Cases: How Board should React”

(2) Executives and Company Secretary

The training courses of the Executives and Company Secretary would be determined and participated annually as appropriate concerning to their responsibilities and the Company business, which would be in accordance with the rules and regulations of SEC, SET and the relevant authorities, and were organized by SEC, SET, IOD, TIA, Thaipat, MaiA, etc. in order to contribute to improve and develop themselves and apply for the Company's operations later on. In 2021, the training courses and seminars of Executives and Company Secretary office were

Top Executive

(A) Ms. Chomduen Satavuthi

President / Managing Director
1 Course, Total 21.0 Hrs.

- กรมส่งเสริมอุตสาหกรรม (กสอ.) กระทรวงอุตสาหกรรม : กิจกรรม “เตรียมความพร้อมเครือข่ายหน่วยทดสอบมาตรฐานเครื่องมือแพทย์”

(B) Mr. Thanun Satavuthi

Deputy Managing Director
8 Courses, Total 76.6 Hrs.

- ตลาดหลักทรัพย์แห่งประเทศไทย : กิจกรรม “THSI 1-on-1 Advisory 2021”
- กรมส่งเสริมอุตสาหกรรม (กสอ.) กระทรวงอุตสาหกรรม : กิจกรรม “เตรียมความพร้อมเครือข่ายหน่วยทดสอบมาตรฐานเครื่องมือแพทย์”
- SEAC : สัมมนา “AGILITY IN PRACTICE: Organizational Design for Success”
- SCB10X : สัมมนา “REDeFiNE TOMORROW 2021”
- ธนาคารไทยพาณิชย์ : สัมมนา “Business Matching – Energy Saving”
- SEAC : สัมมนา “Business Marathon, The Series : เกมธุรกิจต้องพร้อมก่อนสตาร์ท”
- Harvard Business School Online (ได้รับทุนสนับสนุนโครงการ ESG Scholarship ของ SET) : อบรม “Sustainable Business Strategy”
- ตลาดหลักทรัพย์แห่งประเทศไทย : อบรม “แนวโน้มและทิศทางในการทำ M&A ประเด็นสำคัญที่ต้องพิจารณาและกลยุทธ์การทำ M&A ให้ประสบความสำเร็จ”

Department Executive

(A) Mr. Niyom Miniwatakorn

Financial & Accounting Manager

1 Course, Total 3.0 Hrs.

- ตลาดหลักทรัพย์แห่งประเทศไทย : อบรม “การใช้งานระบบ Smart FSCOMP”

(B) Mr. Phuwapat Khamlaiwong

Acting for Human Resources Manager

4 Courses, Total 15.0 Hrs.

- สถาบันเพิ่มผลผลิตแห่งชาติ : อบรม “4 stages for PDPA Compliance and Implementation”

- สถาบันเพิ่มผลผลิตแห่งชาติ : อบรม “PDPA - A HR Perspective”

- HR Center : สัมมนา “รายงานผลสำรวจโครงการ Salary Increase & Bonus Survey 2021-22”

- ตลาดหลักทรัพย์แห่งประเทศไทย : สัมมนา “HR after COVID-19 เราจะรอดไปด้วยกัน”

Division Executive

(A) Miss Dawroong Maneechote

Accountant Section Manager

2 Courses, Total 14.0 Hrs.

- บริษัท ฝึกอบรมและสัมมนาธรรมนิติ จำกัด : อบรม “การบริหารจัดการความเสี่ยงของระบบงานด้านบัญชีการเงิน”

- บริษัท ฝึกอบรมและสัมมนาธรรมนิติ จำกัด : อบรม “การจัดทำและบันทึกบัญชีต้นทุนอย่างถูกต้องสำหรับนักบัญชี”

Company Secretary Office

(A) Miss Sasiprapha Seangchai

Company Secretary

6 Courses, Total 21.0 Hrs.

- สถาบันเทคโนโลยีนิวเคลียร์แห่งชาติ (องค์การมหาชน) : อบรม “ฟื้นฟูความรู้ด้านนิวเคลียร์และรังสี”

- สำนักงานปรมาณูเพื่อสันติ : สอบ “ขึ้นทะเบียนเจ้าหน้าที่ความปลอดภัยด้านรังสี ระดับ กลาง (RSO)”

- TLCA : อบรม “แนวทางการสนับสนุนและเสริมสภาพคล่องให้แก่ลูกค้าของบริษัท”

- TLCA : อบรม “Work and Well-being during COVID-19 : CP Group”

- ตลาดหลักทรัพย์แห่งประเทศไทย : อบรม “Digital Transformation ปฏิวัติองค์กรด้วยเทคโนโลยี ทางรอดหลังวิกฤติ COVID-19”

- ตลาดหลักทรัพย์แห่งประเทศไทย : อบรม “SD Professional Sharing 4/2021 : ธุรกิจกับสิทธิมนุษยชนใน ONE REPORT”

(B) Miss Sareemah Tayex

Assistant Company Secretary

6 Courses, Total 10.0 Hrs.

- บริษัท ภัทร โปรเกรส จำกัด : อบรม “Dyanmics365 Supply Chain Management”

- บริษัท ภัทร โปรเกรส จำกัด : อบรม “Dyanmics 365 Technical session”

- ตลาดหลักทรัพย์แห่งประเทศไทย : อบรม “SD Professional Sharing 1/2021: เคล็ด (ไม่) ลับพิชิตหุ่นยักษ์ THSI”

- ตลาดหลักทรัพย์แห่งประเทศไทย : อบรม “RE01 การเตรียมพร้อมจัดทำ Sustainability Disclosure ตาม One Report”

- TLCA : อบรม “แนวทางการสนับสนุนและเสริมสภาพคล่องให้แก่ลูกค้าของบริษัท”

- ตลาดหลักทรัพย์แห่งประเทศไทย : อบรม “SD Professional Sharing 4/2021: ธุรกิจกับสิทธิมนุษยชนใน ONE REPORT”

7.7.3 Employees

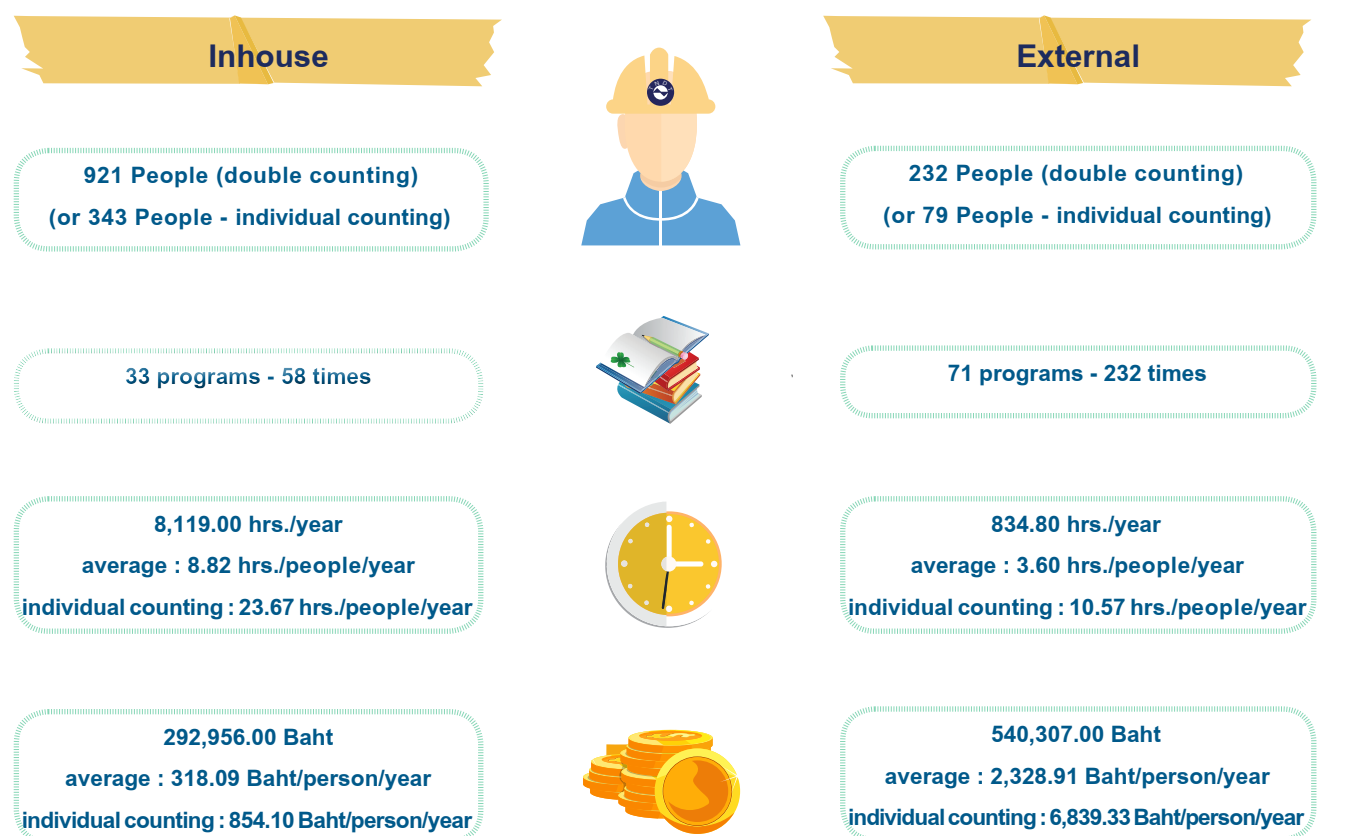
The Board of Directors has encouraged and supported the Company to provide training regularly for employees in all levels in various methods as of their responsibilities, both on the core services providing to the customers in which compliance with the regulations of “the American Society for Non-destructive Testing (ASNT)” and other related global organization standards, as well as safety training in various types of work as related. In addition, the Company has also provided the training courses by foreign and local experts for the employees’ more knowledgeable and expertise.

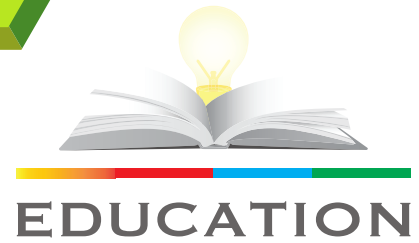
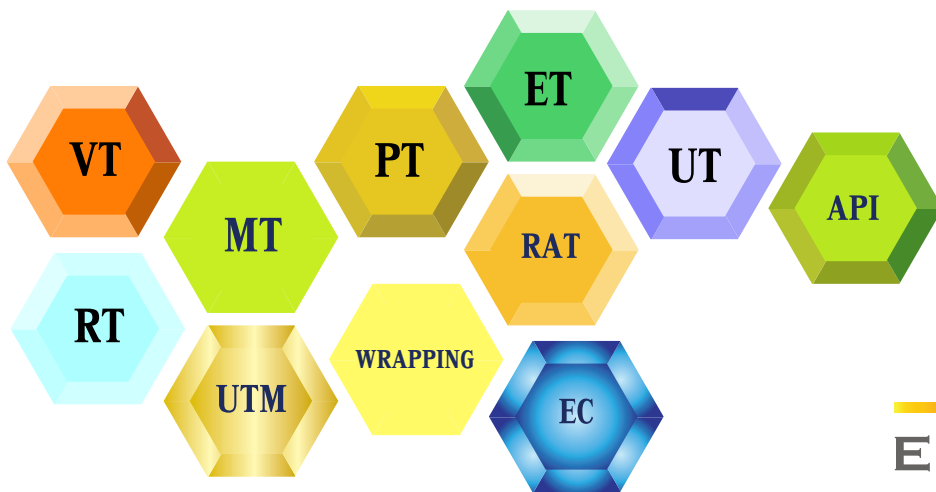
Anyway, in 2021, Due to the legal restriction control on the epidemic of Covid-19, which the Company and the outside training institutes have been facing, resulting in the employees were minimized in training / examining / seminars / exhibitions with various institutions.



7.7.4 Summary of Training

No.	Level of attendees	Details of Training				
		Number of Courses	Number of Participants / double counting (People)	Number of Participants / individual counting (People)	Total (Hours)	AVG / Person / Year (Hours)
1.	Director	9	9	2	48.00	24.00
2.	Top Executive	8	9	2	97.60	48.80
3.	Executive - Department	5	5	2	18.00	9.00
4.	Executive - Division	2	2	1	14.00	14.00
5.	Company Secretary	10	12	2	31.00	15.50
6.	Engineer	9	40	18	42.00	5.25
7.	Technician	7	28	25	306.00	12.24
8.	Admin Supervisor	23	26	4	60.90	15.22
9.	Technical Supervisor	5	7	3	6.00	2.00
10.	Admin Officer	36	83	17	108.00	6.35
11.	Operation Officer	6	11	4	45.00	11.25

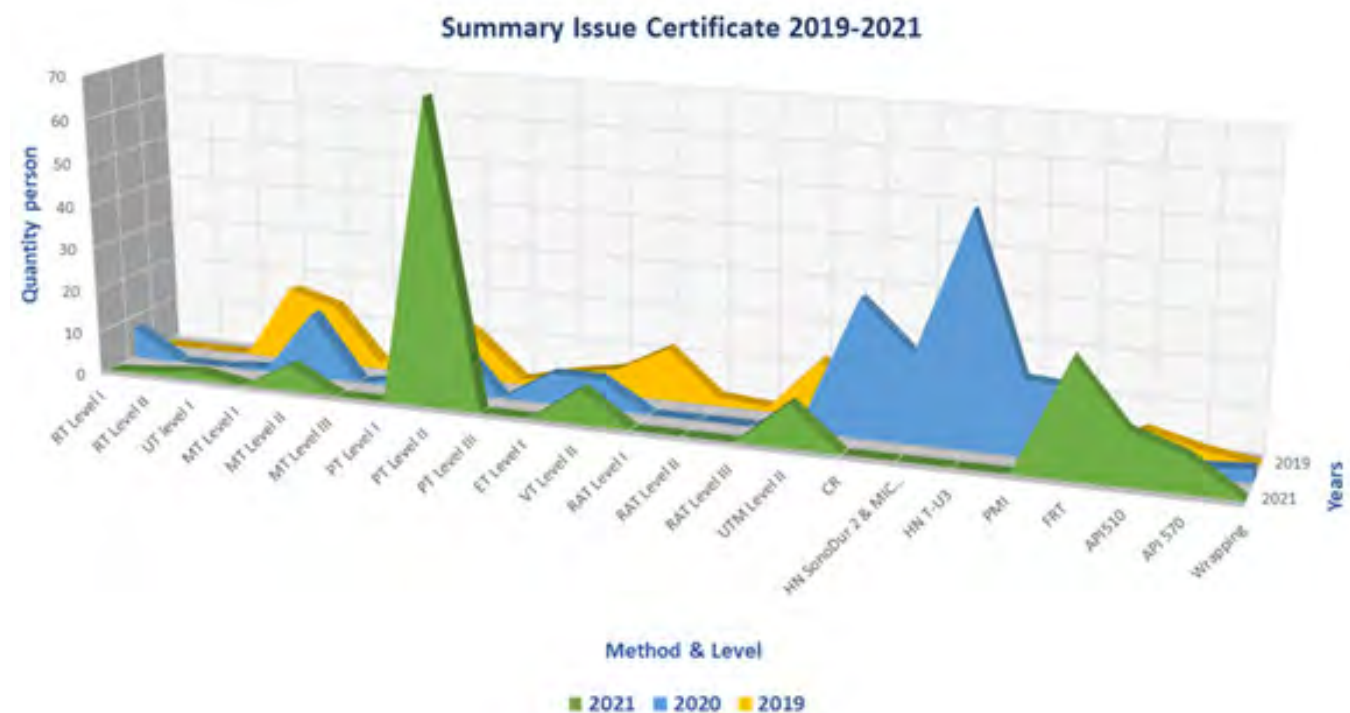




7.7.5 Certificate

(1) Certificate in year 2019 - 2021

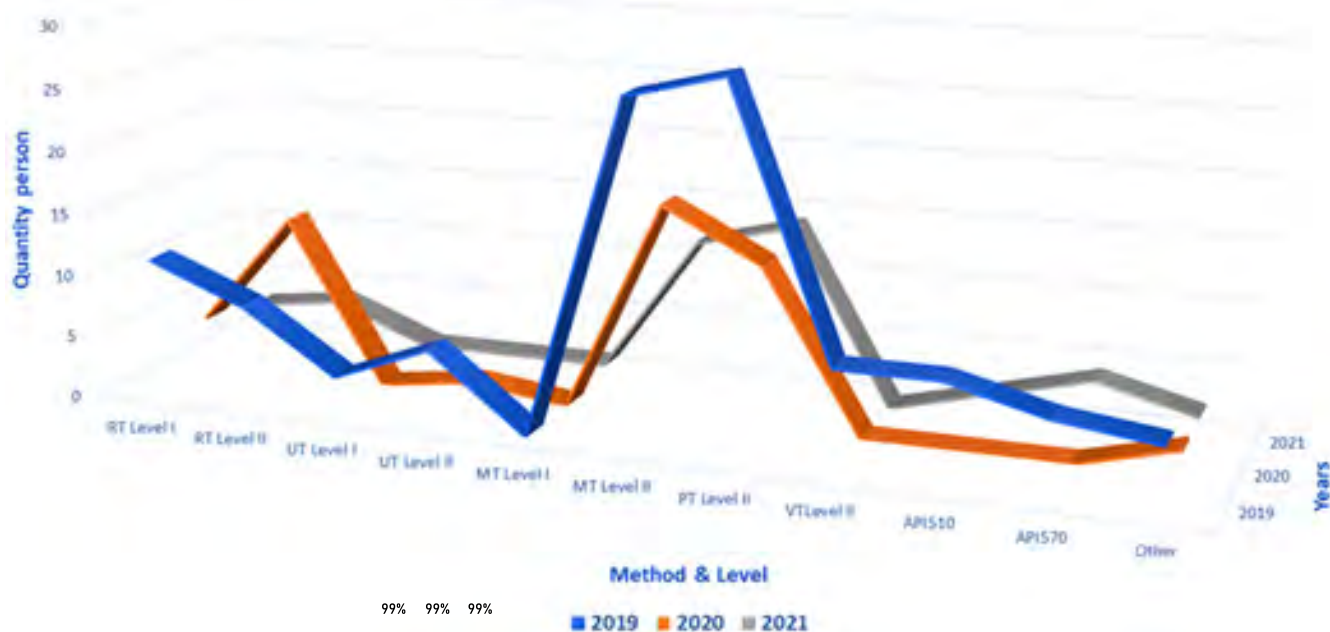
Number of Employee acquiring NDT Certification																															
MT			PT			RT			UT			VT			ET			UTM			RAT			Wrapping		API		Equipment Certificate			
I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	510	570	CR	HN	PMI	FRT
-	6	-	-	7	-	-	1	-	2	-	-	-	8	-	-	-	-	-	10	-	-	-	-	-	-	12	8	-	-	-	26



(2) Renewal Certificate in year 2019 -2021

Number of Employee Renewal NDT Certification																															
MT			PT			RT			UT			VT			ET			UTM			RAT			Wrapping		API		Equipment Certificate			
I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	510	570	CR	HN	PMI	FRT
1	12	-	-	14	-	3	4	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	4	-	-	-	-

Summary Renewal Certificate 2019-2020.



Key Performance in Corporate Governance (CG)



Corporate Governance Report (CG Report)

In the year 2021, The Board of Directors has considered, reviewed and monitored the business operation together with applying and deploying the 8 good corporate governance principles (CG Code), in order for the good operation results, being reliable to all stakeholders, being beneficial to society, and being valuable for sustainable business.

The Company has been assessed on the Corporate Governance Report of Thai Listed Companies in 2020 by Thai Institute of Directors Association (IOD) in the “**Excellent**” level for 6 consecutive years with the score of 94%, the score received more than in the year 2020. In all, the Company has complied with the principles of good governance for eight categories as follows:-

Principle 1 :

Recognize the Leadership Role and Responsibilities of the Board in Sustainability Business Value Creation

1. Performance of the Organization’s Goals

All of the Directors understood and recognized their roles and responsibilities in performing their duties of responsibility, the duties of care and duties of loyalty, in accordance with relevant laws and regulations, the Company regulations including the meeting resolutions. The Director has performed rationally for the best interests of the organization, as the leaders to oversee, monitor and assess the organization to operate business with morality and ethics, to be in accordance with the code of conduct, transparency, and to have a good management system. The Board should be a role model in corporate governance by encouraging the Top-Executive and executives to practice as well.

The Company disclosed the names and the records of each director, including the roles and responsibilities of the Board of Directors, the Nomination and Remuneration Committee and the Audit Committee, as well as the details of their duties in the past years for each Director under the title of **(1) Management Structure** on page 94 and **Attachment 1** : the details of the directors, the executives, the authorized persons, the top assigned person to be responsibility in accounting and finance , the supervisory accountant and the company secretary, on pages 246-254. This was for the shareholders and the related parties could acknowledge the capabilities, experiences and vital information regarding the directors who would support the Company to be successful in business operation.

In addition, the Board of Directors has monitored the changes under various factors, which might affect the operating results of the Company, both in the short and long term, in order to be ready for the competition. The Board also encouraged and supported the organization to achieve sustainable value creation to the business without any impact to all groups of stakeholders.

2. Leadership and Vision

The Board of Directors had an independent role in management according to the standards of corporate governance by setting the visions, missions, strategies, objectives, goals, business plans and the Company's budget, including overseeing, monitoring the operations of Executives to meet the designated goals and for the best interests of the Company and all groups of stakeholders. Moreover, the Board has supported the usability of innovation and technology to create value to the business as well as oversaw information technology. Besides, the Board has provided the internal control, assessed and reviewed the internal control system, the accounting system, the Company's internal operational system, as well as provided the risk management policies and monitored the results constantly including supported the Board of Directors to participate in the seminar by the Institute of Directors (IOD), the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). Additionally, the Board of Directors has appointed the Audit Committee and other Sub Committees to assist overseeing the Company's operations.

3. Value Creation to the Business

3.1 Good Corporate Governance Policy

The Board of Directors, as the leadership to achieve sustainable corporate value creation, realized the significance of efficient and transparent management by setting up the policies of ethics and code of business conduct and good corporate governance, in aspects of the organization's structure and the management strategies which would stipulate the roles and systematic operations that were transparent and accountability. For examples: Clear mission and strategies, transparency to

operate the business, taking care of safety of personal, property and environment both in organization and communities nearby, complying with the rules and regulations of the Company, the requirements and notification of SET and CMSB and the laws which related to the business, etc. The Board has monitored the Executives and Employees to commit and complied regularly with the good corporate governance, the rules and regulation concerning to the business operations. This would project the better standards of management, bring out the various groups of Stakeholders to be confidence in the Company's good image and contribute to the development of a truly sustainable business.

The Board of Directors has set up the principles of corporate governance in written for the Directors, Executives and Employees to adhere and practice. The review and approval of the policies should be done by the Board every year. In the Board's Meeting No. 1/2022 on February 26, 2022, the Board of Directors has considered, reviewed and approved the principles of corporate governance (revised edition in 2019) to be used continuously till the present.

3.2 Code of Business Conduct

The Board of Directors has set the guidelines of code of business conduct and ethical practices for Directors, Executives, and Employees, so they could operate business loyally, honestly, justly and responsibly for stakeholders, shareholders and the related parties. For the code of business conduct and ethics guidelines, the punishment policy was included as well.

In The Board of Directors Meeting No.1/2022, held on February 26, 2022, the Board has approved the Company's Code of Business Conduct and ethics (Revised Edition) which has been reviewed in 2022 and used continuously till the present, and allowed the Directors and Executives to disseminate the details to all employees via the Company internal information system, the internet for the public. These were to promote the guidelines for good practices which the Company aimed that the Directors and all employees would acknowledge and uphold as the core principle. The practices were regularly monitored as well. These were done so as to be the responsibility of all levels of Executives to oversee their subordinates to be aware, understand and encourage in compliance with the Company's Code of Business Conduct. The Company has also held training and educating the Code of Business Conduct to the new employees regularly. The details of the Company's Code of Business Conduct could be found in **the Company's website (www.tndt.co.th)**, on page **"Sustainability"** under the title of **"Code of Business Conduct"**.

In the past year, there were no any cases of complaint regarding the violation or the misconduct of the Company's Code of Business Conduct.

Principle 2 :

Define Objectives and Goals that Promote Sustainable Value Creation

1. Principle of Sustainability

The Board of Directors has set up the principle and direction of the Company's business through vision, mission, resolution, and policies which were considered along with the needs of all related stakeholders, the ecosystem and changes to the business opportunities, the expertise of the employees, the competitiveness of the Company, including the effective usability of innovation and technology, in order for value creation to the Company, the customers, all the stakeholders and the society. In these, the Board would review in accordance with the business environment on yearly basis.

Please see the details in the title of “**1.3 Company Operation**” under the topic of (1) Policy and (2) Business overview, on page 8

2. Goals and Strategies

2.1 The Board of Director has determined, reviewed, monitored, and approved the strategies, objectives, goals, plans, budgets and direction of business operation correlate and align with the Company's main objectives and goals, both the annual strategies and the medium-term of 3-5 years, financial or non-financial, without violating the laws and regulations or contrary to the code of business conduct. In addition, the Board would analyse with external and internal factors that might affect the success. They were

(1) Environment

(2) Factors and risks influencing the Company, all stakeholders and value chain.

(3) Information obtained from the process / channel of the Company's communication in order to access information / key issues / expectations of all stakeholders directly, etc.

These were to ensure that operations were still as expectation and could be adjusted to suit the current situation, able to respond and create value for the best interests, in which would not affect all groups of stakeholders directly or indirectly, and would be reviewed annually. In addition, the Board has also encouraged and supported the Company to allocate important resources and adopt technology and innovation to suit the business nature, to be able to improve align with the changes in internal and external factors, by adhering to the principles of good corporate governance, code of conduct, morals, and ethics, as well as any beneficial actions to the society. The Board would assign and monitor the Executives to operate and report the results of the operation to the Board of Directors regularly in the quarterly meeting.

In all, the Board has assigned the Executives to communicate to all employees for acknowledgment the objectives and goals of the organization through the Company's communication channels in order to adhere and practice in the same direction.

Please see the details in the title of “**1.3 Company Operation**” under the topic of (3) Business Goals and Strategies, on page 9.

Principle 3 :

Strengthen Board Effectiveness

1. Board of Directors Structure

Balance of Power

The Members of Board of Directors were qualified in accordance with the regulations of SET and were appointed by the AGM of shareholders. For the balance of power of the 8 Directors of the Board, there were 3 Independent Directors / Non-Executives and 2 Directors who were neither Independent Directors nor Executives, which exceeded 1 of 2 of total number of the Board member. The 5 Non-Executive Directors could exercise their objective and independent judgement, together with independent audit execution. For the balance of power of the Board and the Executives, the position of Chairman and Managing Director were held by different person, and the Independent Directors should participate in setting the board meeting agendas with Managing Director, in which compliance with the Good Corporate Governance.

Aggregation or Segregation of Positions

The Chairman of the Board was not the same person as the Managing Director / CEO. For the structure of Company's Board of Directors, one-third were members of the Audit Committee, who were Independent Directors, creating balance of power to perform on management review and independent audit execution.

Moreover, the Company had clearly determined scope of responsibilities of the Board of Directors and Managing Director. Thus, the Chairman and Managing Director would not have absolute power and would create balance of power in the significant resolution that required the Board or shareholders' resolution. Moreover, the Board Members or Managing Directors were not allowed to vote or approve on any connected transaction that he / she might have a conflict of interest with the Company or subsidiaries.

Conflict of interest

In case of the director held the position of director or executive or having interests, be directly or indirectly, in other businesses that might have conflicts, or having the opportunity to use inside information of the Company for their own benefit, the Director should comply with the regulations, guidelines, and procedures as specified in the related transactions, and the acquisition or disposition of important assets of the listed company according to the notification of SEC, or CMSB and/or SET and/or other related.

Policy of Board Diversify

The Company and the Nomination and Remuneration Committee should be responsible for nominating the qualified directors of each Board/Committee, with the policy of board diversify by the features of knowledge, skill, and expertise in the Company's business and the related industries, specific profession, beneficial experiences for the business, appropriate gender, age and qualification, including the essential proficiency to achieve the objectives and goals of the organization and the Board Skill Matrix. The Board of Director should comprise of at least one female director due to the resolution and prudence in management, and at least one of the non-executive directors, who should be experienced or competent in the business or main industry in which the Company operates, in order for the achievement of the Company's objectives and stakeholders' interests efficiently. The Professional Search Firm or the Director Pool of Thai Institute of Director (IOD) would be the channels of nomination as well.

The Structure of the Company's Board of Directors should comprise of the Board of Directors and 3 Sub-Committees, namely the Nomination and Remuneration Committee, the Audit Committee and the Executive Board.

1.1 The Board of Directors

The Board of Directors should comprise of at least 5 or not more than 12 Directors, should be elected by the AGM of shareholders, and at least 3 Directors should be Independent Directors. In all, no fewer than half of the board members should reside in the Kingdom of Thailand. The Board would nominate and select candidates to serve as directors by considering the skills matrix, including the profession, specialized expertise, and gender to achieve a variety of board structure. In addition, the Board should comprise of at least one female director in order for more efficient performance of the Board of Directors.

Besides, the Board of Directors should possess the knowledges, experiences, leadership, vision and beneficial expertise to the Company business and the related industrial, being independent, dedication and effort for their responsibilities: They would also exercise prudence and honesty for the best interests of the Company and all stakeholders. The Board of Directors' duties would be to define a policy, review and approve the vision, policy, mission, strategic objectives, business plans and budgets of the Company, including overseeing and monitoring performance regularly in order to ensure the operation of the Company policies and frameworks with efficiency and effectiveness.

The Company in year 2021 has 4 boards as follows:

Director's Name		Board of Directors	Nomination and Remuneration Committee	Audit Committee / Independent Director	Executive Board
1. Mr. Suwat	Dangpibulskul	x	-	-	-
2. Mr. Chaya	Jivacate	/	/	-	-
3. Miss Chomduen	Satavuthi	/	-	-	-
4. Mr. Krirkkiat	Satavuthi	/	-	-	-
5. Squadron Leader Anek	Panturaks	/	-	-	-
6. Dr. Wicha	Jiwalai	/	x	x	-
7. Mr. Vichai*	Watcharavatanakul	/	/	/	-
8. Dr. Jumpon*	Kluaymai-ngarm	/	-	/	-

Remark :

x	=	Chairman
/	=	Director
*	=	A Director proficient and graduate in accounting.

Roles and Authority of the Chairman of the Board

Please see the title of “7.2 Board of Directors” under the topic of “(3) Authority and Responsibilities of Chairman of the Board of Directors”, page 95-96

Roles and Authority of the Board of Directors

1.1.1 Assigning, Reviewal and Authorization

Please see the title of “7.2 Board of Directors” under the topic of “(4) Authority and Responsibilities (Board of Directors)”, page 95-97

1.1.2 Taking a Position in the Listed Company and in the Subsidiaries which was not a Listed Company

The Board of Directors has determined that the Directors might only remain in the position of a listed company for no more than 3 companies, and for other companies or subsidiary companies that was not a listed company, for no more than 5 companies. An exception to this would be when the Director was authorized to take up a certain position by the Company.

1.1.3 Board of Directors Meeting

1.1.3.1 Prior to the Meeting

(1) The Meeting should be held regularly at least once every quarter, or 6 times a year with the dates of the meeting being schedule in advance throughout the year so as the Directors to allocate sufficient time for attending the meeting and the Directors should be notified 2 weeks before the meeting. The procedures of the meeting would be in accordance with the regulations of the Company, the Public Law and the regulations of the SET and the minimum number of quorum while voting should be no less than two third (2/3) of the total Directors.

(2) The Chairman of the Board would encourage the Directors and the Executives to jointly present and consider the significant issues, which would be beneficial to the Company's operation, to be the meeting agendas. In addition, the

In 2021, there were meetings and attendances of the Directors as follows:-

Directors' Name		Number of Meeting Attended (time) / Number of meetings held (time)			
		Board of Directors	Nomination and Remuneration Committee	Audit Committee	Executive Board
1. Mr. Suwat	Dangpibulskul	10/10	-	-	-
2. Mr. Chaya ^{1/}	Jivacate	10/10	-	3/3	-
3. Miss Chomduen	Satavuthi	10/10	-	-	8/8
4. Mr. Krirkkiat	Satavuthi	10/10	-	-	-
5. Squadron Leader Anek ^{1/}	Panturaks	10/10	-	-	-
6. Dr. Wicha ^{1/}	Jiwalai	10/10	6/6	3/3	-
7. Mr. Vichai ^{1/}	Watcharavatanakul	10/10	6/6	3/3	-
8. Dr. Jumpon ^{1/}	Kluaymai-ngarm	10/10	6/6	-	-

^{1/}In 2021, there were 4 meetings held, among the Non-Executives and Independent Directors/Member of Audit Committee, without the attendance of the Executives.

Company Secretary would be appointed to circulate the meeting invitation together with the supporting documents according to the agendas at least 7 working days before the meeting so that all Directors might have adequate time in studying all the information before attending the meeting. In case of any necessary information for further decision-making, the Directors could inform the Company Secretary to coordinate with the Managing Director / CEO or the assigned Executives.

1.1.3.2 The Board's Meeting Date

(1) The Chairman would allocate the time sufficiently for the Executives to present an issue and various performance reports and allow the Directors to discuss the problems and assess the cases carefully. The outcome of an evaluation would be decided by the majority votes. In the case that there were the same number of votes, the Chairman of the meeting would be the deciding voter.

(2) The Board of Directors would encourage the Managing Director to invite the Executives Officer or relating personnel to participate in the meeting in order to provide information in the case that the Board would require the related additional data.

(3) If there were agendas involving the Directors, the stake holding Directors might neither vote nor attend the meeting.

(4) The Board of Directors would encourage the policy where the Non-Executive Directors, Independent Directors, Member of Audit Committee, or any concerned might hold meetings among themselves to discuss any management problems that might arise as they deem appropriate, without the attendance of the Executives, and the resolutions would be notified to the Managing Director.

(5) Each Company's Directors should attend the meeting no less than 75% of the total number of meetings held annually.

1.1.4 Directors' Reports

The Board of Directors should be responsible to control, promote and monitor the disclosure of various significant information in business transactions, corporate governance, financial statements and financial information disclosure to the public, in the Annual Disclosure Information (56-1), Annual Report (56-2) and the Company website (www.tndt.co.th). The financial statements should be made in accordance with the generally accepted accounting principle of Thailand.

For this purpose, the Board of Directors should appoint 3 Sub-Committees, which would comprise of Independent Directors who were not Executives, to review and audit the quality of financial managements and internal control systems, including the Directors and Top Executives' nomination and remuneration system. In these, the Sub Committees should propose the report to the Board of Directors for consideration.

1.2 Sub Committees : The Board of Directors have appointed 3 Sub Committees as follows:-

1.2.1 Audit Committee

The Audit Committees should be independent Directors and the Company's Directors which have been appointed by the Board of Directors and should have the qualifications according to the Securities Regulations and the Stock Exchange, including notifications, rules and/or the regulations assigned by the SET and the Company. A term on duty should not exceeding three years and not serve more than three consecutive terms (9 years). Unless the Committee's consideration for more than three consecutive terms, the Committee should unanimously approve such Independent director, having done the best interest for the Company, and should ensure that the extra term would not affect the qualifications of independence. Moreover, such Independent Director should be approved by the Board of Directors and proposed to the Shareholders for approval on the AGM.

1.2.2 Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee, half of members should be independent Directors and all the members should be appointed by the Board of Directors. They should have the qualifications as prescribed by the Securities Regulations and the Stock Exchange, including notifications, rules and/or the regulations assigned by the Stock Exchange of Thailand. Moreover, the meeting of NRC should be done regularly at least 2 times a year.

1.2.3 Executive Board

The Board of Directors should appoint the Executive Board by selecting from the Directors and/or a group of Executives as appropriated. Then, the Board of Directors should appoint one of the Executive Directors as the President.

The roles and responsibilities of these sub committees could be viewed at the management structure under the title of "7.3 Information about Sub-Committees", page 97-101.

1.2.4 Good Governance Committee and Risk Management Committee

The Board of Directors has not yet formed these 2 sub committees. Therefore, the Board would assign the Audit Committee to review the operations complying with code of conducts and the corporate governance principles, including setting up the Risk Management Policy and the Internal Control System to review and assess the risks management of the operations in all aspects both internal and external organization including the overseas businesses, for the best interests and the prevention of corruptions. These would be done by appointing the internal auditor to audit the work procedures in each department of the Company. The Audit Committee would review the policies, guidelines and the progress of the risks management, including various operational procedures and evaluate to reduce or control the risks so that the effects were at the acceptable level and prevent the corruption. In order for the internal audit to be independent and could operate at full power, the Board of Directors would specify that the internal audit would operate and report directly to the Audit Committee and that the Audit Committee would present the findings to the Board of Directors quarterly. This was prescribed in **form 56-1 One Report for the year 2021** under the topic "Principle 6 : Strengthen Effective Risk Management and Internal Control" page 139-141

1.3 Secretary

1.3.1 Company Secretary

Please see the title of "7.3 Information about Sub-Committees", page 97-100. and the Company website (www.tndt.co.th) in the "About TNDT" section under the title of "Directors & Executives", subtitle of "Company Secretary".

1.3.2 Secretary of Nomination and Remuneration Committee

1.3.3 Secretary of Audit Committee

1.3.4 Secretary of Executive Board

1.3.2 - 1.3.4 Please see the title of "7.3 Information about Sub-Committees", page 97-101 and the Company website in the section of "Sustainability" under the title of "Corporate Governance", subtitle of "Good Corporate Governance Policy".

1.4 Chief of Internal Audit

Please see the topic of "Attachment 3" Details of Head of Internal Audit and Head of Compliance Department, page 240-242 and the Company website (www.tndt.co.th) page "Sustainability", title of "Corporate Governance" Sub-title "Corporate Governance Policy"

1.5 Compliance Unit

Please see the topic of “Attachment 3” Details of Head of Internal Audit and Head of Compliance Department, page 240-242. and the Company website (www.tndt.co.th) page “Sustainability”, title of “Corporate Governance” Sub-title “Corporate Governance Policy”

1.6 Investor Relations Office

The Board of Directors would encourage the Company to establish the Investor Relations Office to be responsible for creating relationships with investors and communicating the Company's information to investors and outsiders equitably. In these, Investors could contact for more information as the details of “General Information and Other Important Information” page 86-88 and on the Company's website (www.tndt.co.th), on page “Investor Relations” in the title of “Information Request” subtitle of “IR Contacts”.

2. Investment and Overseeing the Subsidiaries or Associates

2.1 Investment Policy

The Company would consider significantly to the investing in businesses which support and benefit the Company's business or business in an industry with a tendency of growth and return on investment. The Board of Directors would jointly consider the Company's investment policy, by considering the necessity and appropriateness to support the business operations, as well as the Company's operating results and being beneficial and significant to the Company and shareholders. In these, the Board would strictly comply with the regulations of the Stock Exchange of Thailand, in regard to entering into connected transactions or acquisition or disposal of assets of the Company.

2.2 Governance Policy

Associates

The Company would oversee by sending the Company's representatives, who have the qualifications and experience suitable for the business of the investee company, as a director in such associated company. The Chairman, Top-Executives Officer, Top Management or any person of the Company might be the Representatives Directors in proportion to the shareholding and the number of director criteria of such company.

Subsidiaries

The Company would oversee by sending more than a half of the total number of directors. If the operation affected the Company significantly, the operation should be approved by the Company Board of Directors' meeting.

3. Capability Development

The Nomination and Remuneration Committee would be responsible for the potential development strategy of the new Directors, the Directors, the Executives and the Company's Secretary by taking into the appropriateness under the rules and regulations which are related to the Company's business.

In 2021, the training courses / seminars of the Directors / the Top-Executives / the Company's Secretary / the Executives in department and division, including the Employees in all levels were disclosed in **form 56-1 One Report for the year 2020**, under the title of “7.7 Human Resource Development Policy”, page 108-115 and **the Company website www.tndt.co.th** on page “Sustainability”, under the title of “Corporate Governance” subtitle of “Corporate Governance Report”.

4. Self-Assessment

The Nomination and Remuneration Committee would review the assessment form together and present them to the Board of the Directors. The Board of the Directors and the Members of Sub-Committees would assess their performance together and assess the sufficiency of the internal control system by using the Self-Assessment form of the Board of Directors, by applying the form of the SET to suit for the Company, and utilize the results to develop and improve the business operations, to achieve the assigned goals. The Company would provide the Self-Assessment of the Board of Directors annually by the 4th quarter, and would be done in 2 ways. These were 1) the Board of Directors' performance assessment as a whole, and 2) Director's assessment individually.

These were done for the assessment of the effectiveness of the Board's performances on good corporate governance. The process would be as follows: -

4.1 The Nomination and Remuneration Committee would review the assessment accuracy, completely and in accordance with the regulations by applying the Self-Assessment form on the basis of the form of the SET.

4.2 The Board of Directors and the Sub-Committees would assess self-performance together by the 4th quarter of every year.

4.3 The Company Secretary would gather and summarize the assessment results to the Board of Directors in order to develop and improve the business operations, to achieve the assigned goals. The results of the assessment would be disclosed in form 56-1 One Report for the year 2021.

The Board of Directors would assess their performances as a whole which would cover 6 different categories, they were:-

1. Structure and qualification of the Board of Directors
2. Roles, duties and the responsibilities of the Directors
3. Board of Directors meetings
4. Directors' performance
5. Relationship with the Executives.
6. Self-development of the Directors and the Executives

The Board would assess their performances as an individual which would cover 4 different categories, they were:-

1. Structure and qualification of the Board of Directors
2. Roles, duties and the responsibilities of the Directors
3. Board of Directors meetings
4. Self-development of the Director.

The Self-Assessment of the Board of Directors were divided into 5 levels, they were:- 4 = Excellent / 3 = Good / 2 = Average / 1 = Below Average / 0 = Must be improved. The 2021 Self-Assessment of the Board of Directors could be summarized as follows:-

Board of Directors / Committee	Assessment Score of year 2021 (AVG.)
1. Board of Director as a whole	3.99
2. Board of Director as an individual	3.94
3. Nomination and Remuneration Committee as a whole	3.99
4. Nomination and Remuneration Committee as an individual	3.94
5. Audit Committee as a whole	3.99
6. Audit Committee as an individual	3.98

5. Remuneration

The Board would assign the Nomination and Remuneration Committee to consider the remuneration of the Directors appropriately and transparently by comparing to other companies in the similar fields and in the same level, including the duties, responsibilities and also considering the expansion of the business and the growth of the Company's profit which should be sufficient to attract and retain valuable and qualified Directors. The remuneration of Directors in each year would be allocated from the remaining balance after the meeting allowances have been deducted, and would be presented to the Board of Directors for approval and further propose to the Shareholders Meeting for approval. In this, the Directors who were given more duties and responsibilities would be rewarded more to compensate with the tasks given. (Please see the title of "7.6.1 Remuneration of Directors", page 104-105).

and customers instantly. The Nomination and Remuneration Committee should be responsible for governing and enforcing the Company to issue and review the development and succession plan of the key positions which would be beneficial to the business operations, for instance the position of Managing Director, Chief Executive Officers and Key Positions which would be essential to the Managerial Structure, position of unique skills, depth expertise and hard to replace. The Committee would assess the situation in the business and the personnel efficiency along with the Company's strategy in short-term and long-term. These were done for planning the nomination and selection of the qualified personnel with knowledge, skills and expertise, as well as leadership skills adequately in order for developing and preparing in all aspects, so as to comply with the human resource development plan and the assessment of potential performance as expected and scheduled, and then proposed to Board of Directors for approval and/or acknowledgement once a year.

For more information, please visit the Company Website (www.tndt.co.th) in the "Sustainability" section under the title of "Corporate Governance", subtitle "Corporate Governance Policy"

Principle 4 :

Ensure Effective CEO and People Management

1. Development and Succession Planning

The Company realized the important of the selection of personnel to succeed in all levels with transparency and fairness in order to ensure that the operations of the Company would be continually managed and be capable to expand its operations

2. Top-Executives and Executives Nomination

2.1 Nomination

The Board of Directors would assign the Nomination and Remuneration Committee (NRC) to take responsibility for determining and reviewing the rules and regulations to meet the nomination processes of Human Resources in nominating and selecting a person to be appointed as Top-Executives and Executives, including the transfer and removal together with the Managing Director / CEO yearly in granting approval, the person to be considered as Deputy Managing Director and Assistant Managing Director or equivalent, and propose to the Board of Directors for consideration. The NRC would consider the knowledge, skills and experiences, including various expertise in the Company's business and related industries, in which would be the best interests of the Company's business. Moreover, such person should have leadership, vision and good attitude, good management skills, dare to think and make decisions, have creative ideas and modernize to create business opportunities and lead the organization success. Anyway, the qualifications of such person should be under the Public Limited Companies Act BE 2535, the Securities and Exchange Act., Good Corporate Governance and Succession Plan.

2.2 Taking a Position in the Listed Company and in the Subsidiaries which is not a Listed Company

The Board of Directors indicated that the Managing Director of the Company could remain in the position of the Director of a listed company for no more than 3 companies, and for other companies or subsidiary companies that was not a listed company, for no more than 5 companies. However, this did not take into account the Company's subsidiaries or affiliates and the joint ventures by the Company where there was a necessity to oversee and manage in order to protect the best interests of the Company.

2.3 Authority and Responsibilities of the Managing Director

The Managing Director would act as the Chief Executive Officer (CEO) by managing and overseeing the normal practices in business operations with the authority to process and monitor all activities in accordance with the policies given by the Board of the Directors under the rules and regulations of the Company. The CEO would also have the authority to approve as mentioned on the authority plan, consider the business strategies and should report the operating results to the Board of Directors regularly.

However, the CEO should comply with the guidelines and various regulations determined by the Board of Directors and should not approve of any items that might arise a conflict of interests or those that might have conflict of interests with the Company or its subsidiaries. If there were such cases, the CEO should report to the Board of Directors for further considerations.

The Board of Directors determined the policies and the guidelines for the CEO or Executive Directors to take position as the Directors of another company, both type of position and number of companies they might take, these should be approved by the Board of Directors.

Please see the Authority and Responsibilities of the Managing Director under the title of **"7.3 Information about Sub-Committees"**, subtitle of **"Executive Board"**, page 100.

3. Development of Top-Executives and Executives Group

Top-Executives and Executives Group

The Board of Directors encouraged the Company to support the Top-Executives and Executives Group to attend training / meetings/ seminars, related to the Company's business and useful for performing their duties which organized by the IOD, SEC, SET and Thaipat or any other related institution, annually as appropriate. The purposes were to develop skills, the potential for management in accordance with the rules, regulations or legal requirements, to improve knowledge and develop themselves and apply for the Company's operation, and to transfer such information to the Managing Director or related management. The Top-Executive and Executives Group were required to attend training / meetings / seminars at least 5 courses per year.

Employees

The Board encouraged and supported the Company to provide training in various fields for employees in all levels as of their responsibilities regularly, both the Company's main profession training for customer service requirement in accordance with standard of "The American Society for Nondestructive Testing (ASNT)" and other international organizations related, including training in various types of safety at work and other related, quality systems and soft skills training for the employees' improvement and working adoption as appropriate. In addition, the Company also provided foreign and local experts to train for the Company's personnel to be more knowledgeable and expertise.

Please see the details in **form 56-1 One Report for the year 2021** in the title of **"7.7 Human Resource Development Policy"** page 108-115

4. Assessment

4.1 Managing Director

The Nomination and Remuneration Committee would assess the performance of the Managing Director by applying the CEO assessment form, on the basis of the form of the Stock Exchange of Thailand, in the 4th quarter of the year. The assessment was divided into 4 categories which were;

1. Business strategy progression
2. Operational performance assessment
3. CEO development
4. ESG Performance

Then, the result would be proposed to the Board of Directors for approval and would apply the outcome to develop and improve for better performance in order to achieve the assigned goals. However, the results of the performance assessment of the Managing Director in 2021, was in “very good” level. The details of assessment were personal confidential information and could not be disclosed.

4.2 Top-Executives

The Nomination and Remuneration Committee has considered and approved criteria and performance assessment factors, by applying the individualized metrics (KPIs) to determine performance from a financial perspective, perspective on customer view, on internal processes and on learning and developing both business-related performances and organizational sustainability, for examples: promoting employees’ awareness and participation in social and environmental around the workplace, overseeing safety in operations, etc., as well as approving the remuneration structure of Top-Executives, and monitoring Managing Director / CEO to assess the Top-Executives to be in accordance with the assessment criteria and in compliance with such factors completely and would report to the Board of Directors in the 4th quarter.

4.3 Executives / Employees

The Nomination and Remuneration Committee has determined policies, oversaw and monitored the determination of criteria and factors in assessing the performances of all employees in the organization by assigning the Managing Director / CEO together with those who were assigned or involved to proceed and communicate to the employees to acknowledge the criteria for assessment, by applying individualized metrics (KPIs) to determine the performance from the perspective on financial, on customer view, on internal process, and on learning and development. The assessment will take into account the performance of duties and achievements in both business-related and organizational sustainability aspects, for example, participation in activities and in taking care of society and the environment surrounding the workplace, strictly complying with safety principles, including striving to develop for more potential of one’s own, etc, in order to motivate themselves to receive appropriate and fair compensation for the employees who committed and intend to develop their potential to be better and valuable to the organization. In 2021, the overall assessment results of Executives

and Employees were good.

5. Remuneration

5.1 Remuneration of Managing Director (CEO)

The remuneration of the Managing Director (CEO) would be determined each year according to the principles and the policies that the Nomination and Remuneration Committee designated, being in line with the Company’s operating results both in the short term and in the long term, and for the best interest of the Company. The level of short-term remuneration would be in the forms of salary, bonuses and long-term incentives which should be conformed to the financial performance, and the long-term operational strategies, as well as result of operation, Executive’s development, together with considering the business expansion and the growth profit of the Company (Please see the title of “**7.6.2 Managing Director’ Remuneration**”, page 105).

5.2 Remuneration of Executives

Remuneration of the Executives are determined annually by the Managing Director, in accordance with the policy of the Nomination and Remuneration Committee designated, being in line with the Company’s operating results both in the short term and in the long term, by applying the individualized metrics (KPIs) to determine fairly and equitably. The results of the assessment would be applied for managing the rewards and considering career path advancement, to create incentives along with the development and increase the potential of executives. (Please see the title of “**7.6.3 Executives’ Remuneration**”, page 105).

6. Shareholding Structures

The major shareholder of the Company is the Miss Chomdeun Satavuthi family, consisting of Miss Chomdeun Satavuthi / Mr.Kirrkkiat Satavuthi / Mrs.Juraisri Satavuthi / Mr.Anusorn Satavuthi / Miss Rassiya Satavuthi and Mr.Suwat Dangphibulskul, herein referred to as “the Major Shareholders”, the total shares would be considered as acting in concert, according to the Capital Market Commission Board announcement (TorJor.7/2552) under “The specifications of relationship or behaviour described as ‘acting in concert’” and under Section 246 and 247 of the Securities and Exchange Act, in order to assert the owner’s rights to vote and still maintains the authority as the signatory and the Executive of the Company. Therefore, the Major Shareholders has the authority in management and control the votes in most of the significant meetings, except legal matters or the Company’s regulations which states that the accepted votes of the shareholders meeting must be no less than 3 in 4 of the number of shareholders present and has the rights to vote in the case of an objection. In other words, other shareholders in the meeting which has the rights to vote may not be able to gather enough vote to object or balance out the management of the Major Shareholders.

For the disclosure of changes in securities holding of Directors, Top-Executive and Executives of the year 2021, please see the details **Attachment 1** : the Details of the Directors, the Executives, the Authorized Persons, the Top Assigned Person to be responsibility in Accounting and Finance, the Supervisory Accountant and the Company Secretary, on pages 224-236. For employees in relevant departments, there was no transaction to buy, sell, transfer or accept the transfer of securities.

7. Personnel Management

In Engineering business, the qualified NDT personnel & experts and Authorized API Inspectors would be in high demand in both the industrial sector and the inspection entrepreneurs. To qualify these personnel would have to waste time and capital for training, especially the timing. The amount of qualified personnel and the demands in the industry did not match, resulting in the shortage of qualified personnel and migration, which would increase in violation on the expansion of industry. Nevertheless, by the current shrinkage of the industrial sector, the shortage would not occur. On the other hand, the shortage of workload, the overflow personnel occurred. The Company has resolved these issues by planning to expand the inspection to other industrial groups with the upcoming transforming technologies. Therefore, the Company has accelerated the promotion and development of techniques and the performance of the overflow personnel, for appropriateness to support this expansion plan later.

Principle 5 :

Nurture Innovation and Responsible Business

1. Innovation Organization

The Board should prioritize, promote, support and monitor the Management to create an operational culture to be **“an innovation organization”** which was considered a part of strategies and business plans to add value to the Company and benefited for all relevant stakeholders. The innovation should be modified to suit the changing of surrounding factors, which would cover the process of design, research and service development, improve the operational processes and develop the work processes with partners. The Executives should review, improve and monitor the innovation to achieve the set-up objectives.

In this regard, the Company has managed the policies assigned by the Board of Directors. The Board has also clearly defined goals and guidelines for innovation development to allow the management and executives to communicate to employees, and listen to comments and suggestions from all relevant stakeholders.

These were to improve the goals and guidelines for continuous innovation development. The Board has been defining the vision of the organization as follows:-

**“Our Efficiency, Ethics, Innovation,
Quality and Safety, you can always rely on.”**

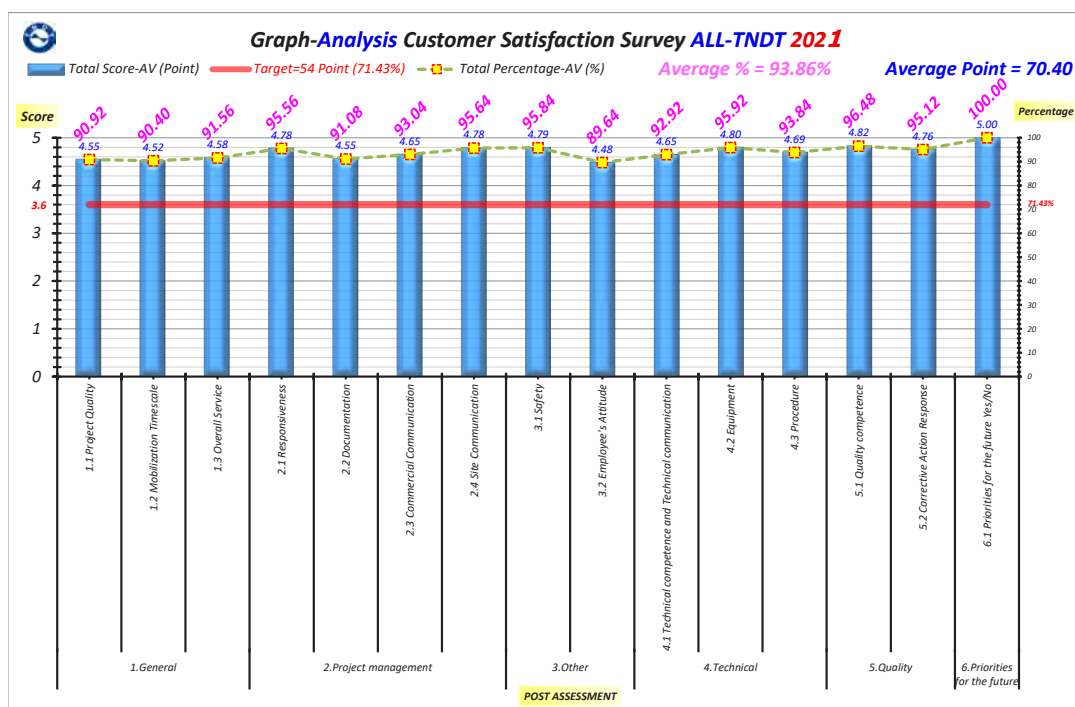
The Company has formed the Creative Research and Development Division (CRD) with the knowledge, expertise, and creativity personnel to research, develop and invent tools, equipment to be modernized innovations which would be according to international standards and practicable. These were capable to create values to the customers and the Company with more efficiency, more readiness on designated target time, as well as the qualified, accurate and reliable reporting.

In addition, for the Government policy of promoting innovations, managed by the National Innovation Agency (NIA), the Company has been approved for the supporting fund under the topic of **“the Semi-auto powered X-ray machine for oil and gas pipeline inspection by non-destructive testing”**. The project's benefit was the usage of electromagnetic energy to replace in some part of the radiation, which would enhance the safety of radiation effects on the operators, the related persons, as well as the surrounding environment. The equipment has been invented completely by the end 2018 and served in the Company's project from 2019 onwards.

2. Business Operation with regard to Stakeholders

The Board of Directors should encourage and determine the guidelines for business operations and monitor the executives and employees in the organization to comply with ethics, code of business conduct and good corporate governance, by adhering to operating on the basis of responsibility to the community, society and environment, in accordance with the objectives, goals and strategies of the organization, and taking into account all groups of stakeholders by their rights, laws or agreements having with the organization. Anyway, the Company has also disclosed important information for stakeholders' acknowledgment sufficiently, no violation of their rights. There were channels for whistleblowing or complaints on any issues related to legal offenses, inaccuracy in financial reports, defective internal control system or unethical practices. There were measures to protect the rights of whistleblowers, for the directors, executives, employees, and all stakeholders to acknowledge and perform as well.

In these, the Board has set up the ethics, code of business conduct and the company's regulations manuals to be operational guidelines for the Directors, Top Executives, Executives and all Employees. In addition, there were monitoring to be consistent with the objectives, goals, and strategies of the organization as follows.



Shareholders

The Company commits to run business with good operation results and take profits continuously and steadily including to provide equitable compensation as on the dividend policy, disclose the operations, financial and non-financial information accurately, transparently and accountability. They are for all the shareholders to get the best interests with fairness and equitably. The Company shall regularly update the Company information via the SET and the Company's website: www.tndt.co.th. Moreover, the Company shall comply with all the principles relating to the shareholders in accordance with the good corporate governance of the SET, the Company's rules and regulations, and other legal concerned.

Customers

The Company commits to service customers with safety of life and property and the environment, with adherence to integrity, fairness, caring, responsibilities and provide quality of services on the basis of professional ethics, international standards and legal concerned. The Company has served the qualified testing and inspection in all processes with accurate and reliable inspection results to the customers in the industry, to affirm the quality and safety for the products, processes or workpieces of the project owners which have been inspected. Additionally, the Company recognizes the importance on the rights of customers and colleagues around the working place, there will be safety training course in the customers' workplace to create a mutual understanding of the operations and reliability in the service of the Company.

In 2021, the Company has cooperated with customers in adhering to the quality and safety in all process of work. There are regularly meetings on occupational health, safety and environment with customers, monthly and quarterly for onshore and offshore work, such as PTT Exploration and Production Pcl / Chevron Thailand Exploration and Production Co., Ltd. / CUEL Co., Ltd., Thai Oil Pcl., etc., including signing the cooperation with customers

in working, taking into account the ethics, code of business conduct, anti-corruption, and respect for human rights, namely UAC GLOBAL PUBLIC COMPANY LIMITED , IRPC (Public) Co.,Ltd.

The Company has set up the target of Customer Satisfaction Survey of year 2021 at 71.43%, while the results of 261 Survey sheets of various customers were at 93.86%, in the "very good" level. The customers' satisfaction in highest scores were by the following five aspects:-

1. Priorities for the future	100.00%
2. Quality Competence	96.48%
3. Equipment	95.92%
4. Safety	95.84%
5. Site Communication	95.64%

In addition, in case if the customer has complained or assessed "less than the criteria", the Company would urgently proceed to the Jobsite for analyzing the cause, finding preventive action in order not to re-occur such incident. The occurrence and preventive action would be notified to the customers as soon as possible.

In 2021, there was one case of complaint from the customer regarding arriving late to the jobsite. Indeed, the company has accelerated the rectification process. Head of Site Supervisor had expedited corrective action about allocating time and planning the trip accordingly to arrive at the place of work on time. After correction and follow-up, it was found that the operators arrived at the jobsite on time. The customers were satisfied with the solutions and responded to the customers' work very well.

Employees

The Company policies and procedures are on the fundamental right of employees, benefits corresponding to the performance of the Company both in short terms and long terms, on the basis of their abilities with fairness and equality, for examples:- annual performance evaluations, Company business strategic evaluations in the period of 3-5 years, additional welfare over the legal regulations, such as provident fund, life and accident insurances, health care by providing annual health checks according to the nature of the work involved, and cooperation with the official banking institutes in providing various types of welfare loans in lower interest rate to create their extra careers, and to solve the employees' family personal debt both in long term and short term, etc. In addition, the Company also provide a good environment in the workplace, there are resting area, and activities area for employees, including the provision of safety equipment to prevent work hazards, etc.

Additionally, the Welfare Committee which consists of representatives of employees from various departments also has a supervising role as well as managing preferred benefits or shall be revised to be appropriate and meet the needs of the employees in each department, including organizing activities to promote unity and to connect employees to have opportunities to join in various activities. However, due to the current outbreak of the Covid-19 virus, the Welfare Committee has focused on looking after, preventing, and mitigating the epidemic by transforming the Work from Home/Anywhere model and applying the technology to facilitate the employees' work even more. These were to reduce the risk of employees gathering in the workplace. which employees were able to adapt well.

Moreover, the Company always treat employees with respect to their honor, dignity and human rights. The Company also provides the necessary equipment to prevent danger from work, does not violate the privacy rights, encourages and supports employees to train both inside and outside the organization, training the health & safety in working and new techniques, creates the professional expertise regularly in order to maximize the potential and performance of the organization, as well as provides opportunities for the employees to develop in various work skills and to grow in line with their skills and experiences. The results of the annual training for the year 2021 have to be viewed on the title of **"7.7 Human Resource Development Policy"**, page 108-115.

The employee benefits policies have to be viewed on the title of **"7.6.4 Employees' Remuneration"**, page 106-107.

For the anti-corruption, the Company promotes and emphasizes all employees to strictly comply with the rules and regulations in accordance with relevant standards and laws. The Company also provides opportunities for employees to clue, complain or suggest on various matters arising from the operations via email / post / Human Resources Department while un-disclosing the information of the complainant. More information can be viewed on the title of **"9.1.2 Anti-Corruption"**, page 150.

In 2021, no any employees' violation in legal, regulations or standards, including no any complaints at all.

Trading Partners

A. Business Partner

The Company's policies are to strictly select trading partners with ethics and integrity, operate the similar business or the related, good reputation and experiences with technical expertise, and strong financial status. The Company will treat the trading partners under the agreement with integrity and fairness, both the procurement processes and the terms of contract or mutual agreements, including not being exploited and not accepting gifts or rewards, not joining the parties or any activities with the aim to facilitate the operations and private benefits.

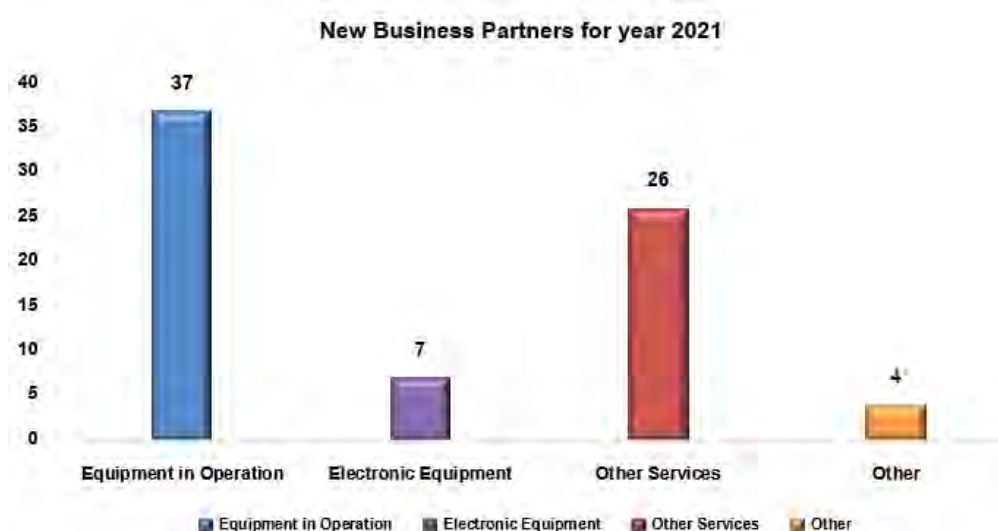
It also provides mutual assistance in exchange and joint development to enhance the competence of personnel and technology in service to meet relevant standards, workforce handle with fairness, including community, social and environment responsibility as prioritized.

In 2021, due to the Covid 19 pandemic situation, the Company continued to implement one project in cooperation with partners from Singapore which was proceeding well. In addition, the Company also works with 24 local business partners, which the project has been successful as well.

B. Product owners, Suppliers or Distributors

The Company commits to create a fair partner and maintain a good relationship with the product owners, suppliers or distributors without taking advantages. The purchases and sale of products and services are under the mutual agreement in terms of appropriate pricing and quantities, while the product owners / suppliers / distributors shall supply products and services by the quality, standards and prices as agreed with the Company. The Company also prohibits Directors and Employees of the Company to receive any personal benefit from them.

In addition, the Company emphasizes to select the vendors/distributors whom the Company can return the existing waste disposal from the service to eliminate technically and legally, as well as selecting the vendors with green procurement policy.

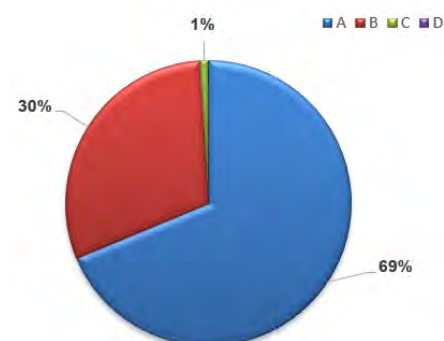


Number of of Business Partners for year 2019 - 2021

Year	Number of Business Partners			Number of Significant Business Partners			proportion
	Domestic	Inter.	Total	Domestic	Inter.	Total	
2019	116	22	138	5	1	6	4.35
2020	150	6	156	5	1	6	3.85
2021	107	5	112	5	1	6	5.36

Results of Business Partners Assessment for year 2019 - 2021

Year	of Business Partners Grading				Number of Business Partners / year (cases)
	A	B	C	D	
2019	42	58	16	0	116
2020	51	87	12	0	150
2021	77	34	1	0	112



The 112 Business Partners in year 2021 could be grading as follows :-

1. Grade A in the total number of 77 or 68.75%
(The delivery and / or services as on the condition and qualification specified.)
2. Grade B in the total number of 34 or 30.36%
3. Grade C in the number of 1 or 0.89%
4. Grade D --NONE-- or 0 %

In 2021 due to the Covid-19 situation, the trading process of many items was not in a normal condition. A total of 74 new trading partners have arisen from supplying the products for work, electronic equipment, services, and others on demand.

In addition, by the assessment of all 112 suppliers, there were 6 major suppliers and 77 suppliers who passed the standard assessment set by the Company in grade "A" and have issued the appreciation to such partners.

Creditors

The Company has the policy to comply with terms and conditions agreed with creditors in both the repayment of debt on time. The use of financial services that are suitable for the Company's business, giving and maintaining collateral, including other specified conditions such as accurate reporting of the Company's financial information to creditors for the benefit of credit analysis, maintaining debt and equity ratios, etc. In the operations, the Company builds trust among creditors through ethical management and facilitates information about the Company's financial status through financial statements that have been prepared and certified in accordance with generally accepted standards. Annual report, annual information disclosure, and website "www.tndt.co.th" of the company including the code of business conducts to be consistent.

Competitors

The Company pledge to behave in accordance with the rules of fair competition. The business policy is to avoid exploitation, unethical manner such as calumny, aspersion, misrepresent or any other way to attack a rival, including not an infringement or knowing the secrets of competitors by fraudulent means, in which 2021 and over 40 years of business operations, the Company has never been complained or lose reputation from such cases. In addition, the remodeling of business at present, the Company has a concept of turning competitors into partners, for sustainability co-creation in the future as well.

Government / Public Organization

The Company will cooperate and comply with the rules and regulations of Government/Public Organization and the related standards. The Company will also comply with the procedures with accuracy, honestly, ignoring the bribery, gift or any other which contribute to facilitate the business operations.

In 2021, the Company has cooperated in participating in various activities with government agencies in online form for examples

- Being a sub-committee of the Council of Council of Science and Technology Professionals, Nuclear Branch (CSTP) ; to join- drafting a strategic plan and amend the regulations of the Council, on the practice of the controlled profession in science and technology, nuclear branch.

- Thai-French Institute of Technology Innovation, King Mongkut Institute of Technology, North Bangkok ; to join as a subcommittee on personnel talent certification in Radiography, teaching and knowledge sharing in the universal welding inspector course with 70-80 students in the course, general NDT internship, and universal welding inspection with 9 students taking internships, etc.

- National Institute of Nuclear Technology (Public Organization) ; to develop technology services and knowledge exchange.

In addition, there were 31 male and female students from various institutes/universities in Bangkok and up-countries paying attention and request for practical training in Bangkok office, Rayong branch and Kamphaeng Phet jobsite such as King Mongkut's Institute of Technology North Bangkok-Thonburi, Chulalongkorn University, Kasetsart University, Srinakharinwirot University, Ramkhamhaeng University, Khon Kaen University and Thai-Japanese Institute of Technology, etc.



Human Rights

The Company realizes the importance in respecting the human rights with impartiality and equality, by considering the human's dignity, freedom and not discriminate with regard to race, nationality, origin, skin color, sex, language, religion, culture, class, gender, age, disability, marital status, physical and health status, personal status, economic or social status social beliefs, education, training or political opinions and other means according to the principle of the international human rights law, in which the Directors, Executives and Employees including all employees in the subsidiaries must strictly follow the policy. The Company also provides equivalent opportunity to work under the lawful rules, regulations, announcements, practices and orders of the Company. In addition, the Directors, Executives and Employees will not, in any way, violate or harass, either verbally or physically to any individuals, no discrimination or exclusion of anyone, and encourage everyone to be aware of their rights, duties and responsibilities towards other individuals and society

In 2021, Besides Thai employees, the Company has also employed 34 foreigners, with differences in race, religion, language, culture, etc. They had the opportunity of co-working, techniques knowledge exchange and development. The Company has taken care of and treated all employees of all nationalities, religions with impartiality and equality.

The human rights policy can be viewed on the title of **"Business driven for sustainability"**, under the topic of 3.4.1 Respect for Human Rights and Fair Labor Practice, on page 57-60.

Anti-Corruption and Risk of Corruption Assessment

The Company has a policy to control and oversee the business operations in compliance with the rules and regulations, the related laws and standards, by training / disseminating knowledge and guidelines on anti-corruption to employees throughout the organization to prevent and monitor risks of corruption. In addition, the Directors, Executives, the Company's employees are prohibited from employing their authorities, be it for the direct or indirect benefits to self, or any others. This includes prohibiting the offer of unlawful benefits to any other person in order to obtain the Company's business interests. The Company shall monitor the Anti-Corruption Policy, review and assess at least once a year, as well as revise the practical and requirements of the guideline in accordance with the changing of the business, standardized regulations and the legal related requirements.

Anyway, the Company also recognizes the importance of good corporate management for the growth of organization and stabilities of expansion, strong financial position which can generate the returns for shareholders at the appropriate level. The Company considers to assess and manage the risk to prevent corruption that may occur by the frameworks of operation and procedures of risk management in accordance with the international standard guidelines of The Committee of Sponsoring Organizations (COSO), for those who concerned will understand the principles of risk management and apply appropriately. The Company has disclosed the information on the title of **"Anti-corruption"** on page 150.

Occupational Health, Safety and Environmental Practices and Policies (HSE)

The Company considers the occupational health, safety and environment for all levels of employees. Therefore, the Committee of Occupational Health, Safety and Environment have been formed for the purpose of determining the policies, the practical guidelines and follow up with practical operations. The Committee will organize monthly meetings in order to summarize the procedures according to the policies and report any accidents occurred from work. To prepare the work procedures documents, provide technical information within the appropriate boundaries to prevent any damages that may be done to the human resources and the environment are as well. In addition, the Committee will provide regularly the activities and training concerning to the safety for the employees and the customers.

In 2021, the safety training courses for the employees were the occupational health, safety and environment for employee 6 hours = 34 attendees (a.), radiation safety training 8 hours = 44 a., emergency radiation drills = 47 a., defensive driving course = 8 a., chemical storage and handling = 8 a., covid-19 awareness = 37 a., how to use tools and methods for spraying Covid-19 disinfectants = 18 a., basic fire-fighting and evacuation fire drill = 124 a., working at height = 41 a., behavioral based safety = 11 a., MSW training = 7 a., confined space 4 duties = 18 a., reviewal of confined space = 109 a., alcoholic and drugs random check = 115 person (8,332 times), illumination measurement = 406 points, annual detection and analysis of the concentrations of hazardous chemicals in the workplace atmosphere and chemical storage facilities, in compliance with the safety standards and regulations. Additionally, training in brief for offshore technicians before going to work, to emphasize the safety of individuals, such as the preparation of personal protective equipment (PPE), working with chemicals safely, fit to work by health check certification, unexpired professional certificates, mental check, and etc. to be ready for work.



Light Measurement in the year 2021

Headoffice



Rayong Branch

Welfare Committee in the Workplace
in the year 2021



Headoffice





Rayong Branch



Basic Fire-Fighting and Evacuation Fire Drill in the year 2021

safety at work



Site LamKraBue



In addition, the Company provided annual health check-up for the employees to guarantee the health and safety issues, including giving constant and continuing advice to the employees. The Company also provided safety systems during operations for the employees and the general public involved, as well as random checked the safety of radiation areas by the HSE unit and annual random checked the safety in radiation storeroom

by the officer of the atomic for peace. The tools/equipment for testing and inspection should be checked and/or calibrated for the quality and safety control, which were in compliance with international standards and government agencies' rules. They were to assure to the society and environment concerned. The Company's operations always emphasize on working on the basis of occupational ethics and morals.



Headoffice



Rayong Branch



Summary of HSE Performance in 2021

Evaluation	STAT. of 2019 (case)	HSE Goals of 2020 (case)	HSE Performance of 2020 (case)
Fatalities	0	0	0
Lost Time Occupational illnesses (LTOI)	0	0	0
Lost Time Injury Frequency (LTIF)	2 (2.05/200,000 Mhrs)	0	0
Total Recordable Injury Rate (TRIR)	2 (0.51/200,000 ชั่วโมง-คน)	≤ 1 (0.26/200,000 Mhrs)	1 (0.26/200,000 Mhrs)
Vehicle Accident Rate (VAR)	4 (1.05/200,000 Mhrs)	≤ 2 (0.51/200,000 Mhrs)	2 (0.51/200,000 Mhrs)
Effective Radiation Overdose Rate (EROR)	4 (1.05/200,000 Mhrs)	≤ 2 (0.51/200,000 Mhrs)	4 (1.05/200,000 Mhrs)

Note: Accident rate calculation, OSHA standard =

Number of injuries and illness x 200,000

Total Man hours of all employees

The occupational health, safety and environment operations of the Company has operated and met the target of 2021 at 1,019,168 working hours without Lost Time Injury, only the Effective Radiation Overdose Rate (EROR) could not meet the target. Anyway, such EROR were remained unchanged from year 2020. Thus, the Company has prepared prevention plan to reduce incidents and prevent accidents in the year 2021. The former data shall be a guideline to prepare the Hazard Prevention Plan to reduce accidents and prevent accidents in 2022 later.

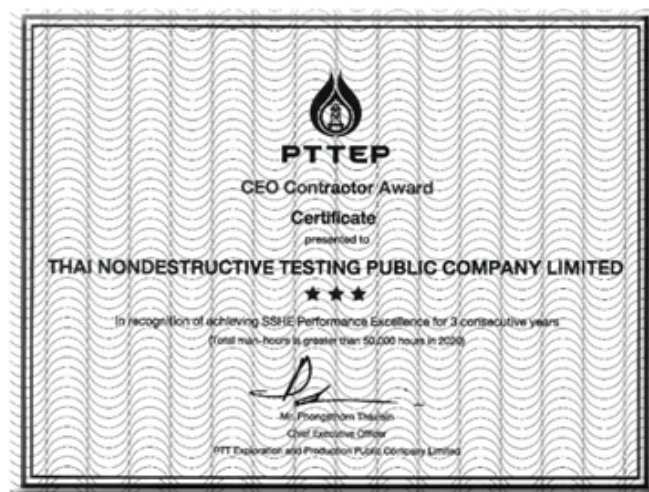
Awards for Health, Safety and Environmental Practices and Policies (HSE)

For the adherence of compliance to the HSE practices and policies in year 2021, the Company had obtained the awards in Health, Safety and Environment as follows: -

1. The honorable award of "SOC Card of the Month Award by 2021" for operations employees working onshore at Lan Krabue District, Kamphaeng Phet Province from PTT Exploration and Production Company Limited (PTTEP S1), total of 12 awards

2. "PTTEP CEO Contractor Award" in recognition of achieving SSHE Performance Excellence for 3 consecutive years (Total man-hours is greater than 500,000 hours in 2020).

3. "Safety Award from SATUN Chevron Offshore Field, period Aug-Oct 2021" for operations employees working offshore from Chevron Thailand Exploration and Production Company Limited, total of 6 awards.





Thai baht, to reduce the foreign exchange risk, would prevent fluctuations in the cost of services from unstable prices.

3.2 Service Capital

(1) Process and Method of Services

The Executives should always manage the process and method of services to meet the customers' requirements and relevant standards. The Company would emphasize the significant development of innovation in the organization, by focusing on speediness, accuracy, including mainly emphasizing in safety for lives, properties, and environment. These were done to increase customer service efficiency, to enhance the competitiveness and value added to the organization, including reducing the service costs from relying on foreign technology.

(2) Tools, Equipment and Accessories

The Executives should draw a carefully-planned for tools, equipment and accessories in accordance with the actual project workload, along with closely tracking the industrial situation. Some of the materials used were related to the stability of the country such as radioactive materials, remodeling in Government Policies in which might obstruct the performance of legal procedures. The Company should increase awareness and pursuance of the government's policies concerned, to prevent any disruption of the law and regulations

3. Resources Allocation

The Board realized to oversee and monitor the executives to allocate and manage resources throughout the Value Chain appropriately to the business model. The resources have to be reviewed and developed effectively and efficiently, by recognizing the necessity and worthy of resources usage, the variation of internal and external factors, and how available resources correlate. The resources optimization would be on the basis of ethical, responsibility and value creation, to achieve the goal and sustainability of the Company. The resources to be considered were as follows:

3.1 Financial Capital

The Executives should adequately manage funds for business operations or could continuously manage in both short and long term, to be in accordance with the objectives, goals and investment plans including having to receive adequate compensation, worthwhile and in accordance with the agreement appropriately. The Executives should analyze and assess the results of operations whether the financial management still followed the investment plan or not, accuracy or error in any part, in order for the improvement later on. In addition, the policy of buying-selling with

3.3 Human Capital

The qualified NDT personnel and experts were in high demand in both the Industrial sector and the inspection entrepreneurs. The creation of these personnel required both time and capital for training to meet the requirements in the industry. In addition, the Company has planned to expand the inspection to other industrial groups with up-to-date techniques. Therefore, the Company has accelerated to promote and develop both technical and efficiency of existing personnel to be ready for further expansion plans, by setting the guidelines to create and develop potential personnel who should be enthusiasm, interested and ready to develop their potential to attend both internal and external training by the experts, etc., to be experienced and expertized in operations. There were opportunities to allow the employees to create, research and develop the modern innovation to enhance the service efficiency, including raising the employees' awareness to uphold the ethical and code of business conduct, morals and good virtue when servicing the customers.

Please see more information about the training in 2021 in the title of **"7.7 Human Resource Development Policy"** page 108-115.

3.4 Intellectual Capital

The Company has always supported and encouraged employees who had the ability to research and develop, emphasizing the employees with positive attitudes, knowledge, expertise, and creativity to research, develop and invent tools, equipment, as well as modernized innovations. These would be capable to create values for more efficiency and capacity in work processes, including supporting business plans in the future. Therefore, the Company has signed a cooperation agreement with the Thailand Institute of Nuclear Technology. (Public Organization) to exchange knowledge and experience in the development and use of nuclear technology, innovating, providing services, manufacturing radiological equipment, including an electron accelerator, to be a learning center for those who are capable of nuclear technology. Moreover, the Company has focused on its customers relationships building, including those relevant. Due to the Company trusted that having a good relationship between each other will create understanding, certainty, and confidence in the operations, it would contribute to the development of workflow efficiency and having a great achievement together.

In addition, the Company has set a no intellectual properties or copyrights violation policy by purchasing the legal license software to use in the organization and having systems to prevent the copyright violation software installing, as well as training the new employees on orientation and publicized continuously through the Company's media such as the Company websites and emails, etc. Moreover, all employees must sign an agreement on no computer-crimes and no violation of intellectual properties, the software of the employees is examined and arranged to prevent the use of illegal software or those which are unrelated to work, including the use of the internet which can only be used for researches and as the source materials for work. In 2021, there has been no case of employees utilizing illegal software or violation of intellectual properties in the Company.

3.5 Social and Relationship Capital

The Company has aimed to understand all of the cultures and traditions in every operating area in order to coexist peacefully, co-creating, co-developing and supporting activities in the community, including resource conservation and environmental of communities nearby, by applying the knowledges and business experiences to develop and enhance benefits for the Community both in the short and long term as appropriate, and in accordance with the activities of the community, such as teaching in public and private institutions in the courses related to testing and inspection, opportunities for students from various institutions to visit and study the Company's operational, as well as educate students as trainees to study the duties performing along with the basic knowledge as learned in the education institutes, etc., or cooperation activities in the local area of operations, and would not cause a negative impact to the communities near the operating areas and will conserve the environment and the resources in the vicinity.

In 2021, the Company has provided practical knowledge for 31 internship students to learn the actual work-life in line with their educational knowledge, and to give students the opportunity to internships to enhance their experience of working with the Company. Moreover, there is also knowledge sharing to 80 internship students according to the curriculum by the online system. The Company has also provided a project to promote the occupation of 3 disabled, by publicizing to employees, whose family members or their surroundings are the disabled, according to Section 35 of the Promotion and Development of the Disabled's quality of life. The Company has provided financial support for their career, for themselves and their families sufficiently and sustainably.

In addition, the Company has provided activities related to the nearby community and environment's development, and has been reported on the Form 56-1 One Report for the year 2021 under **"Business driven for sustainability"**, on page 61-63 and the SD Report on the Company website (www.tndt.co.th) in the section of **"Sustainability"** under the topic of **"SD Report"**

3.6 Natural Resources

(1) Environment within the Organization and Nearby

The Company has provided knowledge and disseminated the environmental policy to all employees to commit and comply strictly with environmental standards and regulations, not making any impact arising from the operational use of existing resources to the environment and society. Moreover, the Company had joint-campaign and encourage employees to use resources wisely by recycling and reused the materials by modifying the disposal of scrap materials to be ready to use which was efficiently contributed to reducing the costs of operation, as well as the campaign of waste separation were to reduce the pollution caused by social and environmental impact of solid waste to be utilized as much as possible, which would reduce risks from hazardous waste. The Company has also organized energy conservation activities as appropriate, for subconscious and values creation in energy saving and worthy, as well as usually practiced in all related activities.

In addition, the Board of Directors has determined policies, visions and missions to create credibility in management, including promoting, supporting and monitoring the Company to operate and organize activities, which would be participated in supporting activities related to community development and on the basis of the responsibility to the community, society, and the environment.

In 2021, the Company's activities, related to the development of the community and environment nearby, were reported in the Form 56-1 One Report for the year 2021 in the title of **"Business driven for sustainability"**, on page 61-63 and the SD Report on the Company website (www.tndt.co.th) on page **"Sustainability"** under the title of **"ESG"**, subtitle of **"Activity"**

(2) Society and External Environment

The Company has emphasized on the rules and regulations which would be beneficial to the social and environment for both public and private sectors, especially in all activities relating to the business operation, for example the regulations for radiation possession and utilization by the Office of Atomic for Peace, Ministry of Science and technology, the regulations by the Department of Energy Business, Ministry of Energy, etc. Including all practices of International standards. It has also included the disposal of waste from the remaining material from the service, not to be burden and danger to society and the environment, such as radioactive waste, toxic waste, magnetic powder, etc. The Company's operation was according to international standards, including all related regulation in disposing of leftover waste by returning to the manufacturer or the dealer, or returning to the registered company which have been licensed by the Department of Industrial Works for proceeding the removal in the correct way. This was done for the sustainable development of society and environment furthermore.

In addition, the Company has also promoted projects or activities for society and external environment, with cooperation from executives and employees from all departments. The Company has also provided opportunities for stakeholders to participate in projects or activities of the Company by the occasion or appropriateness. In 2021, during the epidemic of the Covid-19 virus, the Company has refrained from activities involving people gatherings and changed to the activities through online systems, for social responsibility. There was also a new normal working policy (Work from home) and communication to all employees to strictly comply with government measures, to prevent the spread of the aforementioned.

For the external environment in 2021, the Company has returned the 36 units of radioactive waste back to manufacturers in the country of origins, including disposing of the toxic wastes such as sprays cans, magnetics powders and etc. by returning them to the Professional Waste Technology (1999) Public Company Limited, the waste disposal company that was licensed by the Department of industrial work, in the volume of 3.66 tons. These were for proceeding to eliminate them technically and legally, not to be burden and danger to society and the environment. Additionally, reducing the use of electricity, water and fuel as well as reduce greenhouse gas emissions was reported on the Form 56-1 One Report for the year 2021 the title of **"Business driven for sustainability"** on page 65 and the Company's website (www.tndt.co.th) on page **"Sustainability"** under the title of **"ESG"**, subtitle of **"Activity"**



4. Information Technology Management

Information technology systems are an important role to drive the business. Therefore, it is necessary to monitor and investigate, not to cause any interruptions or emerging risks that may affect the Company's operation and may result in the confidence of involved stakeholders. Therefore, Top-Executives shall play an important role in management in order to apply appropriate information technology to drive the business, as well as forward business goals according to missions, strategies, policies, and corporate plans to the goals related to information technology. In these, the Board of Directors has monitored to ensure that the information technology in business operations will result in the Company's goals achievement by using the appropriate existing resources and managing risks effectively and efficiently. This was monitored through the Company's internal audit systems in auditing the management's performance of the adopting information technology for the best interests and achieving the goals set by the Company, in accordance with the principles of good corporate governance.

The Company had a policy and measures to oversee/control the usage of information technology and internal information in the availability of information regularly, provided the access limitation to information in the order of employees' duty and position. In addition, there was a system that needed to be prioritize and monitor in order to prevent damage of information technology which might be utilized dishonestly, or changing information without permission, or taking advantage of confidential information that might affect the price of securities, or to prevent personal exploitation and those involved. In 2021, there was no usability of information technology in the wrong way.

In addition, with the epidemic of the covid-19 virus continuously from 2019 until the present, the Company has reduced the risk and limited the spread by reducing the incorporation activities in the workplace of employees and external stakeholders, meanwhile the Company can run the business efficiently and effectively. In 2021, the Company has continued to use telecommunication technology and data storage throughout the year, such as meetings, online training via Microsoft Teams / Zoom systems, working from anywhere by sending data internally with VPN (Virtual Private Network) technology and transmitting internal/external data with Microsoft One Drive, theory teaching and providing opportunities for students from educational institutions to learn about real-life practice through online systems, etc.

Principle 6 :

Strengthen Effective Risk Management and Internal Control

1. Internal Control and Risk Management

The Board of Directors and the Company have emphasized greatly on the internal control system, both in the executives level and the operational level in order to reflect the long lasting efficiency and the effectiveness in all areas, be in the internal atmosphere, operational risk assessment and risk management policy covering the whole organization, in order to prevent corruption cases which might incur and to provide training the policies and practices of the Company's anti-corruption, to cultivate denying to pay bribes for the benefits of the Company's business. Moreover, the risk assessment of controlling and monitoring the media and communicational system has to be done continuously, as well as clearly distributing responsibilities. In these, the good corporate governance system to achieve a good counterbalance and the connected transactions have to be monitored appropriately.

In addition, for the internal control of the financial system, financial liquidity and repayment condition, the Company has prepared a financial report by appointing the executive in charge with the Audit Committee to review and assess the adequacy of the reports by utilizing the Internal Control Integrated Framework of the Committee of Sponsoring Organization of the Treadway Commission (COSO) in the form of Enterprise Risk Management or COSO ERM, which consisted of

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

These were to identify potential events that might impact the organization, and managed to be in its risk appetite level, to provide confidence that the performance has achieved the objective of the organization. Independent internal auditors, assigned by the Audit Committee, would take responsible for auditing the accuracy and transparency of information as of the annual operational plan which has already been approved, and reporting the review results to the Audit Committee for acknowledgment. The audited result would be presented to the Board of Directors for acknowledgment every quarter. In case of any suggestions or significant defects, the internal auditor would report to the Audit Committee, and present to the Board of Directors for consultation and further improvement.

For the authorization of each transaction, the Company's best interests should be considered, by following the authorization chart. The future transactions could only be authorized by those who have no stakes in the said transactions.

In year 2021, the Audit Committee has reviewed the various operating systems, and has prepared “Attachment 6” Report of the Audit Committee and Report of the Nomination and Remuneration Committee, on page 270-272.

2. Guidelines and duties of the Audit Committee

2.1 Duties of the Audit Committee

Please see the “7.3 Information about Sub-Committees” in the title of “Audit Committee” page 97-98 and the Company's website (www.tndt.co.th) page “About TNDT”, in the title of “Executives”, subtitle of “Audit Committee”.

2.2 Remuneration of Auditors

The Remuneration of Auditors for the Company and its subsidiaries

1. Remuneration of auditors

For the year 2021, M R & Associates Limited, certified public accountant of SEC, has been appointed as the Auditor to audit, review and express its opinion to the financial statements of the Company and its Subsidiaries. The Remuneration was in the amount of 1,960,000 baht, they were quarterly monitoring at 190,000 baht, the year ended audit fee at 1,020,000 baht, and the review of compliance with BOI at 70,000 baht. The financial statements of the Company and its Subsidiaries were accredited by the Auditor without any comment or history of submitting the quarterly year ended financial reports longer than the restriction of The SET and no any history of amendment of the financial statements by the SEC.

2. Other Fee

In 2021, No any other expense charged.

Details	Amount (Baht)	
	TNDT	Subsidiaries
The annual audit fee for the year ended December 31, 2021.	1,020,000.00	150,000.00
The quarterly review fee for the period ended March 31, 2021.	190,000.00	50,000.00
The quarterly review fee for the period ended June 30, 2021.	190,000.00	50,000.00
The quarterly review fee for the period ended September 30, 2021.	190,000.00	50,000.00
The review fee of compliance with BOI.	70,000.00	00.00
Other Services fee	Charge the expenses as occurred.	
Total	1,660,000.00	300,000.00
Overall	1,960,000.00	

3. Conflict of Interest / Connected Transaction

Conflict of Interest / Trading of Company Securities / Insider's Information and Information Technology System

To prevent conflict of interest issue, the Board of Directors has overseen the Company by the policies of information disclosure, management of confidential information to prevent data leakage, protection of confidential information and market sensitive information. There were the policies and procedures to prevent the Directors, the Executives or the connected person from using insider's information for personal benefits as follows:-

(1) Reporting of Conflict of Interest must have been approved by the Board of Directors. In all, to approve the connected transaction, the Company must have been taken into consideration of the best interest, fairness, rationale behind transaction and consistency with market practice.

(2) Overseeing of Insider's Information Usage. The Board of Directors had a policy to prevent any Director or Executive to benefit from the significant insider's information that would be market sensitive information. The Board of Directors should convene the meeting, vote on the issue with the consent from the Audit Committee, and report to the SET on the following working day. Therefore, the Directors and Executives did not have an opportunity to use such confidential insider's information for personal benefits.

(3) The Directors, Executives and connected person should disclose the stakeholding information and their trading or holding of Company's securities and the connected persons as well.

The Company has disseminated knowledge, communicated and reviewed policies to prevent directors and executives, including employees who have been working in related departments, to use internal information for the benefit of themselves or others which were considered to exploit other shareholders. Therefore, all directors and executives should disclose interest information or the company's securities holding or changes during the first month before Financial statements disclosure to the public, both their own and those connected to the board (Should not buy-sell one month in advance before public disclosure of financial statements)

In addition, the Company's new directors or executives including those involved should report their holdings of the Company's securities within 30 working days after being appointed, as well as report the trading of securities at least 1 day in advance or report changes in securities holdings within 3 working days after buying, selling, transferring or receiving transfers. Such information should be submitted to the Board regularly or notified to the Company Secretary for reporting to the SEC, in accordance with Section 59 of the SEC Act of 2535, and disclosed in form 56-1 One report for the year 2021.

In 2021, No any employees in related departments buy, sell, transfer or receive transfers and no any Directors, Top Executives, Executives including the related employees use internal information for their benefits or others in any unlawful way.

The Company has also required Directors and Executives to be aware of the operations with characteristics of connected transactions and conflicts of interest which the Company might have, should be operated with transparency, accountability, reasonable pricing, and fair and at arms' length. In addition, there were measures for the Company to allow the Audit Committee to comment on the necessity of entering such connected transaction or conflict of interest, whether the prices were reasonable and appropriate by considering various conditions which shall be normal trading operations at the market price. In the case of the Audit Committee did not have expertise in considering any connected transactions, the Company would provide knowledgeable and special expertise persons, such as auditors, property appraisers, law firms being a third party and independent to comment on such connected transactions. The comments would be for the decision making of the Audit Committee and present to the Board of Directors or shareholders, a case by case. In case of transactions that were required to disclose the information, or requesting approval from shareholders, in accordance with the regulations of the SET, the Company would disclose details and reasons of such transaction to shareholders in advance, before entering the transaction.

In 2021, the Company did not enter into any connected transactions that violated or not complying with the rules of the SET and the SEC. In addition, the Company would disclose internal information that might affect the investment and the personal benefits of the directors, executives or those involved on that date immediately or before 09.00 a.m. on the next day (if any).

4. Anti-Corruption

Please see the details on "9.1.2 Anti - Corruption" on page 150, and on the Company's website (www.tndt.co.th) page "Sustainability" in the title of "Policy" subtitle of "Policy for Anti-Corruption" and page "Sustainability" in the title of "Anti-Corruption"

5. Whistle-blowings / Complaints / Comments or Suggestions

The Company has disclosed the information on **form 56-1 One Report for the year 2021** under "Anti-corruption" on page 150. During 2021, no any whistle-blowings, complaints or etc. were submitted to the Company

Principle 7 :

Ensure Disclosure and Financial Integrity

The Company has recognized the importance of information disclosure with correctness, completeness, transparency on schedule according to the regulations of SEC and SET. The information has included financial and non-financial information as well as other important information which might affect the Company's securities prices and investment decisions of investors and stakeholders, both in Thai and English language.

In addition, the Company has disclosed the remuneration of Directors (individually) and Executives and Audit fees, including other information such as details about the Committee, Company Secretary and Auditors who have worked during the past year, their performances and also the records of meeting attendances of the Director and Sub-Committees individually together with the history of course training (Page 95). Moreover, the Shareholding Structure, Management Structure, Good Corporate Governance Policy , Articles of Association, Charters of Director, Ethics & Codes of Business Conduct, Channel for suggestions, complaints or violations, including the disclosure of securities holding of directors, executives and their involved have to be reported as well via the SET, form 56-1 One Report, reporting quarterly results of operations, providing information and meeting with analysts, investors and shareholders, press release and Company's websites (www.tndt.co.th).

In this, the Company's policy to disclose the information of securities holding of Directors, Executives and their connected persons, must report their Company's securities holding within 30 days after appointed. The Directors and the Executives must periodically report their advance sales or purchase of the Company's securities as least 1 day or report their holding within 3 business days from the date which the Company's securities have been purchased, sold, transferred or accepted transfer. The Company Secretary will compile and coordinate in reporting the securities transition to the SEC and reporting to the Board of Directors on the Board's meeting. the details of disclosure of changes in securities holdings of Directors, Top Executives, and the Executives of the year 2021 can be viewed on the table topic **Attachment 1** : the details of the directors, the executives, the authorized persons, the top assigned person to be responsibility in accounting and finance, the supervisory accountant and the company secretary, on pages 224-236.

1. The Board of Directors' Accountability to the Financial Report

The Board of Directors was responsible for the accuracy of the Company's financial report that displays the financial information sufficiently and transparently, including sufficiently disclosing the important data accompanying the Company's financial report, according to the appropriate accounting standard. This was done consistently by having an auditing from the authorized, independent and trustworthy auditor which was approved by the SEC and/or other relating organizations and has gone through the review by the audit committee, including the disclosing of the auditing fee and other services within the Annual Report. In this, the Board of Directors has prepared the responsibility report to the financial report of the Board of Directors in **form 56-1 One Report for the year 2021**, the title of **"Report of the Board of Directors' Accountability to Financial Report"**, page 69.

Besides, the Company has recognized the importance of strengthening relations with the shareholders, analysts, investors in the Annual General Meeting of Shareholders, as well as answering the enquiries on various topics to the shareholders via Investor Relation and other communication channels of the Company.

2. Financial liquidity and debt repayment capability

The Board of Directors has monitored and oversaw the financial liquidity and debt repayment capability by the meeting with the executives, including reviewing the internal auditing of internal audit team passing through the Audit Committee, to monitor and assess the financial status and the Company's operating results on every quarter.

The management has set up guidelines of monitoring repayment as follows:-

(1) Try to follow up, claim, and accelerate the payment of debt more closely.

(2) Use the relief policy in time conditions

(3) Have a strict policy to select customers with stable financial status and collateral

(4) Legal prosecution (the last chance to select), in order to maintain the customer base waiting for the economic recovery.

In case of any transaction or investment for business expansion both locally and internationally, the Audit Committee would consider whether such transaction was a reasonable transaction and being a beneficial investment to the Company by now and in the future or not, as well as propose to the Board of Directors. The Board would consider the details thoroughly in order not to affect the overall liquidity of the Company, as well as managing the risk of loan and interest burden by paying on the specified period, including adjusting the investment plan to be in line with the liquidity and complete repayment as soon as possible.

3. Guidelines of operations

The Board of Directors shall strictly comply with the contracts, agreements, obligations and liabilities that may arise, as well as the conditions as agreed, transparency and no secrecy. In case of the Company cannot comply with the contracts, conditions agreed upon or any change in conditions, the Company will notify the creditors in order to jointly find possible solutions immediately. Moreover, the Company will report the debt obligations to creditors as requested accurately, completely and timely.

4. Sustainability Report

The Board of Directors has encouraged, supported and monitored the Company to set up guidelines for business operations and comply with ethics and code of business conduct, good corporate governance, together with responsibility to the community, society, environment and consideration of all stakeholders according to the rights, laws or agreements that should be with the Company. The Company has also disclosed important information to stakeholders to acknowledge adequately, no any violation of stakeholders' rights. Moreover, the Company has channels to report clues, complaints on issues related to legal offenses, inaccuracy of financial reports, defective internal control system or unethical practices, and also has measures to protect the rights of whistle-blowers for the Board of directors, executives, employees and all stakeholders to acknowledge and adhere together. Therefore, the guidelines should be practiced for sustainability and efficiency of the organization, by creating a Sustainability Development Report (SD Report), as a part of form 56-1 One Report and in a separate book and disclose to the public via the website www.tndt.co.th of the company. Such documents could be downloaded from the Company website as well.

The policy and details can be viewed in the title of “Sustainable Development”, page 46-47 and on the Company website (www.tndt.co.th) page “Sustainability”

5. Communication and Investor Relations Channels

5.1 Company's Data Access

(1) Online system of the SET
(2) Quarterly performance report
(3) Opportunity Day / AGM / EGM / mai Forum etc.
for the Top-Executive of the Company to meet, discuss, report and answer questions on various issues in order to strengthen relationships with investors, analysts and shareholders from time to time as appropriate.

(4) Press Release
(5) Form 56-1 One Report for the year 2021
(7) Sustainability Development Report (SD Report)
(8) Company's website : www.tndt.co.th
(9) E-mail : secretary@tndt.co.th
(10) Company's Facebook : <https://www.facebook.com/TNDT.Thailand>

5.2 Investor Relations : Mr. Som_ouy Tangchithavornngul

Besides communicating information through various channels, as described in item 5.1, the Company has established the Investor Relations Unit to be responsible for communicating the Company's information to investors and third parties with equitable and fairness. Investors can contact for more information by the followings:-

- (1) Letter :
Thai Nondestructive Testing (Public) Co., Ltd.
19 Soi Suanson 8, Ramkhamhaeng Road,
Huamark, Bangkok, Bangkok 10240
- (2) E-mail :
som_ouy@tndt.co.th / headoffice@tndt.co.th /
info@tndt.co.th
- (3) TEL : +66(0)2-735-0801 (Auto.10 lines)
(4) FAX : +66(0)2-735-1941

The Company has disclosed communication channels on the Company's website (www.tndt.co.th) and form 56-1 One Report for the year 2021 titled “General Information and Other Important Information” on page 86-88

Principle 8 :

Ensure Engagement and Communication with Shareholders

The Company emphasized and recognized the importance of the equitable treatment of all shareholders rights, both minority and majority shareholders, institute investors or foreigners, without committing any violation or deprivation of the rights of shareholders or not to limit the opportunity to search for media of the Company. The Company also encouraged shareholders to exercise their fundamental rights covered by the law, for examples:- the right to sell, purchase or transfer the Company's securities, the Company's profit by the way of dividend payment, the right of equitable treatment of shares' refunding (if any), the right to attend and vote in the meeting of shareholders, etc. The Company would disclose important information affecting the investors in form 56-1 One Report for the year 2021 and publish such news via SET. Even in case of shareholder transactions (Shareholder Agreement), the Company would try its best efforts to look into the agreement, not to be affected significantly to the company or other shareholders. They were as follow:-



the Annual General Meeting No. 15/2021

Prior to the Meeting

1. The Company conducted the Annual General Meeting (AGM) of Shareholder 2021 on Monday 26th April 2021, at 09.30 a.m., at the Training Center of Thai Nondestructive Testing (Public) Co., Ltd., No. 20 Soi Ramkhamhaeng 60 Yaek 6, Ramkhamhaeng Road, Huamark, Bangkok, Bangkok 10240, in which selection of the venues took into account the convenience of the shareholders' meeting in principle. The Company has posted meeting agenda with its details via set portal system of SET 55 days prior to the meeting date. The invitation letter (in Thai and English) indicating place, date, time, meeting agenda with objectives and opinions of directors, guidelines, proxy form, articles of association related to voting and supporting documents were provided and disclosed on the Company's website (www.tndt.co.th) in the “investor relations” section under the title of “shareholder information” subtitle of “Meeting of Shareholder” 30 days prior to the meeting date for the shareholders to have sufficient time to consider and/or authorized proxy to attend the meeting. The Company assigned TSD, the registrar, to deliver the documents and registration form with barcode directly to the shareholders 31 days prior to the meeting date. Moreover, the invitation has also been 3 days continually published in the newspaper, 26 days prior to the meeting date to be in line with law and regulations.

2. For the equality and fairness to all of shareholders, the Company invited the shareholders to propose the agendas and the nominees to serve as directors to exercise the right to appoint directors individually, and to propose the questions prior to the 2021 Annual General Meeting date (during 4 January to 3 February 2021). The guidelines were clarified and noticed to the shareholders via: online system of SET, the Company website www.tndt.co.th and published the results to the shareholders via: online system of SET, to the invitation of the Company's shareholders meeting and in the shareholders' meeting. On the due date, there was no shareholder to propose agendas, nominees to serve as directors, or submit the questions in advance to the Company.

Furthermore, in year 2021 the Company's proportion of free float shares were at 51.13 percent, and the proportion of shares held by institutional investors were less than 5 percent.

The Shareholders' Meeting Date

1. The Company had a policy to facilitate and encourage shareholders including the institutional investors and proxies to register one hours prior the meeting to test the picture and sound. Shareholders were also allowed to register for the meeting even after the meeting had commenced and could maintain their rights for voting on those resolutions that had not yet been determined. The Company also provided an opportunity for shareholders to meet without discrimination or any obstacles to communicate between shareholders.

2. In case of shareholders who would not be able to attend the meeting, the Company allowed the shareholders to authorize an Independent Director or any other person as a representative with proxy form A or B or C as attached on the letter of invitation (only one type) and evidence in accordance with the regulations as mentioned in the invitation letter, the rights to vote would be correspond to the number of shares held, ie 1 share per 1 vote of the same category of shares and having equality voting rights.

In case of the Company's share has more than one type, the Company will disclose the voting rights of each type of share.

3. The Chairman of the Board and all Committees, Executives and Auditors valued the importance of the AGM. Therefore, they attended and participated in the shareholders' meeting in order to express their opinions, raise any questions and clarify the issues related to the agenda and the Company's business.

4. The Chairman of the Board assigned the Company Secretary to announce meeting regulations as required by law and Company regulations, e.g. opening of the meeting, voting and vote counting on each agenda, introducing all Board Members, Executives, Auditors and Management.

5. The Chairman of the Board, who chaired the AGM, also conducted the meeting agenda with respect for the agenda earlier announced in the Invitation, in which any additional or change on the agenda was prohibited so as not to infringe the rights of shareholders who could not attend the meeting themselves.

6. In the meeting, the shareholders had the rights to inquire about the Company's operations. The Chairman and Board of Directors fully provided an opportunity for shareholders to make inquiries, comments and suggestions in all agendas appropriately.

7. The Directors, having conflict of interest in any agenda, should not participate in the agenda.

8. For the resolutions voting, the shareholders' volunteer was invited to witness and inspect in each vote count. The voting results in term of approval, disapproval, abstains or voided ballot for each agenda were transparently presented to the meeting.

9. The Company Secretary has taken all the responses as well as the significant comments in the minutes of meeting. After the meeting, the shareholders were requested to return the voting cards to keep as evidence.

After the Meeting Date

1. The voting results of each agenda in both Thai and English were disclosed on the next day of AGM to the public by posting via online system of SET.

2. The minutes were submitted to the SET and the Ministry of Commerce within 14 days of the completion of the meeting. It also contained the Directors attendance, voting guidelines and procedures, the memorandum of the important inquiries or comments raised by shareholders and the responses from the Directors, as well as the voting results of each agenda. For the AGM No. 15/2020, the Company had submitted the minutes on May 10, 2021

To facilitate the exercise of shareholders in attending the AGM and support the voting rights of the shareholders in regards to the principles and guidelines in the manual of **"AGM Checklist"** as defined by Thai Investors Association, the Company has been evaluated by Thai Investors Association in the AGM of Shareholders for the year 2021 with a score of 100 (for the year 2020 with a score of 100).



the Extraordinary General Meeting No. 1/2021 (E-EGM)

Prior to the Meeting

1. The Company conducted the Extraordinary General Meeting No. 1/2021 which was organized through electronic media (E-EGM) on Thursday 23 December 2021, at 09.30 a.m., at The Training Center of Thai Nondestructive Testing Public Company Limited, 20 Soi Ramkhamhaeng 60 Yaek 6 (Suanson 6), Ramkhamhaeng Road, Huamark, Bangkok 10240 which was convenient for the shareholders' meeting in principle. The Company has posted the meeting agenda with its details via set portal system of SET 37 days prior to the meeting date. The invitation letter (in Thai and English) indicating place, date, time, meeting agenda with objectives and opinions of directors, guidelines, proxy form, articles of association related to voting and supporting documents were provided and disclosed on the Company's website (www.tndt.co.th) in the "investor relations" section under the title of "shareholder information" subtitle of "Meeting of Shareholder" 30 days prior to the meeting date for the shareholders to have sufficient time to consider and/or authorized proxy to attend the meeting. The Company assigned TSD, the registrar, to deliver the documents and registration form with barcode directly to the shareholders 14 days prior to the meeting date. Moreover, the invitation has also been 3 days continually published in the newspaper, 22 days prior to the meeting date to be in line with law and regulations.

The Shareholders' Meeting Date

1. The Company had a policy to facilitate and encourage shareholders including the institutional investors and proxies to register one and a quarter hour prior the meeting, a simplified document check with duty stamps for proxies, registered through the bar-code system to ensure fast registration with accurate, complete, and verifiable information. Shareholders were also allowed to register for the meeting even after the meeting had commenced so that they could maintain their rights for voting on those resolutions that had not yet been determined. The Company also provided an opportunity for shareholders to meet without discrimination or any obstacles to communicate between shareholders.

2. In case of shareholders who would not be able to attend the meeting, the Company allowed the shareholders to authorize an Independent Director or any other person as a representative with proxy form A or B or C as attached on the letter of invitation (only one type) and evidence in accordance with the regulations as mentioned in the invitation letter, the rights to vote would be correspond to the number of shares held, ie 1 share per 1 vote of the same category of shares and having equality voting rights.

In case of the Company's share has more than one type, the Company will disclose the voting rights of each type of share.

3. The Chairman of the Board and all Committees, Executives and Auditors valued the importance of the AGM. Therefore, they attended and participated in the shareholders' meeting in order to express their opinions, raise any questions and clarify the issues related to the agenda and the Company's business.

4. The Chairman of the Board assigned the Company Secretary to announce meeting regulations as required by law and Company regulations, e.g. opening of the meeting, voting and vote counting on each agenda, introducing all Board Members, Executives, Auditors and Management.

5. The Chairman of the Board, who chaired the AGM, also conducted the meeting agenda with respect for the agenda earlier announced in the Invitation, in which any additional or change on the agenda was prohibited so as not to infringe the rights of shareholders who could not attend the meeting themselves.

6. In the meeting, the shareholders had the rights to inquire about the Company's operations. The Chairman and Board of Directors fully provided an opportunity for shareholders to make inquiries, comments and suggestions in all agendas appropriately.

7. The Directors, having conflict of interest in any agenda, should not participate in the agenda.

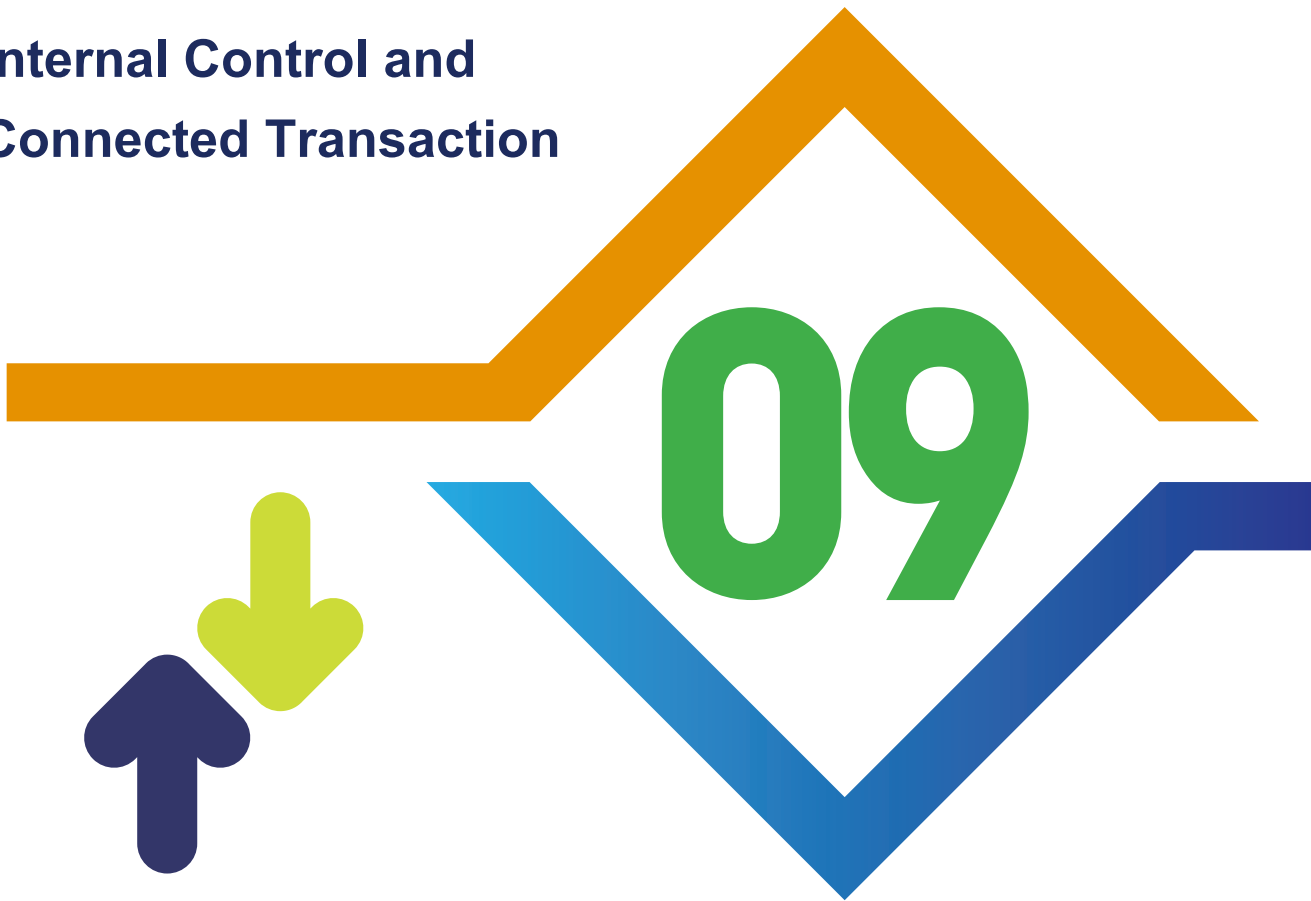
8. The Company Secretary has taken all the responses as well as the significant comments in the minutes of meeting.

After the Meeting Date

1. The voting results of each agenda in both Thai and English were disclosed on the next day of AGM to the public by posting via online system of SET.

2. The minutes were submitted to the SET and the Ministry of Commerce within 14 days of the completion of the meeting. It also contained the Directors attendance, voting guidelines and procedures, the memorandum of the important inquiries or comments raised by shareholders and the responses from the Directors, as well as the voting results of each agenda. For the E-EGM No. 1/2021, the Company had submitted the minutes on January 6, 2022

Internal Control and Connected Transaction



9.1 Internal Control

9.1.1 Internal Control

The Board of Directors has determined the policy and risk management framework by the internal and external factors, by emphasizing greatly on the internal control system, both in the executives' level and the operational level, covering financial, management, and operational for the efficiency and effectiveness, as well as in compliance with relevant laws, and regulations. The internal control system would reflect the long-lasting efficiency and the effectiveness in all areas, be in the internal atmosphere. The operational risk assessment and risk management policy would be covered by the whole organization, in order to prevent any cases which might incur in operations or others, along with monitoring the performance of the internal control system by consulting / questioning the Managing Director, Auditors and all concerned.

In the Board of Directors Meeting No. 2/2021, held on 26th February 2022, of which comprised a quorum of 8 Directors of the Board, the Audit Committee of which comprised 3 independent directors were attended to monitor and review the Company's result of operations and the internal control system. The Audit Committee has assessed the adequacy of the internal control system in order for continually developing and improving the efficiency and effectiveness of operations.

The Audit Committee has considered the internal control system in accordance to the International standard guideline, in which the framework of The Committee of Sponsoring Organization of the Treadway Commission (COSO) has been integrated in the form of Enterprise Risk Management or COSO ERM, which the 5 key elements frameworks of risk management would be as follows: -

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

These were to identify potential events that might impact the organization, and managed to be in its risk appetite level, to provide confidence that the performance has achieved the objective of the organization. The reports should be presented to the Board of Directors every quarter. In case of any suggestions or significant defects, the internal auditors should report to the Audit Committee and the Committee would present to the Board of Directors for any suggestion or further improvement. The disclosure of assessment can be viewed on Form 56-1 One Report for the year 2021.

1. Internal Environment

Guideline

The Company is committed to promoting its personnel to adhere and realize the value of loyalty, good morality, ethics and code of business conducts in every operation process by setting policies and manuals as a guideline for risk management, supervision, monitoring as well as the organization of personnel restructuring, defining duties and responsibilities and providing knowledge in various fields in order to be able to perform their duties appropriately, systematically and establishing maximum efficiency toward the organization. This means, the performance and ability of employees are assessed to develop the potential of the personnel to progress in their duties regularly.

Practice

1.1 Visible organizational structure and personnel responsibilities including appropriate good working environment is the cornerstone of the internal control system which helps to operate the Company's business efficiently. Therefore, the Board of Directors has established a good corporate governance manual, an anti-corruption manual, manual of code of business conducts and ethics, Punishment and others related manuals that must be in the future, including regulations of the Company for Directors, Executives and Employees at all levels to comply. Besides, the result of such performances is audited by an internal auditor under the monitoring of the Audit Committee in order to ensure that the company's operating is trustworthy, fair, transparent and can be examined, as well as the prevention of conflict of interest, including anti-corruption within the organization, so that all groups of stakeholders will equally receive the best interests.

1.2 The Board of Directors is independent from the management and consists of Independent Directors / Audit Committee with knowledge, capability, expertise and well experience in the company's business. The Independent Directors / Audit Committee must be credible and have absolute independence in performing their duties without any business relationship with the Company. Additionally, they shall not have any other relationship that may influence the exercise of judgment and the performance of duties by acting to supervise, define duties and roles as well as setting goals that are used as guidelines for the performance of the board and executives, including review and monitoring of the company's business operation to ensure accuracy and compliance with the requirements, law and charter. These will cover roles of the Board of Directors, the Nomination and Remuneration Committee, the Audit Committee, Internal auditors, Auditors, those responsible for financial reports, management and staff as well as the development of an internal control system to control all processes of work.

1.3 The Company has formulated a policy, entirely suitable defining authority and responsibility with clear responsibility and approval authority, including the Board of Directors, the Nomination and Remuneration Committee, the Audit Committee, Senior management, Executives and Employees at all levels in order to achieve a balance of power in auditing of each other. In addition, there is also a nomination of suitable personnel for the job position and duties by preparing a succession plan (Succession Planning) within positions that primary and important, as well as promote the development of knowledge levels, competence of employees to become experts in fields and technologies and reviewed the system by the Nomination and Remuneration committee, and finally, report to the Board of Directors for acknowledgment.

1.4 The Company always retains valuable personnel in order to build confidence of personnel to have confidence in the organization as well as consciousness, loyalty and being a part of the organization by encouraging and supporting employees to progress on their duties, as well as providing opportunities to participate in brainstorming and ideas and create innovation for the organization. Additionally, providing equal welfare and benefits based on knowledge, ability, and fair compensation, including creating a good working environment. Moreover, the Company also encourages, supports and cooperates with educational institutions and related organizations for the creation of sufficient professional personnel in this field and meets the industrial needs.

1.5 The Company has built an internal training center of the company to enhance and create a sufficient number of NDT personnel to meet the ever-increasing demand and throughput by the company's instructors and external instructors. In addition, the Company sends its employees to train from external institutions related to the operation by the means of building expertise in technology as well as learn new techniques to be knowledgeable to provide services that meet the needs of customers, as appropriate for the business on a regular basis.

2. Risk Assessment

Guideline

The organization has considered the likelihood assessment and the impact of risk to determine the different levels of risk, for the Company capable to determine the appropriate risk control and to assist in planning and allocating resources properly under the budget, manpower, or limited time.

Practice

2.1 The Audit Committee has reviewed risk management policy and a risk management plan according to the Corporate Risk Profile.

2.2 The Company monitors the situation, assesses and analyzes the risks of the organization, both internal and external factors that may affect the business operation and the internal control system, as well as to consider opportunities that may cause corruption in the organization by establishing annual audit measures and plans with an intention, to prevent and deal with risks that may affect the achievement of the company's operational objectives to be at an appropriate and acceptable level, as well as communicating with the executives and all employees in the company in order to aware of the risks factors, joint responsibility between management and employees in the purpose to deal with the risks that arise.

3. Risk Response

Guideline

Considering appropriate approaches and methods for managing potential risks based on the sufficiency assessment results and risks in accordance to the possible occurrence and the impact that will occur in order to manage the risks and reduce the impact of the potential risks to an acceptable level.

Practice

3.1 The Audit Committee is responsible for monitoring, reviewing the performance including evaluating the effectiveness including evaluating the effectiveness and the sufficiency of the risk management process in accordance to the audit plan, Additionally, improving the audit process with an emphasis on risk assessment at the activity level shall be done in order to be more efficient, reviewing the internal control system through meetings and reports on performance evaluation of the independent internal auditors who are responsible for reviewing the accuracy, as well as transparency of information in every quarter.

The Audit Committee reviewed the compliance align with the Anti-Corruption Policy, the Risk Management Guidelines and the Company's operating systems. Therefore, the Company has established a scope of work to cover the risks significant involved in business and working processes. The Company has been identified in the topic "**Risk Management**", on page 38-45 appropriately and completely.

4. Control Activities

Guideline

The Company has control measures and operational processes that help reduce the risk of not achieving organizational objectives to an acceptable level and establishing control activities through policies that define expectations and procedures. So that the established policies can be put into action, including the selection and development of general control activities with technology systems to support the achievement of objectives.

Practice

4.1 The Company controls and monitors the performance in compliance with various policies of the Board of Directors, the Company's policies, regulations, and operating procedures, including compliance with laws, regulations of the Stock Exchange of Thailand, and other laws related to the Company's business. In addition, the written authority and authority diagram has been defined, such as the General management, Finance, Accounting, Purchasing, and Human Resources. For the consideration and approval in future transactions, the Directors or Stakeholders connected to such specific transaction will not participate in the consideration, in regard to taking into account the best interests of the Company. Normally, the consideration and approval have the authority under the scope of authorization only.

4.2 The Internal Audit Team will report deficiencies from the internal audit to relevant employees and management for immediate improvement. And then, report the audit results to the Audit Committee quarterly for submission to the Board of Directors for acknowledgment. The Audit Committee will summarize and prepare an annual performance report, present to the Board of Directors and report to the shareholders in the Company's One Report (56-1), which is signed by the Chairman of the Audit Committee.

4.3 The Audit Committee is of the opinion that in the year of 2021, the Company has complied with the prescribed rules and disclosed information in accordance with the rules, regulations, requirement as well as all applicable laws, appropriateness in the Company's assets protection, and found no major fraudulent incidents.

5. Information and Communication

Guideline

The organization communicates relevant information to everyone about the organizational objectives, the risks arises, the results of risk management and the necessary internal control responsibilities in order to support the internal control as specified.

Practice

5.1 The Company has documented procedures, preparation of proceeding including various information by using software and equipment to prepare records, communication and properly disseminate information through the copyrighted information system in order to inform the information to the Board of Directors, Executives and Employees at all levels, being aware of the risks and responsibilities shared between management and employees, as well as important benefits with convenience, fast, and timely to use.

In addition, in proposing matters for the Board of Directors to consider, the Company Secretary will be responsible for preparing relevant documents and information for decision making. Then sent to the Board of Directors at least 7 days in advance to allow the Board to study and have sufficient time to consider the information, including preparing and keeping documents such as director registration, invitation letter to the Board of Directors meeting, minutes of the Board of Directors Meeting, Annual Report of the Company (Form 56-1 One Report, SD Report), Invitation to the Shareholders Meeting, Minutes of the Meeting of Shareholders, , organized in a systematic manner, convenient to search and keeping reports of interest reported by Directors or management and submit a copy of the report of interest to the Chairman of the Board of Directors and the Chairman of the Audit Committee for acknowledgment within 7 business days from the date the Company receives the report, including other actions as required by the Capital Market Supervisory Board announcement and assignment of the Board of Directors.

5.2 The Company realizes the importance of the disclosure of accurate, complete and transparent information complies with the requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), both financial information, non-financial and other important information that may affect the stock prices and investment decisions of shareholders and investors. Besides, the Company Secretary will coordinate the delivery of information reports to the SEC and the SET, as well as to supervise the disclosure of information and news of the Company on to the public and shareholders are informed correctly, completely through the channels of the Stock Exchange of Thailand form 56-1 One Report, SD Report and the website “www.tndt.co.th” of the Company and report to the Boards of Directors at every meeting.

Indeed, the Company prevents the use of inside information to reduce the damage that may occur from the exploitation of important information that affects the investment. At the end of the meeting, the resolution of the Board of Director will be noticed to the SET within that date or on the next business day before 9:00 a.m. to prevent the use of inside information in the pursuit of personal benefits.

Indeed, the Company prevents the use of inside information to reduce the damage that may occur from the exploitation of important information that affects the investment. At the end of the meeting, the resolution of the Board of Director will be noticed to the SET within that date or on the next business day before 9:00 a.m. to prevent the use of inside information in the pursuit of personal benefits. In addition, the Board of Directors also emphasize the participation of all groups of stakeholders, both internal and external. Thus, the channels for whistleblowing, complaints, and expressing opinions or suggestions that are beneficial to the Company’s business development by The Company Secretary / Secretary of the Audit Committee will

collect the information and present to the Board of Directors Audit Committee and related Executives in order to consider and make corrections, the Company has disclosed the contact channel in form of 56-1 One Report as well as on the website “www.tndt.co.th” and the Company’s Code of Business Conducts Manual.

INTERNAL AUDIT CONTROLLER AND COMPLIANCE

The Audit Committee’s responsibilities are to consider the independence of the Internal Audit Team as well as to appoint, transfer and dismiss the Chief of Internal Auditor. For the Company, the Audit Committee had proposed the Board of Directors to appoint Mr.Thanun Satawuthi as the internal audit controller and Compliance since Quarter 2/2020 onwards. Due to having experiences in performing internal audits in the Company’s business for a long time and understanding the activities and the operation of the Company very well, it was appropriate for him to perform such duties.

The Head of internal Audit Team has performed its duties independently for the development and reviewed the effectiveness of the risk management system, the internal control system, the financial report including the operational system to cover all activities of business operations, as well as covering the significant and high-risk departments, by coordinating with the External Auditors, Executives. The Internal Audit Team of the Company, Miss Alisa Thaosisakul / Head of the team and Miss Tanchanok Losomsab / Internal Audit officer, have reported the results directly to the Audit Committee. The Audit Committee would review, suggest the issues of operations for correction, prevent and develop all the systems thoroughly and continuously, then present to the Board of Directors in every quarter. For the audit process, if there was any suspect that might affect or could damage and require the correction, the Chief of Internal Audit team or the assigned person should notify the relevant departments or the Audit Committee immediately for auditing and further correction.

The details of education, experiences and training of the Head of Internal Audit are shown in the “**Attachment 3**” : title of “The Details of Head of Internal Auditors and Head of Compliance of the Company”, on page 262-264

COMPLIANCE UNIT

The Company has not yet established a Compliance Unit. However, the Company Secretary Office has been assigned to be responsible for governance, monitoring BOD activities and reporting to the Board of Directors. The Company Secretary’s duties and responsibilities are to ensure the Board of Directors, Executives and Employees perform their duties in accordance with announcements, regulations and / or other related laws and regulations of both the Securities and Exchange Commission, the Stock Exchange of Thailand, and related agencies.

9.1.2 Anti - Corruption

The Board of Directors realizes and emphasizes to operate the business with honesty, integrity and takes responsibility to the community and to all groups of stakeholders, and strictly complies on the good corporate governance policies, ethics, code of business conduct, and work regulations of the Company, including the rules and regulations of government and private sectors as related to the business operations. The Board also monitors the Company to set up the policy and guidelines of Anti-Corruption, including the procedure of training to promote and cultivate the employees' knowledge on this matter. In addition, the Company cultivates the bribery prohibition for the Company's business interests and the awareness of performing duties with integrity, while the performances shall be monitored regularly to prevent the risk of corruption occurrence.

Anti-Corruption Policy

"The Directors, Executives, the Company's employees are prohibited from employing their authorities, be it for the direct or indirect benefits to self, or any others. This includes prohibiting the offer of unlawful benefits to any other person in order to obtain the Company's business interests. The Company shall monitor the Anti-Corruption Policy, review and assess at least once a year, as well as revise the practical and requirements of the guideline in accordance with the changing of the business, standardized regulations and the legal related requirements".

In all, the Company has publicized the knowledge through the information technology, announcement letter, and training for the employees in the organization and the related persons for the better understanding of the procedure guideline, responsibility, and compliance under the same policy.

Guidelines for Prevention and Anti-Corruption

The Company has taken measures to prevent and anti-corruption for the Directors, Executives and Employees to adhere as a guideline and performed the Anti-Corruption Policy along with each operations activity. The Company would assess the risk of corruption that might arise in each process regularly. In case of corruption or misconduct action was found, employees in all levels and all stakeholders could notify through the Company's channels as defined, to proceed the auditing, solving and preventing, including reporting to the Board of Directors in order to prevent and monitor the risk of corruption. Those whistle-blower / complainants could consider the channels of notifying as appropriate. Anyway, the Company had measures to investigate and determine the disciplinary action of the Company and/or the related laws. In case of capable to contact the whistle-blower / complainants, the Company would notify the operation result in writing.

In addition, the Company's internal audit team would be responsible for monitoring by the quarterly monitoring plan and reporting to the Audit Committee for consideration, review, as well as presenting to the Board of Directors for appropriate solution and determination.

The Whistle-blower / Complainants Protection Policy

The Company has the policy to defend the whistle-blowers by keeping their information as secrecy. The whistle-blowers are able to choose not to reveal themselves if the disclosure may cause insecurity or damage. In case of the whistle-blowers are disclose themselves, the Company will retain personal information such as secrecy and corrective action. The action plans are to review the information as well as reporting to the Board of Directors on the matters affecting significantly, in order to consider the recommendations and remedial actions or legal proceedings for such violation later.

Channels of Whistleblowing / Complaints / Comments or Suggestions

The Board of Directors respects all the stakeholders to participate in the matters which benefit the business development of the Company, or the complaints in case of rights violation, comment, or suggestion on suspicion of corruption to the Audit Committee, who are independent directors. The channels for all stakeholders to submit their whistleblowing / complaints / comments or suggestions together with the supporting contact data are as below: -

- Independent Committee
independent@tndt.co.th
- Company Secretary Office
secretary@tndt.co.th
- Independent Committee / Company Secretary Office
Thai Nondestructive Testing Public Company Limited.
19 Soi Ramkhamhaeng 60 Yaek 8 (Suason 8),
Ramkhamhaeng Rd., Huamark,
Bangkapi, Bangkok 10240
- Tel.
+662-735-0801 (Auto 10 Lines)
- Fax.
+662-735-1941

The Company Secretary / the Secretary of the Independent Committee / the Audit Committee will collect the information and propose to the Independent Committee / the Audit Committee and the Board of Directors for consideration consequently. The channel of whistle blowing can be viewed on the Company's website (www.tndt.co.th), the 56-1 One Report for the year 2021, the Corporate Governance Manual and the Code of business Conducts.

9.2 Connected Transactions

Transactions of the Company and companies related to a person who may have a conflict of interest which occurred during 2020 and 2021 are as follows:

Name / Nature of Business	Relationship	Nature and value of transactions	Necessity and rational of transaction
1. Munja Company Limited Business of Alternative Energy Installation Services (In 2020 : The Company Name was changed to be "VNET Power Company Limited")	Miss Chomduen Satavuthi, Director / President / Managing Director of TNDT was a minor shareholder of VNET Power. and Mr. Thanun Satavuthi Deputy Managing Director of TNDT and son of Miss Chomduen Satavuthi was a Non-Executives Director of VNET Power.	In 2019, Miss Chomduen Satavuthi had 3.33% share held, In 2020, the registered capital was increased, and Miss Chomduen Satavuthi had a 2.86% share held, In 2021, Miss Chomduen Satavuthi had remained 3.33% share held.	The transaction will be done by the major shareholders to service the business of alternative energy installation. The Audit Committee acknowledged, considered and deemed that such transaction was rational.
2. Property lease from Mrs. Kongmuang Dangpibulskul	Mrs. Kongmuang Dangpibulskul is related to Mr. Suwat Dangpibulskul, who is the Company's Chairman of Director.	The Company leased 2 units of 3-storey shop-houses on Land Deed No.40803 and 40804 with area 21.2 and 17 square wah, respectively. The property is located on 267/157-8 Sukhumvit Road, Maptaput Sub- District, Muang District, Rayong Province to be used as employee's residence. The lease rate was at Baht 20,000 a month. The Company paid Baht 0.24 million during each of 2020 and 2021	This transaction was to lease employee's residence to facilitate the operation and customer service. The lease rate was fair when compared to the same location. The Audit Committee evaluated the transaction and was of opinion that the transaction was rational and done at a fair price.
3. Property lease from Mr. Thanun Satavuthi	Mr. Thanun Satavuthi, Deputy Managing Director, is son of Mr. Suwat Dangpibulskul, Chairman of the Boards. and Ms. Chomduen Satavuthi, Director / President / Managing and nephew of Mr. Krikkiat Satavuthi, Directors.	The Company leased 2-storey houses on Land Deed No.80399 and 80400 with area 81 and 81 square wah, respectively. The property is located on Huamark Sub-District, Bangkok District, Bangkok Province to be used for office buildings expansion. The lease rate was at Baht 18,000 a month. The Company paid Baht 0.216 million during each of 2020 and 2021.	This transaction was to lease for the expansion of office buildings to accommodate the office expansion, ie. Finance / Account, CRD and NDT inspection for more efficiency. The lease rate was fair when compared to the nearby location. The Audit Committee evaluated the transaction and was of opinion that the transaction was rational and done at a fair price.
4. Use Mr. Thanun Satavuthi personal assets as collateral for the Company's loan.	Mr. Thanun Satavuthi, Deputy Managing Director, is son of Mr. Suwat Dangpibulskul, Chairman of the Boards. and Ms. Chomduen Satavuthi, Director / President / Managing and Nephew of Mr. Krikkiat Satavuthi, Directors.	The transactions occurred by using the personal assets on Land Deed No.80399 and 80400 with area 81 and 81, total at 162 square wah were guaranteed on credit limit and mortgage loan to the financial institution as the second and the third sequence of the Assets increased, according to the mortgage contracts of the company in the credit lines of Baht 70.00 million In 2020 and 2021, the transaction was still the same.	The Company has loaned from a financial institution for the significant business expansion and in full amount existing necessity. The Audit Committee evaluated the transaction and was of opinion that the transaction was necessary for the Company's business operations.

Name / Nature of Business	Relationship	Nature and value of transactions	Necessity and rational of transaction
5. Directors guarantee the Company's loan.	Miss Chomduen Satavuthi, Director / President / Managing and Mr. Suwat Dangpibulskul, Chairman of the Board.	<p>Joint personal guaranteed in full amount to the financial Institutes, separate by the following types :</p> <p><u>The Overdraft Credit (O/D)</u> In 2020 as well as 2021, the remain amount of 89 million baht.</p> <p><u>The Promissory Note (P/N)</u> In 2020, the promissory note amount of 84.40 million baht, additional amount of 7.0 million baht, Total amount of 91.40 million baht. In 2021, the promissory note amount of 62.0 million was reduced. The amount of 29.40 million baht has remained.</p> <p><u>The Letter of Guarantee Credit Limit (L/G)</u> In 2020 & 2021, remained the same. The credit limit of local & abroad in the total amount 73.40 million baht, the letter of guaranteed credit limit of 85.00 & 20.00 million-baht, foreign currency forward trading limit amount of 25.60 million baht. The total amount of guarantee on O/D, P/N & L/G were 322.40 million baht.</p> <p><u>The guarantee of credit line on a time limit</u> In 2020, the guarantee of the credit line on a time limit in total amount of 85.0 million baht. In 2021, remained the same.</p>	The Company has loaned from financial institutions for the significant business expansion and in full amount existing necessity. The Audit Committee evaluated the transactions and was of opinion that the transactions was necessary for the Company's business operations.
6. Use directors' personal assets as collateral for the Company's loan.	Miss Chomduen Satavuthi, Director / President / Managing.	<p>In 2020, the transactions were still remained and decreased as follows: (1) Lands of NorSor 3 Kor No. 1266 and 1481 BeungNaRang District, Pichit Province were guaranteed on credit limit and mortgage loan of Baht 70 million to the financial institution. In 2021, the credit limit has remained the same.</p> <p>(2) 2 Lands of NorSor 3 Kor No. 610 and 1243, Sri MaHaPoo District, Prachinburi Province were guaranteed on credit limit and mortgage loan of Baht 20.0 million to the financial institution. In 2021, the credit limit has remained the same.</p> <p>(3) Land Deeds No. 33733 and 33734 MabKah Sub-district, NikomPattana District, Rayong were guaranteed on credit limit and mortgage loan to the financial institution. The collaterals were to increase values of assets and not to add value of mortgage loan of Baht 33.00 million.</p>	The Company has loaned from some financial institutions for business operations. The Audit Committee evaluated the transaction and was of opinion that the transaction was necessary for the Company's business operations and its subsidiaries' activities.

Name / Nature of Business	Relationship	Nature and value of transactions	Necessity and rational of transaction
6. Use directors' personal assets as collateral for the Company's loan. (continued)	Miss Chomduen Satavuthi, Director / President / Managing.	<p>In 2021, the transactions amount of 33.00 million baht has been redeemed and refinanced to a financial institution for a total amount of 85.00 million baht.</p> <p>(4) Land Deeds No. 143218, Saphansung Sub-district, Bangkapi District, Bangkok with area 250 square wah has been mortgaged to the financial institution for increasing the asset guarantee with the mortgage debt of the company.</p> <p>In 2020, the mortgage has been redeemed. In 2021, no transaction.</p> <p>5) Land Deeds No. 77654, Banna Sub-district, Kabinburi District, Prachinburi with area 30 Rais was guaranteed on mortgage loan of Baht 11 million to the financial institution.</p> <p>In 2020, the mortgage amount has been increased to 14.256 million baht. In 2021, the credit limit has remained the same.</p> <p>6) Land Deeds No. 22027, Mabkha Sub-district, Nikhomphatana District, Rayong was guaranteed on credit limit and mortgage loan to the financial institution, to guarantee the mortgage loan amount of 85.00 million baht, in 2021.</p>	The Company has loaned from some financial institutions for business operations. The Audit Committee evaluated the transaction and was of opinion that the transaction was necessary for the Company's business operations and its subsidiaries' activities.
7. Use directors' personal assets as collateral for the Company's loan.	Mr. Suwat Dangpibulskul , Chairman of the Board.	<p>Pledge personal assets, the building and Land Deeds No. 17663, 17764, 17665 and NorSor 3 Kor No. 1981 Kudkhao Sub-district, Munjakeree Districet, Khon-kaen were guaranteed on overdraft credit of Baht 5.00 million, mortgage loan of Baht 50 million to the financial institution. The guarantee covered full amount of all credit limit.</p> <p>In 2020, The guarantees were still the same. In 2021, Such mortgage assets have already been redeemed and the burden of guarantees is finished.</p>	The Company has loaned from a financial institution for business operations. The Audit Committee evaluated the transaction and was of opinion that the transaction was necessary for the Company's business operations.
8. Enspect Group Co.,Ltd.	Miss Chomduen Satavuthi, Director / President / Managing, is authorized Directors of Enspect Group Co.,Ltd. and hold 75%	In 2020 and 2021, no transaction.	Due to Enspect Group Co.,Ltd has experiences and expertise in building and construction control. If necessary, the company had to hire the construction controller which was for the expansion project as planned, the transactions would be done in normal business practice similar to other suppliers, and would be done at a fair and market price. The transaction would be rational under the Audit Committee's evaluation.

Name / Nature of Business	Relationship	Nature and value of transactions	Necessity and rational of transaction
9. LTNDT Co., Ltd.	The Company invest and held 70%, the Company in Lao PRD held 30% of the paid-up capital.	In 2020 and 2021, no transaction.	LTNDT Co.,Ltd was the a Nondestructive Testing and Inspection company and already got the Lao's BOI License for 15 years. The Audit Committee has evaluated the transaction and was of opinion that the transaction was rational.
10. TNDT CM Co., Ltd.	The Company invest and held 46%, and Miss Chomduen Satavuthi, Director / President / Managing. , held 54% of the paid-up capital. In 2021, a transfer of shares from Khum Kansiri Kanthanasub (Non-connected person) holding shares in the year 2020 at 22% to Ms. Chomduean Satawut, from the former holding 32% to 54%. and Miss Vajana Sakulraemrungs held less than 1% (1 share held) of the paid-up capital.	In 2020, total advances payment at the amount of 62.73 million baht. In 2021, total advances payment at the amount of 63.88 million baht. These were the transaction of the subsidiaries as shown in the financial statement of the Company.	TNDT CM Co.,Ltd was the Company registered in Thailand. The Business are Coal and Mineral Trading and Mine Business in Republic of the Union of Myanmar. The Company's objectives have been revised for further business expansion opportunities. Such shares held by the Company's director and executive is a temporary transfer to be forwarded to the potential investors in the new business group, in accordance with the Company's policy. The Audit Committee has evaluated the transaction and believes that the transaction is rational. The project was suitable for investing and it would be beneficial to the Company later.
11. MKTNDT Company Limited	The Company invest and held 55%, In 2021, TNDT sold all its investments to TNDT Power Co.,Ltd. (a subsidiary), with 55% shares held of the paid-up capital. and Min Khit Thit Mining Company Limited, Myanmar held 45% of the registered capital. In 2021, a change in shares held, they were MKT had remained 10% shares held of the paid-up capital. and Mr. Thanun Satavuthi / Top Executive ,as the Company's representative, had 35% shares held of the paid-up capital.	In 2019, the advances payments at the amount of Baht 7.35 million. In 2020, the advances payments remain the same. These were the transaction of the subsidiaries as shown in the financial statement of the Company.	MKTNDT Company Limited was the Company registered in Republic of the Union of Myanmar. The Business was to supply and provided utilities systems and other related business-nes in Republic of the Union of Myanmar. in 2021, the shareholding structure was changed in accordance with the Joint Venture Agreement made by the 2 parties. The Audit Committee has evaluated the transaction and believed that the transaction was rational. The project was suitable for investing and it would be beneficial to the Company later.

Name / Nature of Business	Relationship	Nature and value of transactions	Necessity and rational of transaction
12. TNDT POWER Company Limited	The Company invest and held 99.97% with 1 Director / Miss Chomduen Satavuthi and 2 Executives / Mr. Thanun Satavuthi and Miss Vajana Sakulraemrungs, are authorized directors of TNDT Power Co., Ltd. and held 0.01% each.	<p>The transactions were about deposit the equipment, prepare the area and others of the power plant project in Republic of the Union of Myanmar.</p> <p>In 2020, total advances payment at the amount of Baht 265.50 million baht.</p> <p>In 2021, total advances payment at the amount of Baht 274.76 million baht.</p> <p>These were the transaction of the subsidiaries as shown in the financial statement of the Company.</p>	TNDT POWER Company Limited was the Company registered in Thailand. The Business are Energy businesses both Domestic and International. The Audit Committee has evaluated the transaction and believes that the transaction is rational. The project was suitable for investing and it was extremely beneficial to the Company in the present and the future.
13. PUTTARAKSA POWER Company Limited (In 2021, the Company's Name has changed to TNDT Advance Technology Co.,Ltd.)	Miss Chomduen Satavuthi, Director / President / Managing, is authorized Directors of Puttaraksa Power Co.,Ltd. and held 70.00% of shares and Mr. Thanut Sa-ngarasri (Unrelated Person) held 15% And Mr. Suchai Lertphichet (Shareholder of the Company) held 15%	<p>In 2019, the Company's Board of Directors had a resolution on 19th December, 2019 to acquire the business of Puttaraksa Power Co.,Ltd. in the amount of 24.980 Million Baht later.</p> <p>In 2020 and 2021, the Company had interest receivable in the amount of 72,568.19 baht and 72,538.03 baht respectively.</p>	TNDT POWER Company Limited was the Company registered in Thailand. The Business are Energy and consumable businesses. The Audit Committee has evaluated the transaction and believes that the transaction is rational.
15. PT TNDT Inspection and Consultantation Company Limited	The Company invest and held 95% and Mr. Sukrawadi (Indonesian and not connected person) held 5%.	<p>In 2020, the Company has invested in the related business in the amount of 5,842,500 baht.</p> <p>In 2021, the amount of investment in the related business has remained the same.</p>	PT TNDT Inspection and Consultantation Company Limited was the Company registered in Indonesia. The Business are consultant, electrical system installation. The Audit Committee has evaluated the transaction and believes that the transaction is rational. The project was suitable for investing and it was extremely beneficial to the Company in the future.

Measures and Procedures for Connected Transaction Approval

The Company has determined the measures and procedures to approve the connected transaction. In order to engage in any transaction that may involve the person who may have conflict of interest, the transaction must be examined by the Audit Committee and approved by the Board of Directors, whereby the Audit Committee must be presented. To resolve such transaction, the Director who has potential conflict of interest cannot vote on the agenda.

Policy or Tendency for the Future Connected Transactions

In the future, if it is necessary for the Company to have connected transaction with person who may have conflict of interest, the Company has a policy to determine various requirements to ensure normal business practice at the market price that could be compared if done with the other party. In all, the Company shall assign the Audit Committee, the Company's accounting auditor, or independent specialist to evaluate the rational of the transaction and the pricing.

For the future connected transaction, directors must comply with the stipulated requirements. The Directors must not approve any transaction that he or the related person may have potential conflict of interest with the Company. Directors must disclose the transaction to the Board of Directors for consideration and approval. The Company shall comply with the Securities and Securities Exchange Regulations and any relevant regulation, announcement or order of the Stock Exchange of Thailand. The Company shall also comply with the regulation concerning information disclosure of the connected transaction and asset acquisition or disposal of the Company or subsidiaries. The Company shall not carry out the connected transaction on the activities irrelevant to the normal business operation.

In all, if there is any connected transaction between Thai NDT Public Company Limited and a person that may risk conflict of interest or may cause the conflict in the future, the Company shall assign the Audit Committee to comment on the pricing, compensation, and the necessity and appropriateness of the transaction. In the case where the Audit Committee are not proficient enough to consider the transaction, the Company shall have independent specialist or accounting auditor commenting on the transaction to assist decision making process of the Board of Directors or shareholders. The Company shall disclose the connected transaction in the notes to financial statements of the audited financial statements from the Company's auditor.

Investor's Protection Measures

To protect investors, if there will be connected transaction between the Company and the persons that may risk conflict of interest, connected transaction, or may create conflict in the future, the Company's Board of Directors, with participation of the Audit Committee, shall oversee the transaction approval process to ensure that the transaction is done fairly at appropriate price. The Company shall comply with the Securities and Securities Exchange Regulations and any relevant regulation, announcement or order of the Stock Exchange of Thailand. The Company shall also comply with the regulation concerning information disclosure of the connected transaction and major asset acquisition or disposal of the Company or subsidiaries.

Part 3

Financial Statements



Report of Certified Public Accountant

To the Shareholders and the Board of Directors of Thai Nondestructive Testing Public Company Limited

Opinion

I have audited the consolidated financial statements of Thai Nondestructive Testing Public Company Limited and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders’ equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, I have also audited the separate financial statements of Thai Nondestructive Testing Public Company Limited, which comprise the separate statement of financial position as at December 31, 2021, and the separate statement of comprehensive income, the separate statement of changes in shareholders’ equity and the separate statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and the Separate Financial Statements” section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions together with the ethical requirements that are relevant to my audit of the consolidated financial statements and the separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with such 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 and the separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements and the separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Completeness and Proper Cutoff Period of Service Income and Related Cost of Services

Risk Description

Regarding the 2021 quarterly reviews and annual audit, I have found some adjusted errors relating to service income and cost of services that were recorded incompletely and in improper period whereby major errors were understatements. The root causes of such errors were delay in communications and transmission of job-closed documents on the rendered services between (1) departments of the Company and (2) the Company's officer who was responsible for handover of works and the customer's officer who was responsible for acceptance of works. Amount of the identified errors was material to the overall financial statements. In addition, completeness and proper cutoff period of service income and related cost of services at each quarter-end significantly affected the completeness and accuracy of trade receivables and trade payables in the Company's statement of financial position as well as service income and cost of services in the statement of comprehensive income. This significant matter gave rise to significant risk on the aforesaid accounts, which are significant accounts and directly relevant to the business activities (service rendering) of the Company.

Significant accounting policies and other information relating to trade receivables, trade payables, service income, and cost of services were disclosed in Notes 3, 5, and 28 to the financial statements.

Responses to the Risk

I have performed the following key audit procedures as responses to the identified and assessed significant risk in order that such risk shall be managed to appropriate and acceptable level and enable the financial statements to be free from material error or misstatement:

- Considered and obtained understanding in the Company's working procedures and related internal controls in connection with the service systems and related costing which also included reading and obtaining the understanding in documentation and reporting attributable to the Company's handover of works and acceptance of works by the Company's customers.
- Considered the detail of works being done and still outstanding as at the end of year and brought in the gathered information to perform analytical review with documents and reports of works done and related handover as well as the analysis of gross profit of each job.
- Performed cutoff test on service income together with consideration of related costs both before and after the date of statement of financial position, in the extent that I considered appropriate, by comparison of the accounting period that service income was recognized with the information gathered from the Company's job-closed and handover documents and acceptance of works by the customers.
- Performed circularization of balance at year-end of (1) trade receivables and amount of service income incurred during the year to the Company's customers and (2) trade payables and amount of purchases as well as other costs incurred during the year to the subcontractors or suppliers, in the extent that I considered appropriate, and followed up the responses on such circularization in order to gather and use as supplemental information for my cut-off test performed on service income and related costs.

Accuracy and propriety of finance lease income, cost of finance lease and finance lease receivable

Risk description

Starting from 2020, the Company has had substantial revenue from its solar PV rooftop project for the performance rendered to three private companies whereby the Company hired contractor to handle installation of the project asset on the rooftop of premises belong to the customer who is the Company's counterparty specified in the related contract. The Company shall earn the monthly revenue at the rate mutually agreed with the counterparty on the difference of electricity that the counterparty can be saved from the previously charged throughout the term of related contract (15 - 20 years which covers the economic life of the asset) and the Company is responsible for the part of maintenance of project asset to be always in order for use. However, the right to control the use of asset as well as the right to direct the use and benefits or costs that can be saved from the asset has been attributable to the counterparty, who is owner of the premises that asset is installed, since the handover date of the fully installed project. In addition, the Company shall transfer the legal title in ownership right of the asset to the counterparty at the end of contract term. In accounting consideration, this matter is complicate and contains use of significant judgement in conjunction with read, analysis and assessment whether the contract contains a lease, and if contains a lease it will be finance lease or operating lease for the Company as lessor. The amounts of significant accounts, i.e. finance lease income, cost of finance lease and finance lease receivable, relating to this matter are material to the financial statements. Therefore, accuracy and propriety of such accounts is significant to the Company's financial statements in 2021.

Significant accounting policies and other information relating to the aforesaid matter were disclosed in Notes 3, 6 and 32 (e) (f) to the financial statements.

Responses to the risk

I have performed the following key audit procedures as responses to the identified and assessed significant risk in order that such risk shall be managed to the appropriate and acceptable level and enable the financial statements to be free from material misstatement:

- Read of contracts, documents and reports as well as inquiries and consultations with relevant personnel of the Company and among my audit team in order to gather understanding in significant principles and substances of such project.
- Comparison, analysis and assessment of the compiled facts as well as substances with provisions and conditions specified in the related Thai financial reporting standard whether contract with counterparty contains a lease and what kind of leases it is (i.e. finance lease that the Company is manufacturer of the project task).
- Test computation of related figures as well as auditing for accuracy and propriety of accounting records and presentation in the Company's financial statements in relation to such matter.

Accuracy and propriety of accounting entries for convertible debentures

Risk description

In 2021, the Company has started issuing and offering two series of convertible debentures to foreign funds, 3-year period each serie and will mature for redemption on June 9, 2024, with interest rate at 2% p.a. and interest is payable on quarterly basis whereby the conversion period of each serie and conversion price was discussed in Note 19 to the financial statements. This matter is complicate and contains use of significant judgement in collecting and studying the information as well as the analysis and assessment of the information obtained for classifying between the liability and equity components of convertible debentures in accounting. In addition, the amounts of significant accounts, i.e. issued and paid-up share capital, premium on common shares and finance costs, relating to this matter are material to the financial statements. Therefore, accuracy and propriety of accounting entries for such matter is crucial.

Significant accounting policies and other information relating to the aforesaid matter were disclosed in Notes 3, 19 and 21 to the financial statements.

Responses to the risk

I have performed the following key audit procedures as responses to the identified and assessed significant risk in order that such risk shall be managed to the appropriate and acceptable level and enable the financial statements to be free from material misstatement:

- Read and gathered understanding in documents and conditions of convertible debentures issued by the Company.
- Studied and collected information about debentures in the money market for comparison, analysis and assessment of information prepared and sourced by the Company for classifying between the liability and equity components of convertible debentures.
- Test computation of figures prepared by the Company as well as auditing for accuracy and propriety of accounting records and related presentation in the Company's financial statements with respect to such matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Registration Statement and the Annual Report, but does not include the consolidated financial statements and the separate financial statements as well as my auditor's report thereon. The aforesaid other information is expected to be made available to me after the date of this auditor's report.

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

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

When I read the aforesaid other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order that they shall acknowledge and arrange the correction on such misstatement as appropriate.

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

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

In preparing the consolidated financial statements and the separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, the 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 and the Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and the separate 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 and separate 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 and the separate 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 and the separate 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 and the separate financial statements, including the disclosures, and whether the consolidated financial statements and the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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



(Mr. Akadet Pliensakul)
Certified Public Accountant
Registration No. 5389

M.R. & ASSOCIATES CO., LTD.
Bangkok
February 26, 2022

Statements of Financial Position

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021 AND 2020

ASSETS

		In Baht			
		Consolidated		The Company Only	
	Note	2021	2020	2021	2020
CURRENT ASSETS					
Cash and cash equivalents		2,964,292	2,888,694	1,169,294	1,087,767
Other curent financial assets - fixed deposits		9,747	9,730	9,747	9,730
Trade receivables					
- Billed - net	4, 5	53,415,423	76,718,793	53,415,423	76,718,793
- Unbilled	5	25,091,055	34,096,828	25,091,055	34,096,828
Current portion of finance lease receivable - net	6, 32	2,405,244	499,600	2,405,244	499,600
Short-term loans to and interest receivable from related persons	4	6,106,158	6,054,514	-	-
Receivable from sale of investment in subsidiary	4, 10	-	-	16,375,425	-
Advances to subsidiaries	4	-	-	346,388,901	335,956,981
Supplies	7	4,772,128	5,466,452	4,772,128	5,466,452
Other current assets					
- Advances - net of allowance for impairment for expected credit loss of Baht 800,223	4	57,997,173	68,660,509	4,350,872	4,779,800
- Pending input tax		10,936,111	6,902,090	10,936,111	6,902,090
- Prepaid expenses on issuance of convertible debentures	19	2,656,603	-	2,656,603	-
- Others - net of allowance for impairment for expected credit loss in the consolidated and separate financial statements of Baht 2,018,505 and Baht 513,382, respectively	4	8,016,690	7,795,955	6,225,139	6,401,598
Total Current Assets		174,370,624	209,093,165	473,795,942	471,919,639
NON-CURRENT ASSETS					
Restricted deposits at banks	15, 32	17,134,011	5,105,325	17,029,299	5,001,000
Investment in mutual funds	8	37,449	37,389	37,449	37,389
Non-current portion of billed trade receivables	5	22,018,295	22,582,274	22,018,295	22,582,274
Finance lease receivable - net	6, 32	83,758,656	19,808,421	83,758,656	19,808,421
Loans to other company - net	5, 9	57,571,225	58,576,047	57,571,225	58,576,047
Investment in subsidiaries accounted for using the cost method	2, 4, 10	-	-	13,456,560	29,037,841
Investment in shares of related company - net	11	-	-	-	-
Property, plant and equipment - net	12, 15, 16	564,590,196	559,319,992	239,867,840	234,400,916
Right-of-use assets - net	4, 13	84,971,553	38,778,040	84,905,810	38,646,555
Intangible assets - net	14	1,818,902	503,064	1,818,902	503,064
Advances for equipment and intangible assets - net of allowance for impairment for expected credit loss of Baht 2,232,000		290,870	290,870	290,870	290,870
Other advances	4	128,777,629	130,816,544	90,473,074	93,973,074
Other non-current assets	32	35,843,252	69,083,848	34,587,603	67,828,203
Total Non-Current Assets		996,812,038	904,901,814	645,815,583	570,685,654
TOTAL ASSETS		1,171,182,662	1,113,994,979	1,119,611,525	1,042,605,293

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

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021 AND 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Baht			
		Consolidated		The Company Only	
	Note	2021	2020	2021	2020
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings from financial institutions	15	118,176,530	150,212,870	118,176,530	150,212,870
Trade payables		4,296,715	4,378,878	4,296,715	4,378,878
Current portion of other payable	32	6,000,000	-	-	-
Current portion of long-term borrowings	15	17,668,916	11,975,232	17,668,916	11,975,232
Current portion of lease liabilities	4, 16	28,539,737	20,189,973	28,464,626	19,697,291
Short-term loans from and interest payable to related persons	4	49,694,210	74,559,570	32,554,624	57,996,923
Short-term loans from other persons	17	52,000,000	55,000,000	52,000,000	55,000,000
Accrued expenses and other current liabilities	4, 18, 32	165,220,833	189,105,393	131,152,356	82,265,444
Total Current Liabilities		441,596,941	505,421,916	384,313,767	381,526,638
NON-CURRENT LIABILITIES					
Other payable - net of current portion	32	57,500,000	-	-	-
Long-term borrowings - net of current portion	15	86,958,994	73,803,788	86,958,994	73,803,788
Lease liabilities - net of current portion	4, 16	71,950,637	49,457,326	71,880,923	49,312,501
Liability for post-employment benefits	20	15,521,682	18,079,436	15,521,682	18,079,436
Deferred tax liabilities	26	6,499,211	1,076,544	6,499,211	1,076,544
Other non-current provisions	6	9,400,000	1,500,000	9,400,000	1,500,000
Total Non-Current Liabilities		247,830,524	143,917,094	190,260,810	143,772,269
Total Liabilities		689,427,465	649,339,010	574,574,577	525,298,907
SHAREHOLDERS' EQUITY					
Share capital - common shares, Baht 0.50 par value in 2021 and Baht 1 par value in 2020					
Authorized share capital - 725,281,161 common shares, Baht 0.50 par value in 2021 and 100,000,000 common shares, Baht 1 par value in 2020	21	362,640,581	100,000,000	362,640,581	100,000,000
Issued and fully paid-up share capital - 240,941,246 common shares, Baht 0.50 par value in 2021 and 100,000,000 common shares, Baht 1 par value in 2020	19, 21	120,470,623	100,000,000	120,470,623	100,000,000
Premium on common shares	19, 22	99,992,468	51,171,072	99,992,468	51,171,072
Common shares awaited for registration	27	220,678,170	-	220,678,170	-
Retained earnings					
- Appropriated for legal reserve	22	10,000,000	10,000,000	10,000,000	10,000,000
- Unappropriated		51,345,041	320,993,707	93,892,739	356,132,426
Other components of equity		(8,697,938)	(5,726,447)	2,948	2,888
Equity attributable to Owners of the Parent		493,788,364	476,438,332	545,036,948	517,306,386
Non-controlling interests	10	(12,033,167)	(11,782,363)	-	-
Total Shareholders' Equity		481,755,197	464,655,969	545,036,948	517,306,386
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,171,182,662	1,113,994,979	1,119,611,525	1,042,605,293

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

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Note	In Baht			
		Consolidated		The Company Only	
		2021	2020	2021	2020
REVENUES					
Service income		253,968,660	297,328,709	253,968,660	297,328,709
Finance lease income	6, 32	69,143,307	21,202,940	69,143,307	21,202,940
Other income	4, 10, 18	2,695,684	13,941,803	3,892,516	14,383,344
Total Revenues		325,807,651	332,473,452	327,004,483	332,914,993
EXPENSES					
Cost of services	4, 16, 25	180,696,048	203,113,214	180,696,048	203,113,214
Cost of finance lease	6	48,859,744	16,913,030	48,859,744	16,913,030
Administrative expenses	4, 14, 16, 25, 32	70,968,472	55,627,773	65,270,471	52,790,210
Total Expenses		300,524,264	275,654,017	294,826,263	272,816,454
Profit from Operating Activities		25,283,387	56,819,435	32,178,220	60,098,539
Finance Costs	4, 16, 19	40,623,173	28,869,640	39,858,223	28,054,121
Loss on Impairment of Financial Assets	5	6,391,030	8,853,105	6,391,030	7,347,982
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE	29	(21,730,816)	19,096,690	(14,071,033)	24,696,436
Income Tax Expense	26, 29	5,422,667	1,314,699	5,422,667	1,314,699
PROFIT (LOSS) FOR THE YEAR		(27,153,483)	17,781,991	(19,493,700)	23,381,737
Other Comprehensive Income (Loss)					
<i>Item that will be subsequently reclassified to profit or loss</i>					
- Difference on financial statement conversion of subsidiaries		(2,971,551)	2,393,502	-	-
<i>Item that will not be reclassified subsequently to profit or loss</i>					
- Change in fair value of investment in mutual funds	8	60	145	60	145
- Actuarial loss on remeasurement of liability for post-employment benefits (net of income tax effect of Baht 238,155) in 2020	20, 26	-	(952,621)	-	(952,621)
Other Comprehensive Income (Loss) for the Year		(2,971,491)	1,441,026	60	(952,476)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		(30,124,974)	19,223,017	(19,493,640)	22,429,261
Profit (Loss) Attributable to:					
Owners of the parent		(26,902,679)	19,326,353	(19,493,700)	23,381,737
Non-controlling interests		(250,804)	(1,544,362)	-	-
Profit (Loss) for the Year		(27,153,483)	17,781,991	(19,493,700)	23,381,737
Total Comprehensive Income (Loss) Attributable to:					
Owners of the parent		(29,874,170)	20,767,379	(19,493,640)	22,429,261
Non-controlling interests		(250,804)	(1,544,362)	-	-
Total Comprehensive Income (Loss) for the Year		(30,124,974)	19,223,017	(19,493,640)	22,429,261
Basic Earnings (Loss) per Share	21, 23, 27	(0.042)	0.032	(0.031)	0.039

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

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Consolidated (In Baht)												
Equity attributable to Owners of the Parent												
Other Components of Equity												
Difference												
Equity												
attributable to												
Non-Controlling												
Shareholders'												
Equity												
Total												
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The accompanying notes are an integral part of these financial statements.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

The Company Only (In Baht)								
	Note	Issued and Fully Paid-up Share Capital	Premium on Common Shares	Common Shares Awaited for Registration	Convertible Debentures - Equity Component	Retained Earnings		Total Shareholders' Equity
						Appropriated for Legal Reserve	Unappropriated	
							Change in Fair Value of Investment in Mutual Funds	
Beginning Balance as at January 1, 2020		100,000,000	51,171,072	-	-	10,000,000	333,703,310	494,877,125
Profit for the year		-	-	-	-	-	23,381,737	23,381,737
Other comprehensive income (loss) for the year		-	-	-	-	-	(952,621)	(952,476)
Ending Balance as at December 31, 2020		100,000,000	51,171,072	-	-	10,000,000	356,132,426	517,306,386
Issuance of convertible debentures - equity component	19, 21	-	-	-	7,209,034	-	-	7,209,034
Debentures converted to common shares	19, 21	20,470,623	48,821,396	-	(7,209,034)	-	-	62,082,985
Declaration of stock dividends	27	-	-	220,678,170	-	-	(220,678,170)	-
Declaration of cash dividends	27	-	-	-	-	-	(22,067,817)	(22,067,817)
Loss for the year		-	-	-	-	-	(19,493,700)	(19,493,700)
Other comprehensive income for the year		-	-	-	-	-	60	60
Ending Balance as at December 31, 2021		120,470,623	99,992,468	220,678,170	-	10,000,000	93,892,739	545,036,948

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

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) for the year	(27,153,483)	17,781,991	(19,493,700)	23,381,737
Adjustments				
Income tax expense	5,422,667	1,314,699	5,422,667	1,314,699
Depreciation and amortization	28,179,331	32,293,670	27,916,869	31,135,014
Expenses on post-employment benefits	914,630	935,675	914,630	935,675
Loss on impairment of financial assets	6,391,030	8,853,105	6,391,030	7,347,982
Estimated legal expenses	3,595,114	-	-	-
Loss on written-off assets	-	1,062,791	-	1,044,836
Gain on sales of equipment	(33,017)	(2,594)	(33,017)	(2,594)
Gain on cancellation of lease agreements	(23,460)	-	(23,460)	-
Gain on sales of investment in subsidiary	-	-	(794,144)	-
Unrealized loss (gain) on exchange rate	1,235,838	(443,790)	1,235,838	(443,790)
Reversal of accrued directors' remunerations and accrued employee bonus	-	(11,233,011)	-	(11,233,011)
Estimated cost of project asset maintenance	7,900,000	1,500,000	7,900,000	1,500,000
Interest income	(4,695,904)	(1,024,009)	(4,644,235)	(968,948)
Interest expense	34,658,096	25,966,615	33,893,146	25,151,095
Decrease (increase) in operating assets				
Trade receivables	27,486,143	(4,716,893)	27,486,143	(4,716,893)
Finance lease receivable	(65,436,814)	(20,170,457)	(65,436,814)	(20,170,457)
Supplies	694,324	(289,290)	694,324	(289,290)
Other current assets	635,981	(11,481,712)	(3,515,019)	(6,734,957)
Other non-current assets	28,816,824	(30,052,212)	28,816,824	(30,052,212)
Increase (decrease) in operating liabilities				
Trade payables	(78,712)	(998,729)	(78,712)	(998,729)
Accrued expenses and other current liabilities	5,988,967	27,969,791	2,216,414	8,987,304
Other payable	(6,500,000)	-	-	-
Liability for post-employment benefits	(3,472,384)	-	(3,472,384)	-
Net cash flows provided by operations	44,525,171	37,265,640	45,396,400	25,187,461
Interest received from finance lease receivable	4,187,456	829,261	4,187,456	829,261
Proceeds from refunded withholding tax	-	5,125,769	-	5,125,769
Income tax paid	(6,335,873)	(4,878,521)	(6,335,869)	(4,878,510)
Net Cash Flows Provided by Operating Activities	42,376,754	38,342,149	43,247,987	26,263,981
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in restricted deposits at banks	(12,028,686)	(5,004,188)	(12,028,299)	(5,001,000)
Increase in fixed deposits	(17)	(50)	(17)	(50)
Increase in advances to subsidiaries	-	-	(10,431,920)	(14,392,458)
Additions to plant and equipment	(49,519,890)	(46,980,352)	(44,913,973)	(20,339,883)
Additions to right-of-use assets	-	(1,318,957)	-	(1,318,957)
Additions to intangible assets	(1,555,612)	(231,450)	(1,555,612)	(231,450)
Decrease (increase) in other advances	2,038,915	(2,391,167)	3,500,000	-
Proceeds from sales of equipment	33,023	3,778	33,023	3,778
Interest received	38,273	3,276	38,248	-
Net Cash Flows Used in Investing Activities	(60,993,994)	(55,919,110)	(65,358,550)	(41,280,020)

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term borrowings from financial institutions	(32,036,340)	14,201,293	(32,036,340)	14,201,293
Decrease in short-term loans from related persons	(22,170,000)	(7,448,011)	(22,170,000)	(8,029,999)
Decrease in short-term loans from other persons	(3,000,000)	(5,700,000)	(3,000,000)	(5,700,000)
Increase in long-term borrowings	57,653,676	20,000,000	57,653,676	20,000,000
Increase in lease liabilities	58,016,655	44,083,581	58,016,655	44,083,581
Repayment of long-term borrowings	(38,804,786)	(19,124,766)	(38,804,786)	(19,124,766)
Payments of lease liabilities	(27,808,598)	(10,731,904)	(27,315,916)	(10,249,817)
Issuance of convertible debentures and conversion exercised to common shares	69,999,985	-	69,999,985	-
Expenses on issuance of convertible debentures	(8,917,380)	-	(8,917,380)	-
Dividends paid	(7,140)	-	(7,140)	-
Interest paid	(31,262,770)	(21,341,940)	(31,227,751)	(21,258,353)
Net Cash Flows Provided by Financing Activities	21,663,302	13,938,253	22,191,003	13,921,939
EFFECTS OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	1,087	28	1,087	28
DIFFERENCE ON FINANCIAL STATEMENT CONVERSION	(2,971,551)	2,393,502	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	75,598	(1,245,178)	81,527	(1,094,072)
Cash and Cash Equivalents at Beginning of Year	2,888,694	4,133,872	1,087,767	2,181,839
CASH AND CASH EQUIVALENTS AT END OF YEAR	2,964,292	2,888,694	1,169,294	1,087,767
Supplementary disclosures of cash flow information:				
A. Cash and cash equivalents at end of year:				
Cash in hand	260,052	211,486	188,307	131,688
Current accounts and savings deposits at banks	2,687,626	2,670,507	964,373	949,378
Short-term fixed deposits at banks	16,614	6,701	16,614	6,701
Total	2,964,292	2,888,694	1,169,294	1,087,767
B. Non-cash transactions:				
Increase (decrease) in payables on purchase of assets	29,224,912	(14,348,666)	33,830,829	11,932,917
Equipment transferred from other non-current assets	-	223,057	-	223,057
Equipment transferred from other advances	-	526,687	-	526,687
Initial recognition of right-of-use assets and lease liabilities	-	2,771,685	-	2,574,459
Right-of-use assets transferred from other current assets	-	1,386,000	-	1,386,000
Right-of-use assets transferred from property, plant and equipment	52,038,428	32,610,073	52,038,428	32,502,108
Increase in right-of-use assets from new lease liabilities	1,338,176	7,063,681	1,338,176	7,063,681
Increase (decrease) in other payables on solar PV rooftop projects	(10,759,645)	12,785,383	(10,759,645)	12,785,383
Decrease in other current assets from net of other current liabilities	5,686,214	-	-	-
Other payable transferred from other current liabilities	66,404,886	-	-	-
Increase in investment in subsidiary by means of payable	-	-	-	5,814,000
Sale of investment in subsidiary by means of receivable	-	-	15,581,281	-
Transfer of short-term borrowing from financial institution to long-term borrowing	-	34,980,000	-	34,980,000
Decrease in property, plant and equipment from net of other current liabilities	-	22,866,655	-	-
Property, plant and equipment transferred from other current assets	-	1,122,015	-	-
Decrease in other advances from net of other current liabilities	-	1,440,000	-	-
Declaration of cash dividends	22,067,817	-	22,067,817	-
Declaration of stock dividends	220,678,170	-	220,678,170	-

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

Notes to Financial Statements

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements (Continued)

December 31, 2021 and 2020

1. GENERAL

Thai Nondestructive Testing Public Company Limited (“the Company”), formerly Thai Nondestructive Testing Company Limited, was registered as a juristic company under the laws of Thailand on April 21, 1982. The Company was transformed to limited public company and was registered in the Market for Alternative Investment in 2007. The Company is principal business engaged in rendering the nondestructive engineering services and its registered office addresses are as follows:

- Head office is located at 19 Soi Ramkamhaeng 60 Intersection 8 (Suanson 8), Ramkamhaeng Road, Huamark, Bangkok, Bangkok.
- Branch office is located at 29 Banphlong Road, Marbtaphud, Amphur Muang, Rayong.

2. BASIS FOR THE FINANCIAL STATEMENT PREPARATION

The accompanying financial statements are prepared in Thai Baht, which are the core functional currency, and in the Thai language in accordance with the financial reporting standards in Thailand including interpretations and guidelines promulgated by the Federation of Accounting Professions (“TFAC”), applicable rules and regulations of the Securities and Exchange Commission. Accordingly, the accompanying financial statements are intended solely to present the financial position, financial performance, and cash flows in accordance with the financial reporting standards in Thailand.

Except as otherwise disclosed in the significant accounting policies, the accompanying financial statements have been prepared under the historical cost convention.

The consolidated financial statements for the years ended December 31, 2021 and 2020 included the accounts of the Company and its subsidiaries in which the Company has the controlling power or direct / indirect shareholding as follows:

Company Name	Type of Business	Authorized Share Capital		Percentage of Direct / Indirect Shareholding	
		2021	2020	2021	2020
Laos Thai Nondestructive Testing Company Limited (Lao PDR)	Rendering non-destructive testing and other testing services	USD 0.2 million	USD 0.2 million	70.00	70.00
TNDT CM Company Limited	Rendering excavation and transportation services of coal for the coal mine concessionaire	Baht 25 million	Baht 25 million	46.00	46.00
TNDT Power Company Limited (“TNDTPW”)	Generating and sales of electricity from coal-fired thermal power	Baht 1 million	Baht 1 million	99.97	99.97
MKTNDT Company Limited (Myanmar)	Procurement and services of public utility systems and other related business	Kyat 1,000 million	Kyat 1,000 million	54.98	55.00
PT TNDT Inspection and Consultation Company Limited (Indonesia) (established in August 2020)	Engaged in energy, maintenance of machinery and equipment and other related business	Rupiahs 11,000 million	Rupiahs 11,000 million	95.00	95.00

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Significant intercompany transactions between the Company and its subsidiaries have been eliminated in the preparation of the consolidated financial statements.

Starting from January 1, 2021, the Company and its subsidiaries have adopted Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), Thai Accounting Interpretation (TSIC), and Thai Financial Reporting Interpretation (TFRIC), newly revised by TFAC, which became effective from the accounting period starting on or after January 1, 2021. The aforesaid adoption of newly revised TAS / TFRS / TSIC / TFRIC did not have any material effect to the financial statements of the Company and its subsidiaries.

In addition, TFAC revised and issued TAS / TFRS / TSIC / TFRIC as well as accounting guidance with effective from the accounting period starting on or after January 1, 2022 which the important part related to (1) the practical expedient relating to COVID-19-related rent concessions for lessee in respect of TFRS 16 and (2) the Interest Rate Benchmark (IBOR) Reform-Phase 2 which relates to certain significant TFRSs e.g. TFRS 4, TFRS 7, TFRS 9 and TFRS 16 whereby the Company and its subsidiaries had not yet adopted in the preparation of the accompanying financial statements and has no policy to early adopt before effective period. Management of the Company and its subsidiaries has preliminarily assessed and believed that there will be no material effect to the financial statements of the Company and its subsidiaries upon adoption of the aforesaid TAS / TFRS / TSIC / TFRIC as well as accounting guidance.

The Company and its subsidiaries disclosed information for the year ended December 31, 2020 for being the comparative information in the financial statements for the year ended December 31, 2021 in the form of corresponding figures.

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Significant intercompany transactions between the Company and its subsidiaries have been eliminated in the preparation of the consolidated financial statements.

Subsidiaries

Subsidiaries are those company controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of as well as variable returns from a company so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Accounting policies of subsidiaries are transformed as deemed necessary to uniform for the similar policies.

Accounting for acquisitions of non-controlling interests

Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity. When an entity loses control of a subsidiary, any gain or loss is recognized in the statement of comprehensive income. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Foreign Currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated to Thai Baht at the exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income.

Non-monetary assets and liabilities denominated in foreign currencies which are carried under historical cost convention are translated to Thai Baht at the exchange rates ruling at the dates of the transactions.

Foreign entity

Assets and liabilities of foreign entity are translated to Thai Baht at the exchange rates ruling at the end of reporting period.

Revenues and expenses of foreign entity are translated to Thai Baht at the exchange rates ruling at the dates of the transactions.

Differences arising on foreign currency translation / conversion are recognized as other comprehensive income or loss and separately presented as other components of equity until the foreign currency investment is disposed, then such differences shall be recognized as profit or loss.

Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost include cash on hand and cash at financial institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturity of three months or less and without restriction of use or being collateral and that are subject to a low or an insignificant risk of change in value.

Restricted or collateralized deposits at bank as well as fixed deposits were presented as a separate item under “Non-current assets” in the statements of financial position and stated at cost.

Trade Receivables, Other Receivables, Finance Lease Receivable and Allowance for Impairment for Expected Credit Loss

Trade and other receivables are carried at original invoice amount or at the accrued amount net of allowance for impairment for expected credit loss.

Finance lease receivable are stated at net realizable value which resulted from carrying book value calculated from contractual cash flows less unearned interest income and allowance for impairment for expected credit loss.

The Company and its subsidiaries provide an allowance for impairment for expected credit loss in accordance with the policies described in the financial instruments.

Supplies Valuation

Supplies are valued at the lower of cost, by first-in first-out method, and net realizable value.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Investments

Investment in mutual funds

Marketable equity securities are investments that the Company does not hold for trading. Subsequent to initial recognition, investments mutual funds are stated at fair value, and changes in valuation of fair value therein, are recognized as other comprehensive income or loss and separately presented as other components of equity. When investments are disposed, the cumulative gain or loss previously recognized as other components of equity is recognized directly to retained earnings.

In case the Company disposes of a part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying amount of the total holding of the investment.

Investment in subsidiaries

Investment in subsidiaries in the separate financial statements is accounted for using the cost method and stated at cost net of allowance for impairment (if any).

Investment in shares of related company

Investment in shares of related company represents investment in the 5% preferred shares of a related company whereby the Company holds the entire preferred shares of such company.

Investment in preferred shares of such company is initially stated at cost and subsequently measured at fair value through profit or loss whereby the Company has fully provided allowance for impairment (fair value was none).

Property, Plant and Equipment and Depreciation

Owned assets

Land is stated at cost less allowance for impairment (if any). Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any). When assets are retired or disposed of, their carrying amounts are eliminated from the accounts and any gain or loss resulting from their retirement or disposal is included in the statement of comprehensive income. Costs of asset dismantlement, removal, and restoration are included as part of asset cost and subject to depreciation.

Depreciation

Depreciation is charged to the statement of comprehensive income on a straight-line method over the useful lives of each part of an item separately for each significant part of the assets. The useful lives are as follows:

	No. of Years
Buildings	20, 30
Building improvements	5, 10
Operating tools and equipment	5, 10
Furniture, fixtures and office equipment	5
Vehicles	5

No depreciation has been charged for land and construction or installation in progress.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Depreciation methods, residual values, and useful lives are reviewed at each financial year-end and adjusted if appropriate. In determining the depreciable amount, residual value of particular asset is measured at amount estimated receivable currently for the asset if the asset is already of the age and in the condition expected at the end of its useful life.

Government grants related to assets are government grants whose primary condition is that the Company qualifying for them should purchase, construct or otherwise acquire fixed assets. Subsidiary conditions may also be attached restricting the type or location of the fixed assets or the periods which they are to be acquired or held. A government grant is recognized only when there is reasonable assurance that the Company will comply with the conditions attaching to the grant and the grant will be received. Government grant related to assets in the statements of financial position was recorded as a deduction from cost of the related fixed assets.

Right-of-use Assets

The Company and its subsidiaries measure right-of-use asset at cost less accumulated depreciation and allowance for impairment (if any) with adjustment pertaining to re-measurement of lease liabilities (if any).

At the commencement date, cost of the right-of-use asset comprised (1) the amount of initial measurement of lease liability, (2) lease payments made at or before the commencement date, less any lease incentives received, (3) initial direct costs incurred by the lessee (if any) and (4) an estimate of costs to be incurred 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 (if any and being material).

Depreciation is charged as expense in profit or loss and calculated by the straight-line method attributable to the related lease terms as follows:

	No. of Years
Land and offices	1 Years 7 Months - 6 Years 5 Months
Employee accommodation	3 Years
Operating tools and equipment	10 Years
Office equipment	5 Years
Vehicles	3 - 5 Years

Intangible Assets

Software licenses

Software licenses are stated at cost less accumulated amortization and allowance for impairment (if any). Amortization is made on a straight-line method over the useful lives of 5 years.

Amortization

Amortization is charged to the statement of comprehensive income on a straight-line method over the useful lives of particular intangible assets. Intangible assets with an indefinite useful life are not amortized but are tested for indication of impairment at each reporting date. Amortization methods, residual values, and useful lives are reviewed at each financial year-end and adjusted if appropriate.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Impairment of Non-Financial Assets

The carrying amounts of the assets of the Company and its subsidiaries are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts (the higher of asset's fair value less costs to sell or value in use). The review is made for individual assets or for the cash-generating unit.

In case that the carrying amount of an asset exceeds its recoverable amount, the Company and its subsidiaries recognize the impairment losses by reducing the carrying amount of the asset to its recoverable amount and by recording the devaluation in the statements of comprehensive income. The reversal of the recognized impairment losses is recorded as part of other income when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. The reversal of the impairment losses shall not exceed the carrying amount of the asset, net of depreciation or amortization, that would have been determined had no impairment losses been recognized for the asset in prior years.

Capitalization of Borrowing Costs

Interest on liabilities acquired for construction of building is capitalized as part of the cost of the asset. The capitalization of interest is ceased when the construction are completed and ready for their intended use.

Trade and Other Payables

Trade and other payables are stated at cost.

Lease Liabilities

At the commencement date, the Company and its subsidiaries measure lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company and its subsidiaries's incremental borrowing rates (average interest rates on borrowings with similar term and characteristics to the underlying asset) shall be used. The lease payments that are not paid comprised (1) fixed payments (less any lease incentives receivable), (2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (if any), (3) amounts expected to be payable under residual value guarantees (if any), (4) exercise price of a purchase option if it is reasonably certain to exercise that option (if any) and (5) payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiaries exercising an option to terminate the lease (if any).

After the commencement date, the Company and its subsidiaries measure the lease liability by (1) increasing the carrying amount to reflect interest on the lease liability (if any), (2) reducing the carrying amount to reflect the lease payments made (if any) and (3) re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments (if any). Interest on lease liability and variable lease payments not included in the measurement of the lease liability is charged as expense in profit or loss.

Lease fees attributable to short-term lease (not exceeding 12 months from commencement date) and lease of low-value asset are charged as expense in profit or loss.

Deferred interest, presented as deduction to lease liability, is amortized as finance cost over the lease term by the effective interest rate method. Each installment payment under the lease liability shall be separated into parts of principal and interest.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

For sales and leaseback of asset that substance for accounting practice of such transaction is justified as borrowings and the leased assets have been used as collaterals, the Company and its subsidiaries do not eliminate records of the sold assets from its accounts as well as do not recognize gain on sales but recorded proceeds from sales, together with interest under installment payments of the finance lease agreements as part of lease liabilities.

For borrowings under hire purchase with the condition that the Company shall register the transfer of ownership right in vehicles to the lessor whereby the Company still possesses and controls such vehicles for use, substance for accounting practice of such transaction is justified as borrowings from lessor which is guaranteed by vehicles, and therefore, no derecognition of the related assets from the accounting records but accounted for the proceeds, comprising principal and interest, to be repaid in installments under hire purchase agreements as borrowings which are presented as part of lease liabilities.

Employment Benefits

Short-term benefits

Salaries, wages, bonuses and contributions to social security fund are recognized as an expense upon their occurrences and on an accrual basis.

Post-employment benefits

Obligations on defined contribution plan which is the provident fund are recognized as an expense in the statement of comprehensive income when contribution to the fund on an accrual basis.

Obligations on post-employment benefits which are defined benefit plan that will be settled to the employees upon retirement or termination are calculated by estimating the amount of future benefits that employees have earned in return for their service in the prior and current periods. The benefits are discounted using the project unit credit method to determine present value of obligations. The calculation is annually performed, or at least every three years, by the qualified actuary. Expenses from the estimated liability for post-employment benefits comprise current service cost, interest cost, past service cost, which are presented as profit or loss items, and actuarial gain/loss on measurement which is presented as other comprehensive income item.

Convertible debentures

Convertible debentures are classified into liability and equity components in the statements of financial position. The liability portion of convertible debentures is measured initially at fair value by discounting the stream of future payments of principal and interest at the prevailing market rate for an equivalent non-convertible bond. The carrying amount of the equity component is determined by deducting the liability component from the total carrying amount of convertible debentures.

Subsequently, the liability portion is measured at amortized cost using effective interest rate until the conversion or maturity of the debentures has come. The value of the equity component determined upon issuance of the debentures is not remeasured.

Expenses on issuance of debentures are separately recorded between the liability and equity components based on their proportion. The expenses relate to the liability component are presented as a deduction to convertible debentures - liability component and amortized over the term of convertible debentures while expenses relate to the equity component are presented as a deduction to convertible debentures - equity component without amortization.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Provisions

A provision is recognized in the statement of financial position when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Revenue Recognition

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and its subsidiaries and the amount of the revenue as well as related cost can be measured reliably whereby there is consideration about characteristics, amount, timing as well as uncertainty of revenue and contractual cash flows from contract with customer.

Service income is recognized at a point in time when the Company has completely rendered service to the customer whereby the customer has accepted or inspected the condition of that service and on an accrual basis.

Interest income under finance lease is recognized over time by the effective interest rate method and on an accrual basis, systematically over the term of agreement.

Other interest income is recognized over time on a time proportion basis that reflects the effective yield on the asset if significant.

Dividend income is recognized at a point in time when the right to receive dividends is established or upon dividend declaration.

Rental income on the assets which is operating lease agreement is recognized over time on a straight-line basis over the lease term.

Other income is recognized on an accrual basis.

Expense Recognition

Expenses other than lease fees attributable to short-term leases and low-value asset are recognized on an accrual basis.

Financial Instruments

Recognition and measurement

The Company and its subsidiaries initially measure financial assets at fair value, plus transaction costs in case of financial assets that are not measured at fair value through profit or loss. Financial assets shall be classified and measured with respect to the business model on asset management and characteristics of the asset's contractual cash flows which is divided into three categories i.e. amortized cost, fair value through other comprehensive income, and fair value through profit or loss. Upon changes in business model on financial asset management are known, the affected financial assets shall be considered for proper reclassification.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

The Company and its subsidiaries initially measure financial liabilities at fair value net of transaction costs. Financial liabilities shall be classified and measured at amortized cost except for financial liabilities measured at fair value through profit or loss (such liabilities include derivative liabilities). Reclassification of financial liabilities is prohibited.

Classification and measurement

Assets classified and measured at amortized cost

- Cash and cash equivalents
- Fixed deposits
- Trade and other receivables
- Short-term loans to and interest receivable from related persons
- Advances to subsidiaries
- Restricted deposits at banks
- Loans to other companies
- Advances and refundable deposits or guarantees

Assets classified and measured at fair value through other comprehensive income

- Investment in mutual funds

Assets classified and measured at fair value through profit or loss

- Investment in shares of related company

Liabilities classified and measured at amortized cost

- Bank overdrafts and short-term borrowings from financial institutions
- Trade and other payables
- Long-term borrowings
- Lease liabilities
- Short-term loans from and interest payable to related persons
- Short-term loans from other parties
- Accrued expenses and advances received

Liabilities classified and measured at fair value through profit or loss - none

Impairment

Impairment loss from the expected credit loss of financial assets shall be recognized under General approach in the following stages:

- Stage 1 (performing): the 12-month expected credit loss shall be recognized in profit or loss. Interest income (if any) shall be calculated base on gross carrying amount without netting the allowance for expected credit loss.
- Stage 2 (under-performing): upon significant rise in credit risk and not being at low level, the Company and its subsidiaries shall recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) shall be calculated based on the same principle to Stage 1.
- Stage 3 (credit-impaired): upon significant rise in credit risk of financial asset that is considered as credit impaired, the Company and its subsidiaries shall recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) shall be calculated base on gross carrying amount net of the allowance for impairment.

For trade receivables and contract assets (such as accrued income), the Company and its subsidiaries adopt Simplified approach by recognizing the full lifetime expected credit loss for the aforesaid financial assets. In consideration and measurement of expected credit loss for both General approach and Simplified approach, the historical credit loss shall be combined with the forward looking information pertaining to the assets and significant factors relating to economic environment.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

For receivables, advances and loans, the Company and its subsidiaries categorized the population by focusing on aging balance information whereby the past records were captured for historical credit loss of approximately 1 year. However, the Company and its subsidiaries exercised certain mitigating measure indicated in the accounting guidance for Temporary Mitigating Policies for Alternative Accounting on the Effects from Pandemic Situation of the Coronavirus 2019 (COVID-19), issued by TFAC in April 2020 (within effective only in 2020). Such mitigating measure related to exemption from combining forward looking information for the assets adopted the Simplified approach on consideration and measurement of the expected credit loss. Impact of the termination on Temporary Mitigating Policies for Alternative Accounting since January 1, 2021 had no material effect to the consolidated and separate financial statements.

Hedge accounting

Hedge accounting is aimed for reflecting the impacts in the financial statements that are caused in risk management activities using the financial instruments on management of exposures to the risks and such risks shall affect profit or loss and/or other comprehensive income. Relationships and related accounting treatment of hedge accounting are divided into three categories i.e. fair value hedge, cash flows hedge, and hedge of net investment in foreign entity.

Derivative financial instruments are used to manage fair value risk exposed by change in foreign exchange rates arising from operating activities. Derivatives are not intended to use for trading purpose. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. Derivatives are recognized initially at fair value and then are re-measured at fair value. Gain or loss on re-measurement to fair value is recognized as profit or loss. The Company and its subsidiaries did not use any derivative instruments in 2021 and 2020.

The fair value of derivatives is the quoted market price at the statement of financial position date, which is the Level 2 inputs of the fair value hierarchy whereby such price is the present value of the quoted derivative price where market approach was used as valuation technique and core information used in evaluation was the adjusted exchange rates in market to fit for the issued instrument which was computed by bank who was the counterparty.

Income Tax

Current tax

Current tax is the amount of tax payable or recoverable which is calculated from taxable profit or loss for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years (if any).

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not recognized for goodwill not deductible for tax purposes and the initial recognition of assets and liabilities that affect neither accounting nor taxable profit to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, at the tax rates that are expected to apply to the period when the deferred tax asset is realized or the tax liability is settled based on tax rates that have been enacted as at the statement of financial position date.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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 market participants at the measurement date. Principal market is the market with the greatest volume and level of activity for the asset or liability. Market participants comprise buyers and sellers in the principal or most advantageous market for the asset or liability whereby market participants are independent of each other, knowledgeable and having a reasonable understanding, able to enter into a transaction for the asset or liability, and willing to enter into a transaction for the asset or liability.

To increase the consistency and comparability in fair value measurements and related disclosures in the financial statements, the fair value hierarchy is categorized into 3 levels with respect of the inputs to valuation techniques used to measure the fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (“Level 1 inputs”), secondary priority to other observable inputs (“Level 2 inputs”), and the lowest priority to unobservable inputs (“Level 3 inputs”).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Use of Estimates

In order to prepare financial statements in conformity with the Thai accounting standards and the Thai financial reporting standards, management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The significant estimates and underlying assumptions used in preparation of these financial statements which may be affected by significant uncertainty are as follows:

- Allowance for impairment for expected credit loss of trade receivables, other receivables, advances and loan receivables
- Allowance for impairment of investment in shares of related company
- Useful lives and residual values of building and equipment, right-of-use assets and intangible assets
- Consideration for the renewal option of the lease and discount rates of lease liability
- Consideration for discount rates used to determine the fair value of finance lease income
- Consideration for discount rates used to determine the initial fair value of convertible debentures
- Assumptions used in calculation and estimate of liability for post-employment benefits
- Fair values and fair value measurements of financial assets, financial liabilities and other financial instruments.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

About the pandemic of Coronavirus Disease 2019 (COVID-19), the management of the Company and its subsidiaries has still after the situation and continuously assessed the impacts from such matter. However, the COVID-19 situation has been highly uncertain and may affect, whether directly or indirectly, to the environment of business operations of the Company and its subsidiaries as well as estimates and judgements used for assessing values of assets, liabilities or provisions and contingent liabilities in the financial statements that are changeable depending on the assessment of COVID-19 situation in each period done by the management of the Company and its subsidiaries.

Earnings (Loss) per Share

Basic earnings (loss) per share is determined by dividing profit (loss) attributable to owners of the parent by the weighted average number of common shares outstanding during the year and adjusting with reflection of the effect from declaration or issuance of stock dividends after the end of period but before the approval for issuance of the financial statements.

Diluted earnings (loss) per share (presented when instruments convertible to common shares are outstanding at the end of period) that is determined by dividing the profit (loss) for the year, attributable to owners of the Company, after adjusting with interest of convertible debentures for the year (net of income tax effect) by the weighted average number of common shares outstanding during the year after adjusting with (1) the effect from convertible debt instruments (if any) and (2) reflection of the effect from declaration or issuance of stock dividends after the end of period but before the approval for issuance of the financial statements.

4. TRANSACTIONS WITH RELATED PARTIES

Related parties are those parties controlled by the Company or have power control over the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

Types of relationship of related parties are as follows:

Company / Person Name	Type of Business	Relationship	Percentage of Holding	
			2021	2020
Laos Thai Nondestructive Testing Company Limited	Nondestructive testing and other testing services	Subsidiary	70.00	70.00
TNDT CM Company Limited	Rendering excavation and transportation services of coal for the coal mine concessionaire	Subsidiary	46.00	46.00
TNDT Power Company Limited	Generating and sales of electricity from coal-fired thermal power	Subsidiary	99.97	99.97
MKTNDT Company Limited (see Note 10)	Procurement and services of public utility systems and other related business	Subsidiary	54.98	55.00
PT TNDT Inspection and Consultation Company Limited	Engaged in energy, maintenance of machinery and equipment and other related business	Subsidiary	95.00	95.00
OIS (Thailand) Company Limited	Advisory services for engineering	Shareholders of the entire preferred shares and co-directors	51.00	51.00

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Company / Person Name	Type of Business	Relationship	Percentage of Holding	
			2021	2020
Chiangmai Mining and Power Plant Company Limited	Sales of coal and other ores	Co-directors and co-shareholders	-	-
Vnet Power Company Limited	Generating and sales of electricity from solar-power	Co-directors and co-shareholders	-	-
Enspect Group Company Limited	Building inspection services	Co-directors and co-shareholders	-	-
TNDT Advance Technology Co., Ltd. (formerly Puttaraksa Power Co., Ltd.) (see Note 10)	Manufacturing and sales of rice bran oil and agricultural crops	Co-directors and co-shareholders	-	-
Ms. Chomduen Satavuthi	-	Directors and shareholders	-	-
Mr. Krirkkiat Satavuthi	-	Directors and shareholders	-	-
Mr. Suwat Daengpiboonsakul	-	Directors and shareholders	-	-
Sqn.Ldr. Anek Panturaks	-	Directors	-	-
Mrs. Ghongmuang Daengpiboonsakul	-	Relative of shareholder and director	-	-
Mrs. Niramom Satavuthi	-	Relative of shareholder and director	-	-
Ms. Vajana Sakulraemrungs	-	Relative of shareholder and director	-	-
Ms. Kanchana Sakulraemrungs	-	Relative of shareholder and director	-	-
Mr. Thavij Sakulraemrungs	-	Relative of shareholder and director	-	-
Mr. Thanan Satavuthi	-	Director and shareholder of subsidiary (TNDT Power Company Limited)	-	-
Mr. Sangkhagna Chanthakhot	-	Director and shareholder of subsidiary (Laos Thai Nondestructive Testing Company Limited)	-	-
Mr. Sai Won Pan	-	Director and shareholder of subsidiary (MKTNDT Company Limited)	-	-
Mr. Saruch Arnutti	-	Director and shareholder of subsidiary (TNDT CM Company Limited), resigned in October 2020	-	-
Ms. Kansiree Kanthanasap	-	Shareholder of subsidiary (TNDT CM Company Limited), resigned in October 2020	-	-
Key management	-	Key management are persons having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly, including the Company's director (whether as executive or otherwise)	-	-

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Pricing policies for transactions with related parties are as follows:

Type of Transaction	Pricing policies
Interest income	Interest rate referenced to deposit rate of commercial bank
Management fee income	Mutually agreed price
Sale of investment in subsidiary	Price assessed by independent valuer which was referenced to carrying amount of the investee
Consulting fee	Mutually agreed price
Interest expense	Mutually agreed interest rate (3.5%, 7%, 7.5%, 7.76% and 10% per annum)
Interest expense under lease liabilities	6% per annum
Key management's remunerations	Mutually agreed amount
Corporate guarantee on credit facilities and liabilities by directors	Free of charge

Transactions with related parties for the years ended December 31, 2021 and 2020 are as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Mrs. Ghongmuang Daengpiboonsakul				
Depreciation of right-of-use assets	219	219	219	219
Interest expense under lease liabilities	21	34	21	34
Mr. Thanan Satavuthi				
Depreciation of right-of-use assets	216	216	216	216
Interest expense	90	98	90	98
Ms. Chomduen Satavuthi				
Interest income	48	7	-	-
Interest expense	2,267	2,979	2,011	2,722
Ms. Vajana Sakulraemrung				
Interest expense	487	411	487	411
Mr. Krirkkiat Satavuthi				
Interest expense	474	475	-	-
Ms. Kanchana Sakulraemrung				
Interest expense	487	487	487	487
Mr. Suwat Daengpiboonsakul				
Interest expense	297	332	297	332
Sqn.Ldr. Anek Panturaks				
Consulting fee	360	360	360	360
Mr. Saruch Arnutti				
Interest income	-	20	-	-
Ms. Kansiree Kanthanasap				
Interest income	3	25	-	-
TNDT Power Co., Ltd.				
Management fee income	-	-	561	561
Sale of investment in subsidiary	-	-	16,375	-
Key management's remunerations				
Short-term benefits	11,750	12,443	11,750	12,443
Post-employment benefits	198	721	198	721
Reversal of accrued directors' remunerations and bonus				
Other income	-	6,727	-	6,727

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Outstanding balances with related parties as at December 31, 2021 and 2020 are as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Laos Thai Nondestructive Testing Co., Ltd.				
Advances	-	-	375	375
TNDT CM Co., Ltd.				
Advances	-	-	63,887	62,729
Other advances	-	-	29,094	29,094
TNDT Power Co., Ltd.				
Advances	-	-	274,760	265,498
Management fee income (other current assets)	-	-	200	500
Receivable from sale of investment in subsidiary	-	-	16,375	-
MKTNDT Co., Ltd.				
Advances	-	-	7,367	7,355
Other payable (accrued expenses and other current liabilities)	-	-	2,111	2,111
PT TNDT Inspection and Consultation Co., Ltd.				
Other payable (accrued expenses and other current liabilities)	-	-	5,843	5,843
TNDT Advance Technology Co., Ltd.				
Other receivable	449	-	449	-
Ms. Chomduen Satavuthi				
Short-term loans and interest receivable	6,106	3,159	-	-
Advances (accrued expenses and other current liabilities)	24,266	24,266	-	-
Short-term loans and accrued interest	20,122	38,008	17,579	35,568
Mr. Krirkkiat Satavuthi				
Short-term loans and accrued interest	14,597	14,123	-	-
Mr. Thanan Satavuthi				
Right-of-use assets - net	954	1,170	954	1,170
Short-term loans and accrued interest	17	1,498	17	1,498
Mrs. Ghongmuang Daengpiboonsakul				
Right-of-use assets - net	219	438	219	438
Lease liabilities - net	232	451	232	451
Mr. Suwat Daengpiboonsakul				
Short-term loans and accrued interest	54	6,732	54	6,732
Ms. Vajana Sakulraemrung				
Short-term loans and accrued interest	7,917	7,211	7,917	7,211
Ms. Kanchana Sakulraemrung				
Short-term loans and accrued interest	6,987	6,987	6,987	6,987
Mr. Sangkhagna Chanthakhot				
Other receivables (other current assets)	370	370	370	370
Advances (other current assets)	20	21	-	-

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	In Thousand Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Mr. Sai Won Pan				
Other receivables (other current assets)	107	-	-	-
Advances (other current assets)	17,103	20,182	-	-
Other advances	11,820	15,320	11,820	15,320
Advances (accrued expenses and other current liabilities)	5,795	5,206	-	-
Ms. Kansiree Kanthanasap				
Short-term loans and interest receivable	-	2,896	-	-

Movements during the year of short-term loans to and interest receivable from related persons are as follows:

	Consolidated (In Thousand Baht)			
	Balance as at December 31, 2020	Movement		Balance as at December 31, 2021
		Increase	Decrease	
Short-term loans				
Ms. Kansiree Kanthanasap	2,750	-	2,750	-
Ms. Chomduen Satavuthi	3,000	2,750	-	5,750
Total short-term loans	5,750	2,750	2,750	5,750
Interest receivable				
Ms. Kansiree Kanthanasap	146	3	149	-
Ms. Chomduen Satavuthi	159	197	-	356
Total interest receivable	305	200	149	356
Total	6,055	2,950	2,899	6,106

Movements during the year of short-term loans from and interest payable to related persons are as follows:

	Consolidated (In Thousand Baht)			
	Balance as at December 31, 2020	Movement		Balance as at December 31, 2021
		Increase	Decrease	
Short-term loans				
Ms. Chomduen Satavuthi	31,427	23,200	38,200	16,427
Mr. Krirkkiat Satavuthi	13,569	-	-	13,569
Mr. Suwat Daengpiboonsakul	6,400	-	6,400	-
Ms. Vajana Sakulraemrung	6,800	15,190	14,560	7,430
Ms. Kanchana Sakulraemrung	6,500	-	-	6,500
Mr. Thanan Satavuthi	1,400	-	1,400	-
Total short-term loans	66,096	38,390	60,560	43,926
Interest payable				
Ms. Chomduen Satavuthi	6,581	2,267	5,153	3,695
Mr. Krirkkiat Satavuthi	554	474	-	1,028
Mr. Suwat Daengpiboonsakul	332	297	575	54
Ms. Vajana Sakulraemrung	411	487	411	487
Ms. Kanchana Sakulraemrung	487	487	487	487
Mr. Thanan Satavuthi	98	90	171	17
Total interest payable	8,463	4,102	6,797	5,768
Total	74,559	42,492	67,357	49,694

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	The Company Only (In Thousand Baht)			
	Balance as at December 31, 2020	Movement		Balance as at December 31, 2021
		Increase	Decrease	
Short-term loans				
Ms. Chomduen Satavuthi	29,160	23,200	38,200	14,160
Mr. Suwat Daengpiboonsakul	6,400	-	6,400	-
Ms. Vajana Sakulraemrung	6,800	15,190	14,560	7,430
Ms. Kanchana Sakulraemrung	6,500	-	-	6,500
Mr. Thanan Satavuthi	1,400	-	1,400	-
Total short-term loans	50,260	38,390	60,560	28,090
Interest payable				
Ms. Chomduen Satavuthi	6,408	2,011	5,000	3,419
Mr. Suwat Daengpiboonsakul	332	297	575	54
Ms. Vajana Sakulraemrung	411	487	411	487
Ms. Kanchana Sakulraemrung	487	487	487	487
Mr. Thanan Satavuthi	98	90	171	17
Total interest payable	7,736	3,372	6,644	4,464
Total	57,996	41,762	67,204	32,554

In the early 2014, the Company initiated the future investment project of the Company, i.e. the construction of coal-fired power plant project in Tachilek Province of Myanmar, which is the planned cooperative project with alliance in Myanmar and the Myanmar Government. The Company has partially paid advances for investment and development costs of such project whereby the project development is primarily executed by the Company itself and hiring the work of subsidiary, i.e. TNDT CM Company Limited (“TNDT CM”), as well as the related persons and other persons in connection with such project. The Company hired the works of TNDT CM (at mutually-agreed service rates) to operate, on behalf of the Company, the preparation and leveling the surface of the ground areas to facilitate the construction of coal-fired power plant as well as transportation of coal for supplying the power plant in the future. As at December 31, 2021 and 2020, the balances of other advances in the statements of financial position consisted of:

	In Thousand Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Costs of preparation and leveling the ground surface for power plant	29,106	29,103	29,094	29,094
Costs of licenses and procurement for land	9,168	8,956	8,956	8,956
Costs of project consultancies	30,988	30,988	19,046	19,046
Costs of interest and financial charges	21,653	21,571	19,220	19,220
Other costs	37,862	40,199	14,157	17,657
Total	128,777	130,817	90,473	93,973

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

5. TRADE RECEIVABLES

As at December 31, 2021 and 2020, billed trade receivables (including non-current portion) classified by outstanding period are as follows:

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
Current	28,406	26,903
Overdue:		
Not exceeding 3 months	20,872	31,640
Between 3 months and 6 months	4,266	8,174
Between 6 months and 12 months	686	6,413
Exceeding 12 months	63,764	64,702
Total	117,994	137,832
Less Allowance for impairment for expected credit loss	(42,560)	(38,531)
Net	75,434	99,301

During the year ended December 31, 2021 and 2020, the Company wrote-off balance of trade receivables which was fully provided allowance for impairment as bad debt amounting to approximately Baht 1.36 million and Baht 4.5 million, respectively.

As at December 31, 2021 and 2020, the Company transferred the right on cash collection from certain trade receivables totalling approximately Baht 12.3 million and Baht 15.5 million, respectively, for being guarantee of short-term borrowings under factoring from bank as described in Note 15.

As at December 31, 2020, the Company transferred the right on cash collection from certain trade receivables totalling approximately Baht 12.9 million, for being guarantee of short-term borrowings under discounted bills (aval) from bank as described in Note 15.

About unbilled trade receivables, the management expected to bill them between January and March 2022 and to get cash collections between February and May 2022.

As at December 31, 2021 and 2020, the Company had partial balances of trade receivables, and loan receivables which are due at call (see more information in Note 9) with non-related company whereby the amounts are significant and long-outstanding as follows:

Description of Receivables	2021 - Consolidated and the Company Only (In Thousand Baht)		
	Trade Receivable	Loan Receivable	Total
Foreign customer and alliance company	42,174	63,576	105,750
Less Allowance for impairment for expected credit loss	(18,656)	(6,005)	(24,661)
Net	23,518	57,571	81,089
Less Current portion	(1,500)	-	(1,500)
Non-current portion	22,018	57,571	79,589

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Description of Receivables	2020 - Consolidated and the Company Only (In Thousand Baht)		
	Trade Receivable	Loan Receivable	Total
Foreign customer and alliance company	42,173	63,576	105,749
Less Allowance for impairment for expected credit loss	(16,591)	(5,000)	(21,591)
Net	25,582	58,576	84,158
Less Current portion	(3,000)	-	(3,000)
Non-current portion	22,582	58,576	81,158

The abovementioned receivable engages in the business relating to nondestructive engineering testing services rendered in Indonesia whereby the balance of trade receivable with this receivable has been also overdue exceeding one year. Accordingly, the management considered, under the principle of conservatism, and provided the allowance for impairment for expected credit loss for the outstanding balances as at December 31, 2021 and 2020 that the Company had with this receivable by considering the projected cash flows as collections from receivable that was assessed and estimated to receive by the Company. Such collections are projected for the periods mutually agreed between parties and are discounted by the rate of 7.5% p.a. which represented the average interest rate attributable to the short-term loans from related persons.

Loss on impairment of financial assets that was recognized in the statements of comprehensive income for the years ended December 31, 2021 and 2020 are summarized below:

	In Thousand Baht			
	Consolidated		The Company Only	
Additional loss on impairment for	2021	2020	2021	2020
Other general trade receivables	3,321	3,810	3,321	3,810
Other general other receivables	-	1,951	-	446
Trade receivable with aforesaid debtor	2,065	3,092	2,065	3,092
Loan receivable with aforesaid debtor	1,005	-	1,005	-
Total	6,391	8,853	6,391	7,348

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

6. FINANCE LEASE RECEIVABLE

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
Finance lease receivable		
- Due for payments within 1 year	9,015	2,136
- Due for payments within 2 - 5 years	34,608	8,045
- Due for payments within 6 - 20 years	116,541	30,978
Total	160,164	41,159
Less deferred interest	(74,000)	(20,851)
Finance lease receivable - net of deferred interest	86,164	20,308
Less current portion	(2,405)	(500)
Net	83,759	19,808

Finance lease receivable is attributable to the system installation of (1) the first project as discussed in Note 32 (e) was completed in May 2020 and commercially started generating electricity in June 2020, (2) the third project as discussed in Note 32 (e) was completed in January 2021 and commercially started generating electricity in August 2021 and (3) the project as discussed in Note 32 (f) was completed and commercially started generating electricity in April 2021. The project agreement was made for rendering the solar-power electricity generating service to three local non-related companies (counterparty) who hold ownership right in the premises on which such system of the Company is installed. The counterparties agreed to pay electricity generating service charge to the Company under the term of service for a period of 20, 20 and 15 years, respectively, starting from the date on which the electricity is started generating to the counterparty, at the mutually-agreed rates specified in the agreement. At the end of the aforesaid 20th, 20th and 15th years, respectively, the Company is committed to transfer the ownership right in all related system and equipment to the counterparty. Management of the Company has considered the substance for accounting practice of such transaction and justified that such agreement consists of lease with characteristics of finance lease because the agreement gives the counterparty the right to control the use of the identifiable asset with the right to direct how and for what purpose the asset will be used, and the counterparty receives all economic benefits throughout the usable term of the asset whereby the Company is committed to transfer the ownership right in all related system and equipment to the counterparty at the such end of the 20th, 20th and 15th years, respectively. As of the effective date of agreement, the Company transferred its control in the asset to the counterparty. In addition, under the terms of such agreement, the Company has performance obligation to the counterparty in relation to the asset maintenance for its usable condition to be in order throughout 20, 20 and 15 years, respectively. The Company, therefore, recognized the items relating to aforesaid agreement in the financial statements for the year ended December 31, 2021 and 2020 as follows:

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
Sales of finance lease asset (1)	66,346	20,322
Interest income recognized during the year	2,797	881
Total finance lease income (1)	69,143	21,203
Cost of sales of finance lease asset	40,960	15,413
Cost of maintenance of finance lease asset (2)	7,900	1,500
Total cost of finance lease	48,860	16,913
Gain on sales of asset	17,486	3,409
Other non-current provisions - cost of asset maintenance (2)	7,900	1,500

- (1) The management and project contractor estimated the annual outputs and revenue from electricity generating service and discounted the cash flows by the rates 7-8% p.a. These are the approximate rate based on financial assumptions of the bank's consultant engineers, who determined the interest rate at 5% p.a. and the inflation rate at 3% p.a.
- (2) The management and project contractor estimated the annual maintenance cost and reflected by the annual inflation rate at 3% and discounted the cash flows by the rates 7-8% p.a.

7. SUPPLIES

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
General supplies	3,687	4,614
Industrial radiation ores	1,085	852
Total	4,772	5,466

8. INVESTMENT IN MUTUAL FUNDS

This account is investment in unit trusts of mutual funds which are marketable securities. As at December 31, 2021 and 2020, cost of this investment amounted to Baht 35 thousand while fair value (evaluated from Level 1 inputs of fair value hierarchy) amounted to Baht 37 thousand. These mutual funds mainly invest in debt securities of the government agencies.

9. LOANS TO OTHER COMPANIES - NET

	Consolidated and the Company Only (In Thousand Baht)			
	Balance as at December 31, 2020	Movement		Balance as at December 31, 2021
		Increase	Decrease	
Loans to foreign customer and business alliance	63,576	-	-	63,576
Less Allowance for impairment for expected credit loss	(5,000)	(1,005)	-	(6,005)
Net	58,576	(1,005)	-	57,571

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Loans to customer and business alliance are the unsecured loans to a company which is the same debtor as mentioned in Note 5. These loans bear interest at 7.5% per annum and due on demand. By considering the very high level of uncertainty in revenue recognition as well as the credit risk, the Company has ceased recognizing the interest income on the borrower.

10. INVESTMENT IN SUBSIDIARIES ACCOUNTED FOR USING THE COST METHOD

	The Company Only					
	Paid-up Share Capital		Percentage of Shareholding		Cost of Investment	
	2021	2020	2021	2020	(In Thousand Baht)	
	In Thousand U.S. Dollar				2021	2020
Laos Thai Nondestructive Testing Company Limited	40	40	70.00	70.00	864	864
	In Thousand Baht					
TNDT CM Company Limited	12,500	12,500	46.00	46.00	5,750	5,750
TNDT POWER Company Limited	1,000	1,000	99.97	99.97	1,000	1,000
	In Thousand Kyat					
MKTNDT Company Limited	550,000	550,000	54.98	55.00	-	15,581
	In Thousand Rupiahs					
PT TNDT Inspection and Consultation Company Limited	3,000,000	3,000,000	95.00	95.00	5,843	5,843
					13,457	29,038

During 2021 and 2020, the subsidiaries did not declare any dividend to the shareholders.

On July 25, 2011, Laos Thai Nondestructive Testing Public Company Limited has been granted a license for foreign investment in Lao PDR from the government of Lao PDR for a period of 15 years to operate its business relating to rendering the testing services for oil and gas tanks, construction equipment, building with steel structure, embankment, and nondestructive testing (NDT) services.

On October 21, 2013, TNDT CM Company Limited (“TNDT CM”) has been established and registered under the laws of Thailand whereby a portion of 46% of TNDT CM’s share capital has been invested by the Company and the rest of 54% has been invested by managing director of the Company and a related person in the proportion of 32% and 22%, respectively. In substance and practical, the Company has control and governing power over the financial and operating activities of TNDT CM through the entire voting rights in the Board of Directors’ meeting and sole subsidizing the financial assistance and support to TNDT CM.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Significant financial information in the financial statements for the years 2021 and 2020 of TNDT CM which included the non-controlling interest at the proportion of 54% is as follows:

	In Million Baht	
	2021	2020
Current assets	46.2	46.0
Non-current assets	1.0	1.0
Current liabilities	71.5	70.6
Non-current liabilities	-	0.1
Capital deficiency	(24.3)	(23.7)
Revenues	0.2	0.1
Loss for the year	(0.6)	(2.9)
Total comprehensive loss for the year	(0.6)	(2.9)

At the Board of Directors' meeting on June 30, 2014, the Board of Directors passed the resolution approving the Company to jointly invest, with a non-related party alliance who is incorporated in Myanmar, i.e. Min Khit Thit Mining Company Limited ("MKTMC"), and establish MKTNDT Company Limited ("MKTNDT") whose business is engaged in procurement of public utility systems and other related businesses in Myanmar. The Company and MKTMC agreed to invest in MKTNDT at the proportion of 55% and 45%, respectively, (MKTNDT is subsidiary of the Company) whereby the authorized share capital of MKTNDT amounted to Kyat 1,000 million (divided into 10,000 common shares, Kyat 100,000 par value) or equivalent to approximately Baht 28.3 million. The establishment processes of MKTNDT were finished in September 2015 whereby the Company has paid for investment in MKTNDT totalling approximately Baht 15.6 million and the remaining balance of approximately Baht 12.7 million for share subscription is attributable to MKTMC which is still payable to MKTNDT.

Subsequently, at the Board of Directors' meeting on August 27, 2021, the Board of Directors passed the resolution approving the Company to sell the entire investment in MKTNDT to other subsidiary (TNDT Power Company Limited) in September 2021 which is purposed for change in shareholding structure in the Group whereby all parties are under common control. The Company sold such investment at price of approximately Baht 2,977 per share, totalling approximately Baht 16.4 million. Such price was referenced to the carrying amount of the investee. The Company incurred gain on sale of such investment of approximately Baht 0.8 million, which was presented as part of other income in the separate statement of comprehensive income for the year ended December 31, 2021. There is insignificant change in percentage of direct and indirect shareholding in the investee both before and after sale of such investment (from previously 55.0% to 54.98%).

In August 2015, MKTMC, who is the key business alliance of the Company (seller / electric power supplier), has entered into the power purchase agreement for the electricity to be generated from the coal-fired power plant in Myanmar with the Power Committee of Tachileik (buyer) whereby the counterparties have agreed to purchase and sell of electricity under the term of 30 years with the selling prices, in Thai Baht, as specified in such agreement.

On June 10, 2015, TNDT Power Company Limited ("TNDTPW") has been established and registered under the laws of Thailand with the authorized share capital of Baht 1 million (divided into 10,000 common shares at Baht 100 par value) to engage in generating and sales of electricity from coal-fired thermal power in Myanmar. The Company has the percentage of shareholding in TNDTPW at 99.97% while the rest of 0.03% is held by major shareholder, director, and management of the Company, totalling 3 persons.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

At the Board of Directors' meeting on December 19, 2019, the Board of Directors approved the Company to acquire the entire business of Puttaraksa Power Company Limited ("PPC") (currently name is changed to TNDT Advance Technology Co., Ltd.) whereby PPC is an entity under common control of the Company because PPC has the same major shareholders and co-directors to the Company. PPC was established in 2012 to engage in energy business and manufacturing of oil and fats from plants and animals. Presently, PPC has not yet started its business activities. PPC has authorized and paid-up share capital amounting to Baht 100 million and Baht 25 million, respectively. The Company's plan for investment in PPC shall be done in the year 2022 with the acquisition price of Baht 24.98 million which approximates book value of PPC. Cash flows for this investment shall be derived from the Company's operating activities. After acquisition of PPC, the Company has planned that PPC (which will be a new subsidiary of the Company) shall engage in rendering the technical services attributable to electron beam as well as other related businesses.

At the Board of Directors' meeting on July 11, 2020, the Board of Directors passed the resolution approving the Company to jointly invest, with an alliance in Indonesia (non-related party), and establish PT TNDT Inspection and Consultation Company Limited ("PTTNDT"), whose business is engaged in energy, maintenance of machinery and equipment and other related businesses in Indonesia. The Company and such alliance agreed to invest in PTTNDT at the proportion of 95% and 5%, respectively, (PTTNDT is subsidiary of the Company), whereby the authorized share capital of PTTNDT amounted to Rupiahs 11,000 million (divided into 11,000 common shares, Rupiahs 1,000,000 par value) or equivalent to Baht currency of approximately Baht 22.5 million. The establishment processes of PTTNDT were finished in August 2020 whereby the shareholders have been called for share subscriptions which is the part that the Company is still payable in the amount of approximately Baht 5.8 million. As at December 31, 2021, PTTNDT has not yet started its core business activities.

11. INVESTMENT IN SHARES OF RELATED COMPANY - NET

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
Investment in shares - at cost	1,020	1,020
Less allowance for impairment	(1,020)	(1,020)
Net	-	-

This account represents investment in 5% preferred shares of OIS (Thailand) Co., Ltd. ("OIS") whereby the Company holds the entire preferred shares of such company while common shares are mostly held by its parent in England, Oilfield Inspection Services (International) Limited. OIS engages in rendering of engineering advisory services and its business has been inactive since 2003. OIS incurred net loss from operations and had capital deficiency. OIS was registered for liquidation on December 30, 2015 and has been taken the liquidation process. The Company has considered and recognized the impairment loss on the entire amount of such investment since 2005.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

12. PROPERTY, PLANT AND EQUIPMENT - NET

	Consolidated (In Thousand Baht)				
	Balance as at	Movements during the Year			Balance as at
	December 31, 2020	Addition	Deduction	Transfer	December 31, 2021
Cost					
Land	57,842	-	-	-	57,842
Building and improvements	118,331	100	-	-	118,431
Operating tools and equipment	278,349	964	24	-	279,289
Furniture, fixtures, and office equipment	32,615	421	15	-	33,021
Vehicles	44,312	-	-	-	44,312
Construction in progress and equipment under installation	360,667	77,259	-	(52,038)	385,888
Total Cost	892,116	78,744	39	(52,038)	918,783
Accumulated Depreciation					
Building and improvements	50,214	4,821	-	-	55,035
Operating tools and equipment	209,417	15,136	24	-	224,529
Furniture, fixtures, and office equipment	29,544	1,202	15	-	30,731
Vehicles	43,621	277	-	-	43,898
Total Accumulated Depreciation	332,796	21,436	39	-	354,193
Net	559,320				564,590

	Consolidated (In Thousand Baht)				
	Balance as at	Movements during the Year			Balance as at
	December 31, 2019	Addition	Deduction	Transfer	December 31, 2020
Cost					
Land	57,842	-	-	-	57,842
Building and improvements	117,821	510	-	-	118,331
Operating tools and equipment	305,308	4,973	680	(31,252)	278,349
Furniture, fixtures, and office equipment	31,551	1,064	-	-	32,615
Vehicles	53,194	921	937	(8,866)	44,312
Construction in progress and equipment under installation	356,705	25,690	21,788	60	360,667
Total Cost	922,421	33,158	23,405	(40,058)	892,116
Accumulated Depreciation					
Building and improvements	44,666	5,548	-	-	50,214
Operating tools and equipment	196,006	17,171	535	(3,225)	209,417
Furniture, fixtures, and office equipment	28,012	1,532	-	-	29,544
Vehicles	47,565	1,421	919	(4,446)	43,621
Total Accumulated Depreciation	316,249	25,672	1,454	(7,671)	332,796
Net	606,172				559,320

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	The Company Only (In Thousand Baht)			
	Balance as at	Movements during the Year		
	December 31, 2020	Addition	Deduction	Transfer
Cost				
Land	57,842	-	-	-
Building and improvements	116,147	100	-	-
Operating tools and equipment	267,629	964	24	-
Furniture, fixtures, and office equipment	32,152	421	15	-
Vehicles	43,395	-	-	-
Construction in progress	37,050	77,259	-	(52,038)
Total Cost	554,215	78,744	39	(52,038)
Accumulated Depreciation				
Building and improvements	49,305	4,650	-	-
Operating tools and equipment	198,703	15,131	24	-
Furniture, fixtures, and office equipment	29,091	1,193	15	-
Vehicles	42,715	265	-	-
Total Accumulated Depreciation	319,814	21,239	39	-
Net	234,401			

	The Company Only (In Thousand Baht)			
	Balance as at	Movements during the Year		
	December 31, 2019	Addition	Deduction	Transfer
Cost				
Land	57,842	-	-	-
Building and improvements	115,637	510	-	-
Operating tools and equipment	294,588	4,973	680	(31,252)
Furniture, fixtures, and office equipment	31,088	1,064	-	-
Vehicles	47,941	921	-	(5,467)
Construction in progress	11,702	25,332	44	60
Total Cost	558,798	32,800	724	(36,659)
Accumulated Depreciation				
Building and improvements	43,940	5,365	-	-
Operating tools and equipment	185,834	16,629	535	(3,225)
Furniture, fixtures, and office equipment	27,622	1,469	-	-
Vehicles	42,646	1,224	-	(1,155)
Total Accumulated Depreciation	300,042	24,687	535	(4,380)
Net	258,756			

As at December 31, the Company has mortgaged a portion of its land and structures thereon, with carrying amounts and mortgaged value of approximately Baht 118.0 million and Baht 518.7 million, respectively, in 2021 and Baht 121.3 million and Baht 510.7 million, respectively, in 2020 as collateral for credit facilities as described in Note 15 and collateral for letters of guarantee as described in Note 32.

As at December 31, 2021 and 2020, cost of a portion of plant and equipment which has been fully depreciated but still in use in the separate financial statements amounting to approximately Baht 225.0 million and Baht 199.6 million, respectively, and in the consolidated financial statements amounting to approximately Baht 240.6 million and Baht 210.4 million, respectively.

Depreciation of plant and equipment in the separate financial statements for the years ended December 31, 2021 and 2020 amounted to approximately Baht 21.2 million and Baht 24.7 million, respectively, and in the consolidated financial statements amounted to approximately Baht 21.4 million and Baht 25.7 million, respectively.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

During 2020, the contractor company for power plant construction of the subsidiary (TNDTPW) agreed to reduce the debt balance amounting to approximately Baht 21.7 million to such subsidiary in respect of the unfinished works that were not aligned with agreement that make the subsidiary have to hire a new contractor to improve and rectify such works. Such amount was taken to deduct the project development costs of approximately Baht 21.7 million against advance payments made by the subsidiary of approximately Baht 1.1 million and against payables on purchase of assets and retention payable totalling approximately Baht 22.8 million.

13. RIGHT-OF-USE ASSETS - NET

	Consolidated (In Thousand Baht)				
	Balance as at December 31, 2020	Movements during the Year			Balance as at December 31, 2021
		Addition	Deduction	Transfer	
Cost					
Land and offices	3,318	-	328	-	2,990
Employee accommodation	638	-	408	-	230
Operating tools and equipment	36,415	-	-	52,038	88,453
Office equipment	-	1,338	-	-	1,338
Vehicles	12,450	-	329	-	12,121
Total Cost	52,821	1,338	1,065	52,038	105,132
Accumulated Depreciation					
Land and offices	966	762	110	-	1,618
Employee accommodation	217	133	166	-	184
Operating tools and equipment	6,554	3,642	-	-	10,196
Office equipment	-	222	-	-	222
Vehicles	6,306	1,744	110	-	7,940
Total Accumulated Depreciation	14,043	6,503	386	-	20,160
Net	38,778				84,972

	Consolidated (In Thousand Baht)				
	Balance as at December 31, 2019	Movements during the Year			Balance as at December 31, 2020
		Addition	Deduction	Transfer	
Cost					
Land and offices	-	3,318	-	-	3,318
Employee accommodation	-	638	-	-	638
Operating tools and equipment	-	5,000	-	31,415	36,415
Vehicles	-	3,584	-	8,866	12,450
Total Cost	-	12,540	-	40,281	52,821
Accumulated Depreciation					
Land and offices	-	966	-	-	966
Employee accommodation	-	217	-	-	217
Operating tools and equipment	-	3,329	-	3,225	6,554
Vehicles	-	1,860	-	4,446	6,306
Total Accumulated Depreciation	-	6,372	-	7,671	14,043
Net	-				38,778

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

The Company Only (In Thousand Baht)					
	Balance as at December 31, 2020	Movements during the Year			Balance as at December 31, 2021
		Addition	Deduction	Transfer	
Cost					
Land and offices	3,121	-	328	-	2,793
Employee accommodation	638	-	408	-	230
Operating tools and equipment	36,415	-	-	52,038	88,453
Office equipment	-	1,338	-	-	1,338
Vehicles	9,051	-	329	-	8,722
Total Cost	49,225	1,338	1,065	52,038	101,536
Accumulated Depreciation					
Land and offices	900	697	110	-	1,487
Employee accommodation	217	133	166	-	184
Operating tools and equipment	6,554	3,642	-	-	10,196
Office equipment	-	222	-	-	222
Vehicles	2,907	1,744	110	-	4,541
Total Accumulated Depreciation	10,578	6,438	386	-	16,630
Net	38,647				84,906

The Company Only (In Thousand Baht)					
	Balance as at December 31, 2019	Movements during the Year			Balance as at December 31, 2020
		Addition	Deduction	Transfer	
Cost					
Land and offices	-	3,121	-	-	3,121
Employee accommodation	-	638	-	-	638
Operating tools and equipment	-	5,000	-	31,415	36,415
Vehicles	-	3,584	-	5,467	9,051
Total Cost	-	12,343	-	36,882	49,225
Accumulated Depreciation					
Land and offices	-	900	-	-	900
Employee accommodation	-	217	-	-	217
Operating tools and equipment	-	3,329	-	3,225	6,554
Vehicles	-	1,752	-	1,155	2,907
Total Accumulated Depreciation	-	6,198	-	4,380	10,578
Net	-				38,647

Depreciation in the separate financial statements for the years ended December 31, 2021 and 2020 amounted to approximately Baht 6.4 million and Baht 6.2 million, respectively, and in the consolidated financial statements amounted to approximately Baht 6.5 million and Baht 6.4 million, respectively.

As at December 31, 2021 and 2020, the Company's certain vehicles, operating tools and equipment and office equipment in the consolidated and separate financial statements, of which carrying amounts totalling approximately Baht 83.0 million and Baht 35.8 million, respectively, were under commitments in relation to the obligations under conditions of finance lease agreements (lease liabilities) as described in Note 16.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

14. INTANGIBLE ASSETS - NET

Consolidated and The Company Only (In Thousand Baht)			
	Balance as at December 31, 2020	Movements during the Year Addition Deduction	Balance as at December 31, 2021
Cost	5,533	1,556	7,089
Accumulated amortization	(5,030)	(240)	(5,270)
Net	503	1,316	1,819

Consolidated and The Company Only (In Thousand Baht)			
	Balance as at December 31, 2019	Movements during the Year Addition Deduction	Balance as at December 31, 2020
Cost	5,302	231	5,533
Accumulated amortization	(4,781)	(249)	(5,030)
Net	521	(18)	503

As at December 31, 2021 and 2020, cost of a portion of the Company's intangible assets which has been fully amortized but still in use amounting to approximately Baht 4.3 million.

Amortization of intangible assets for each of the years ended December 31, 2021 and 2020, which was presented as part of administrative expenses in the statements of comprehensive income, amounting to approximately Baht 0.2 million.

15. CREDIT FACILITIES FROM BANKS

As at December 31, 2021 and 2020, the Company has overdraft line and short-term other credit facilities from three local banks. The entire credit facilities and related outstanding balances are as follows:

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
Bank overdrafts	88,973	92,948
Loans under promissory notes	18,200	30,800
Loans under trust receipt agreements	1,201	1,089
Loans under factoring	9,803	12,432
Loans under discounted bills (aval)	-	12,944
Total	118,177	150,213

Type of Credit Facilities	Credit Facilities (In Million Baht)	Interest Rate (p.a.)
Bank overdraft	89.0	MOR - 1%, MOR, MOR + 0.5% and MRR - 1%
Promissory note	29.4	MLR
Trust receipt / letter of credit	73.4	MLR - 1% and MIT + 3.5%
Factoring	20.0	MOR - 0.5%
Letter of guarantee	85.0	-
Forward exchange contract (buy / sell)	25.6	-
Total	322.4	(2020 of approximately Baht 342.3 million)

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

As at December 31, 2021 and 2020, the Company has long-term credit facilities from four local banks and a financial institution (from three local banks in 2020). The entire credit facilities and related outstanding balances are as follows:

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
1) Loan under facilities of Baht 26 million, repayable monthly until June 2023, bear interest at MLR - 0.5 p.a.	6,597	10,612
2) Loan under facilities of Baht 42.5 million (during 2018 from the matter that the Company negotiated for the transfer of short-term credit facilities on promissory note), repayable monthly until February 2027, bear interest at MLR - 1 p.a.	20,947	20,947
3) Loan under facilities of Baht 14 million (during 2020 from the matter that the Company negotiated for the transfer of short-term credit facilities on promissory note), repayable on quarterly basis until December 2023, bear interest at MLR (close the full repayment loan account in December 2021)	-	10,380
4) Loan under facilities of Baht 30 million (during 2020 from the matter that the Company negotiated for the transfer of short-term credit facilities on promissory note), repayable on quarterly basis until December 2023, bear interest at MLR (close the full repayment loan account in December 2021)	-	23,840
5) Loan under facilities of Baht 20 million, repayable monthly starting from the month that loan is drawdown (i.e. May 2020) whereby the 1 st to 24 th months contain deferral of principal repayment but interest shall be paid monthly, the 25 th to 59 th months contain principal repayment together with interest payment, bear interest at MLR - 2.6 p.a. in the 1 st to the 2 nd years and at MLR - 1.0 p.a. in the 3 rd to the 5 th years	20,000	20,000
6) Loan under facilities of Baht 24 million, repayable monthly until August 2031, bear interest at MRR + 0.19 p.a.	23,430	-
7) Loan under facilities of Baht 34 million, repayable monthly starting from the month that loan is drawdown (i.e. December 2021) whereby the 1 st to 4 th months contain deferral of principal repayment but interest shall be paid monthly, the 5 th to 73 th months contain principal repayment together with interest payment, bear interest at MLR - 0.7 p.a.	33,654	-
8) Loan under facilities of Baht 36 million, bear interest at MLR - 0.7 p.a. (not yet been drawdown as at December 31, 2021)	-	-
9) Loan under facilities of Baht 15 million, bear interest at MLR - 0.7 p.a. (not yet been drawdown as at December 31, 2021)	-	-
Total	104,628	85,779
Less current portion	(17,669)	(11,975)
Net	86,959	73,804

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

The abovementioned short-term and long-term credit facilities are guaranteed by the mortgage of the Company's land and structures thereon as described in Note 12, land and structures thereon of certain directors of the Company with total mortgage value of approximately Baht 223.3 million, restricted deposits at banks of the Company amount of Baht 17.0 million (Baht 5.0 million in 2020) and also guaranteed by Thai Credit Guarantee Corporation (TCG) as well as guarantee by certain directors of the Company. In addition, the Company must comply with certain covenants and undertakings of these loans e.g. maintaining Debt Service Coverage Ratio and Debt-to-Equity Ratio, etc.

16. LEASE LIABILITIES

	In Thousand Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Lease liabilities				
- Due for payments within 1 year	35,645	25,335	35,569	24,807
- Due for payments within 2 - 5 years	77,299	49,820	77,227	49,673
- Due for payments over 5 years	4,062	8,035	4,062	8,035
Total	117,006	83,190	116,858	82,515
Less deferred interest	(16,515)	(13,543)	(16,512)	(13,505)
Lease liabilities - net of deferred interest	100,491	69,647	100,346	69,010
Less current portion	(28,540)	(20,190)	(28,465)	(19,697)
Net	71,951	49,457	71,881	49,313

During 2020 and 2021, the Company and its subsidiaries recognize lease liabilities on lease agreements for land and offices, employee accommodation and office equipment whereby the remaining lease terms are between 3 - 5 years with a related person, two non-related persons and a non-related company (starting from January 2020 and February 2021). The weighted average incremental borrowing rate that is used in determining the discounted cash flows by the Company and its subsidiaries is 6% p.a.

During 2015 - 2021, the Company and its subsidiaries entered into finance lease agreements with seven private companies for the periods of 36 - 84 months whereby such finance lease agreements will end during 2022 - 2027.

The Company and its subsidiaries had lease fees attributable to short-term leases in the consolidated and separate financial statements amounting to approximately Baht 1.1 million which were presented as part of cost of services for the year 2021 and Baht 0.7 million which were presented as part of cost of services of approximately Baht 0.6 million and administrative expenses of approximately Baht 0.1 million for the year 2020.

The Company had lease fees attributable to leases of low-value assets in the consolidated and separate financial statements amounting to approximately Baht 0.2 million which were presented as part of cost of services for the year 2020.

During 2021 and 2020, the Company and its subsidiaries had cash outflow from leases (gross amount of lease fees) in the consolidated financial statements amounting to approximately Baht 35.8 million and Baht 15.5 million, respectively, and in the separate financial statements amounting to approximately Baht 35.3 million and Baht 14.9 million, respectively.

Amortized interest for the years 2021 and 2020, which was presented as part of finance costs in the consolidated statements of comprehensive income, amounted to approximately Baht 6.9 million and Baht 3.8 million, respectively (for the Company only amounted to approximately Baht 6.8 million and Baht 3.8 million, respectively).

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

In January, May 2020 and April 2021, the Company has placed certain number of vehicles for use as collateral for borrowings under hire purchase with two local private companies with the condition that the Company shall register the transfer of ownership right in vehicles to the lessor whereby the Company still possesses and controls such vehicles for use. Management of the Company has considered the substance for accounting practice of such transaction and justified as borrowings from lessor which are guaranteed by vehicles. The Company, therefore, has not derecognized the related assets from the accounting records but accounted for the proceeds of approximately Baht 17.7 million in 2020 and Baht 9.1 million in 2021, comprising principal and interest, to be repaid in installments under hire purchase agreements (48 installments in 2020 and 36 installments in 2021) as borrowings which are presented as part of lease liabilities in the consolidated and separate statements of financial position as at December 31, 2021 and 2020. As of the transaction date, assets placed as collateral have been fully depreciated.

In 2020 and 2021, the Company entered into sale and finance leaseback agreements are as follows:

In Million Baht						
Month	Assets	Lessor	Selling price	Carrying amount as at sale date	Gain (loss) on sales	Leased back price on the same date
June 2020	Certain operating tools and equipment as well as solar PV rooftop system project	The first leasing company	13.5	13.3	0.2	13.5
October 2020	Certain operating tools and equipment as well as solar PV rooftop system project	The second leasing company	17.7	19.9	(2.2)	17.7
July 2021	Solar PV rooftop system project	The first leasing company	13.5	20.5	(7.0)	13.5
November 2021	Solar PV rooftop system project	The second leasing company	6.3	7.7	(1.4)	6.4
November 2021	Electron accelerator	The first leasing company	48.3	52.0	(3.7)	33.6

However, for accounting practice, the Company's management considered substance of such transactions and justified as borrowings from the leasing companies whereby the leased assets have been used as collaterals. The Company, therefore, did not eliminate records of the sold assets from its accounts as well as did not recognize the aforesaid gain or loss on sales but recorded proceeds from sales, together with interest under (48 - 84 installments) installments under the finance lease agreements with such leasing companies, as part of lease liabilities in the consolidated and separate statements of financial position as at December 31, 2021 and 2020.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

17. SHORT-TERM LOANS FROM OTHER PERSONS

As at December 31, 2021, the Company had short-term loans and bills of exchange for six-month term with two non-related persons, totalling Baht 52 million, for being the working capital in operations, whereby bills of exchange bear interest at 8% and 12% p.a. The bills of exchange are guaranteed by pledge of the Company's 26,000,000 common shares, owned by certain director of the Company.

As at December 31, 2020, the Company had short-term loans and bills of exchange with terms of 5 - 6 months with three non-related persons, totalling Baht 55 million, for being the working capital in operations, which bear interest at 8%, 8.5% and 12% per annum. These loans are guaranteed by pledge of the Company's 26,000,000 common shares, owned by certain director of the Company.

18. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	In Thousand Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Payables on purchase of assets (see Note 32 h.)	65,163	94,032	61,203	24,566
Advances from related persons	30,470	29,881	-	-
Dividends payable	22,198	-	22,198	-
Accrued interest	6,967	6,515	6,532	6,233
Other payables	6,020	16,597	8,131	10,957
Pending output tax	4,958	5,550	4,958	5,550
Value-added tax	4,559	3,964	4,559	3,964
Accrued directors' remunerations	3,390	1,730	3,390	1,730
Other payables on solar PV rooftop projects	3,000	14,513	3,000	14,513
Advances from customers	2,934	2,939	-	-
Accrued penalties and surcharges	2,726	-	1,977	-
Accrued funding commission fees	1,819	-	1,819	-
Retention payables	1,657	3,421	1,657	1,821
Accrued employee bonus	1,285	1,285	1,285	1,285
Payables to contractors	1,270	1,513	1,270	1,513
Payable on share subscriptions of subsidiary	-	-	5,843	5,814
Others	6,805	7,165	3,330	4,319
Total	165,221	189,105	131,152	82,265

At the Board of Directors' meeting in August 2020, the Board of Directors unanimously passed the resolution on denying to receive the directors' remunerations that were accrued at the beginning of year 2020 amounting to approximately Baht 5.6 million in order to increase the Company's liquidity and reduce debt obligation. In addition, the management also considered in 2020 to cancel a portion of employees' bonus (including those pertaining to the management), brought from the beginning of year 2020, of approximately Baht 5.6 million. The Company, therefore, reversed such accrued directors' remunerations and bonus totalling approximately Baht 11.2 million and presented as part of other income in the consolidated and separate statements of comprehensive income for the year ended December 31, 2020.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

19. CONVERTIBLE DEBENTURES

Movements of convertible debentures for the year ended December 31, 2021 are as follows:

	Consolidated and The Company Only (In Thousand Baht)	
	Convertible debentures - liability component	Convertible debentures - equity component
Convertible debentures as at January 1, 2021	-	-
Issuance during the year	62,083	7,917
Less deferred expenses on the issued convertible debentures	(5,553)	(708)
Amortization of expenses on issuance of convertible debentures	5,553	-
Debentures converted to common shares	(62,083)	(7,209)
Convertible debentures as at December 31, 2021	-	-

The Company issued and offered convertible debentures totalling 70,000 units, of which face value per unit is Baht 1,000, amounting to Baht 70 million, which are convertible debentures, unsubordinated and senior unsecured, with rights to convert to the Company's common shares, that are specifically offered to Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1"). Such debentures are divided into 2 series sub-tranches and 3-year period each serie, and will mature for redemption on June 9, 2024, and bear interest rate at 2% p.a. whereby interest is payable on a quarterly basis whereby the conversion period is everyday but not later than 1 week before maturity date of each serie. The conversion price is determined to be not less than 90% of market prices pertaining to the timing of exercise rights for conversion. The aforesaid convertible debentures of 70,000 units were converted to common shares as shown below:

Issued and offered convertible debentures			Debentures converted to common shares			Paid-up share capital	Premium on shares	Date of registered increase in issued and paid-up share capital with The Ministry of Commerce
No.	Date	Units	Date	Shares	Baht	(Baht)	(Baht)	
1	June 9, 2021	10,000	June 15 - 18, 2021	4,462,292	9,999,996	2,231,146	7,768,850	July 1, 2021
2	July 13, 2021	10,000	July 14, 2021	4,273,504	9,999,999	2,136,752	7,863,247	July 23, 2021
3	July 16, 2021	10,000	July 20, 27, 2021	4,067,854	9,999,993	2,033,927	7,966,066	August 13, 2021
4	August 3, 2021	20,000	August 4, 2021	7,880,220	19,999,998	3,940,110	16,059,888	August 17, 2021
5	November 24, 2021	20,000	November 26, December 2, 2021	20,257,376	19,999,998	10,128,688	9,871,310	December 13, 2021
		<u>70,000</u>		<u>40,941,246</u>	<u>69,999,984</u>	<u>20,470,623</u>	<u>49,529,361 *</u>	

* Before deducting transaction costs amounting to Baht 708 thousand

As at December 31, 2021, the Company had remaining amount for issuance of convertible debentures of Baht 30 million from original amount not exceeding Baht 100 million which was approved in the general shareholders' meeting on April 26, 2021.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

20. LIABILITY FOR POST-EMPLOYMENT BENEFITS

The Company has obligations on post-employment benefits which were reassessed and recomputed by the qualified actuary during 2020. Movements of liability for post-employment benefits for the years ended December 31, 2021 and 2020 are as follows:

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
Liability for post-employment benefits as at January 1	18,079	15,953
Current service cost	720	756
Interest cost	195	179
Actuarial loss on remeasurement	-	1,191
Expense recognized in statement of comprehensive income	915	2,126
Employee benefits paid during the year	(3,472)	-
Liability for post-employment benefits as at December 31	15,522	18,079

Significant assumptions used in calculation of liability for post-employment benefits as at December 31, 2021 and 2020 are as follows:

- Discount rate	1.69% p.a.
- Salary escalation rate	4.00% p.a.
- Employee turnover rate	5.73% - 34.38% p.a.

The abovementioned actuarial loss on remeasurement in 2020 comprised of (1) gain from changes in demographic assumptions amounting to approximately Baht 1,459 thousand net of (2) loss from changes in financial assumptions amounting to approximately Baht 1,551 thousand and (3) loss from experience adjustment amounting to approximately Baht 1,099 thousand.

The abovementioned changes in significant assumptions may affect the sensitivity of the balance of provision or liability for post-employment benefits in respect of the information as per the calculation report of the qualified actuary as follows:

	Liability may increase (decrease) from changes in significant assumptions (In Thousand Baht)	
	Consolidated and The Company Only	
Significant Assumptions	If Assumption Increased	If Assumption Decreased
Discount rate (increase/decrease by 0.5%)	(548)	594
Salary escalation rate (increase/decrease by 1%)	1,379	(1,187)
Employee turnover rate (increase/decrease by 20%)	(1,717)	2,232

As at December 31, 2021 and 2020, the subsidiaries have been in the process of preparation for starting their core business of each company and hired only few number of permanent employees. Accordingly, the subsidiaries have no material obligation to be recognized on the post-employment benefits.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

21. SHARE CAPITAL

	Par Value (In Baht)	2021	
		No. of Share (In Thousand Shares)	At Par Value (In Thousand Baht)
Authorized share capital			
As at December 31, 2021			
- Common shares	0.50	725,281	362,641
Issued and fully paid-up share capital			
As at January 1, 2021			
- Common shares	0.50	200,000	100,000
Debentures converted to common shares (see Note 19)	0.50	40,941	20,471
As at December 31, 2021			
- Common shares	0.50	240,941	120,471
	Par Value (In Baht)	2020	
		No. of Share (In Thousand Shares)	At Par Value (In Thousand Baht)
Authorized share capital			
As at December 31, 2020			
- Common shares	1	100,000	100,000
Issued and fully paid-up share capital			
As at January 1, 2020 and December 31, 2020			
- Common shares	1	100,000	100,000

At the general shareholders' meeting on April 26, 2021, the shareholders unanimously passed the resolution to approve (1) change in the par value of the Company's common share from Baht 1 to Baht 0.50 and the Company's issued and paid-up share capital after such change comprises of 200,000,000 common shares at Baht 0.50 par value, amounting to Baht 100 million (formerly comprised of 100,000,000 common shares at Baht 1 par value, amounting to Baht 100 million). The Company registered the aforesaid matter with the Ministry of Commerce on May 19, 2021 and (2) increase in the Company's authorized share capital from Baht 100 million (divided into 200,000,000 common shares at Baht 0.50 par value) to Baht 120,880,194 (divided into 241,760,387 common shares at Baht 0.50 par value) by issuance of new common shares amounting to Baht 20,880,194 (divided into 41,760,387 common shares at Baht 0.50 par value) in order to support the exercise of the rights for conversion of convertible debentures. The Company registered the aforesaid matter with the Ministry of Commerce on May 20, 2021.

Other than those discussed in the significant accounting policies, the basic earnings per share and the weighted average number of common shares for the year ended December 31, 2020 was recalculated in respect of the aforesaid change in par value of share.

At the extraordinary shareholders' meeting on December 23, 2021, the shareholders unanimously passed the resolution to approve increase in the Company's authorized share capital from Baht 120,880,194 (divided into 241,760,387 common shares at Baht 0.50 par value) to Baht 362,640,581 (divided into 725,281,161 common shares at Baht 0.50 par value) by issuance of new common shares amounting to Baht 241,760,387 (divided into 483,520,774 common shares at Baht 0.50 par value) in order to appropriate for supporting the issuance of stock dividends (see Note 27). The Company registered the aforesaid matter with the Ministry of Commerce on December 24, 2021.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

22. PREMIUM ON COMMON SHARES AND LEGAL RESERVE

Premium on shares

Section 51 of the Public Companies Act B.E. 2535 requires the public company to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“premium on shares”). Premium on shares is not available for dividend distribution.

Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 requires the public company to appropriate not less than 5% of its annual profit, less accumulated losses brought forward (if any), to a reserve account (“Legal reserve”) until this account reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

23. BASIC EARNINGS (LOSS) PER SHARE

	In Thousand Baht / Thousand Shares			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Profit (loss) attributable to owners of the parent (In thousand Baht)	(26,903)	19,326	(19,494)	23,382
Weighted average number of outstanding common shares (In thousand shares)	211,334	200,000	211,334	200,000
Number of outstanding common shares assumed as increase from declaration of stock dividends (In thousand shares) (see Note 27)	422,668	400,000	422,668	400,000
Basic weighted average number of outstanding common shares (In thousand shares)	634,002	600,000	634,002	600,000
Basic earnings (loss) per share (Baht)	(0.042)	0.032	(0.031)	0.039

24. EXPENSES BY NATURE

	In Thousand Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Employee expenses	117,891	133,914	177,472	133,213
Cost of finance lease	48,860	16,913	48,860	16,913
Finance costs	40,623	28,870	39,858	28,054
Subcontract costs	29,076	26,013	29,076	26,013
Depreciation and amortization	28,179	32,294	27,917	31,135
Supplies and equipment consumed in services	19,168	24,602	19,168	24,602
Travelling and accommodation expenses	9,503	9,472	9,469	9,376
Loss on impairment of financial assets	6,391	8,853	6,391	7,348
Consultancy and professional fees	6,366	3,217	5,822	2,732
Loss (gain) on exchange rate	5,278	5	5,541	47
Repair and maintenance expenses	3,747	3,102	3,650	3,000
Estimated legal expenses	3,595	-	-	-
Tax penalties and surcharges	2,938	429	2,189	419

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

25. REGISTERED PROVIDENT FUND

The Company has a contributory registered provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987). Membership to the fund is on a voluntary basis. Under the plan, the Company and employees contribute an amount equivalent to 5%-10% of the employees' basic salaries depending on the length of employment. The fund will pay back the provident fund to employees in accordance with the conditions stated in the policies of provident fund regulations.

The Company's contribution, which was recorded as part of cost of services and administrative expenses, for the year ended December 31, 2020 amounted to approximately Baht 0.9 million and Baht 0.7 million, respectively (in 2021, the Company was temporarily exempted to such contribution as per announcement of the Ministry of Finance, Issues 2 and 3 B.E. 2564 (2021)).

26. INCOME TAX

Corporate income tax recorded as expense (income) for the years ended December 31, 2021 and 2020 consists of:

	In Thousand Baht			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Income tax computed from accounting profit (loss)	(4,346)	3,819	(2,814)	4,939
Effects from non-deductible expenses	16,868	17,832	15,284	16,703
Effects from additional deductible expenses	(12,522)	(18,717)	(12,470)	(18,708)
Effects from reduction in income tax rate under investment promotion	-	(2,934)	-	(2,934)
Current tax computed from taxable profit	-	-	-	-
Income tax from other comprehensive loss	-	238	-	238
Increase in deferred tax liabilities	5,423	1,077	5,423	1,077
Income tax presented as profit or loss in statement of comprehensive income	5,423	1,315	5,423	1,315

As at December 31, 2021, the Company and two local subsidiaries had tax loss carryforward totalling approximately Baht 120.2 million (the Company only amounted to approximately Baht 86.4 million) whereby such loss carryforward is able to be used as tax credit until 2026.

Deferred tax liabilities presented in statements of financial position as at December 31, 2021 and 2020 consist of:

	Consolidated and the Company Only (In Thousand Baht)	
	2021	2020
Effect from temporary non-taxable assets and revenue:		
- Difference of finance lease assets	6,499	1,076

27. CASH DIVIDENDS AND STOCK DIVIDENDS

At the extraordinary shareholders' meeting on December 23, 2021, the shareholders unanimously passed the resolution approving the Company to pay dividends from the unappropriated retained earnings, totalling approximately Baht 242.75 million to the shareholders. The dividends comprised stock dividends on the basis of 1 common share for 2 stock dividends amounting to approximately Baht 220.68 million, equivalent to dividend at the rate of Baht 1 per share (441,356,340 common shares at Baht 0.50 par value) and cash dividends amounting to approximately Baht 22.07 million, equivalent to dividend at the rate of Baht 0.10 per share. The Company paid such dividends to the shareholders on January 4, 2022. As at December 31, 2021 the aforesaid declaration of stock dividends was presented as "Common shares awaited for registration" in the statement of financial position as of that date.

28. SEGMENT REPORTING ON FINANCIAL INFORMATION

Statement of income is significant financial and core information of the Company and its subsidiaries that is provided regularly to the highest authority in decision-making operation and also used in evaluation of financial performances of the segments. The Company and its subsidiaries have three significant operating segments (identified by internal reporting segments), i.e. (1) nondestructive testing services, (2) inspection services for pressure vessel and (3) Solar PV Rooftop. The Company and its subsidiaries do not have any transfer between segments. In addition, the Company and its subsidiaries are unable to apportion the segment information for assets and liabilities without undue costs.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Information on Products or Services

	Consolidated (In Thousand Baht)							
	Nondestructive Testing Services		Inspection Services for Pressure Vessel		Solar PV Rooftop		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenues	208,530	249,761	45,439	47,568	69,143	21,203	323,112	318,532
Less Segment expenses	(111,799)	(127,208)	(3,113)	(4,140)	(48,860)	(16,913)	(163,772)	(148,261)
Segment result	96,731	122,553	42,326	43,428	20,283	4,290	159,340	170,271
Add non-allocated revenues								
- Other income							2,696	13,942
Less non-allocated expenses								
- Cost of services							(65,783)	(71,765)
- Administrative expenses							(70,969)	(55,628)
- Finance costs							(40,623)	(28,870)
- Loss on impairment of financial assets							(6,391)	(8,853)
- Income tax expense							(5,423)	(1,315)
Profit (loss) for the year							(27,153)	17,782

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

The Company Only (In Thousand Baht)

	Nondestructive Testing Services		Inspection Services for Pressure Vessel		Solar PV Rooftop		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenues	208,530	249,761	45,439	47,568	69,143	21,203	323,112	318,532
Less Segment expenses	(111,799)	(127,208)	(3,113)	(4,140)	(48,860)	(16,913)	(163,772)	(148,261)
Segment result	96,731	122,553	42,326	43,428	20,283	4,290	159,340	170,271
Add non-allocated revenues								
- Other income							3,892	14,383
Less non-allocated expenses								
- Cost of services							(65,783)	(71,765)
- Administrative expenses							(65,271)	(52,790)
- Finance costs							(39,858)	(28,054)
- Loss on impairment of financial assets							(6,391)	(7,348)
- Income tax expense							(5,423)	(1,315)
Profit (loss) for the year							(19,494)	23,382

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Information on Geographic Areas

As at December 31, 2021 and 2020, the subsidiaries have not yet started their core business activities and main operations of the Company are rendering services domestically while rendering services in abroad is an insignificant portion as compared to the entire services of the Company. Accordingly, the accompanying financial statements do not include information relating to information on geographic areas.

The Company has five subsidiaries whereby the subsidiaries incorporated in Myanmar, Lao PDR and Indonesia have no any non-current asset whereas the other two subsidiaries incorporated in Thailand had fixed assets located and used in Myanmar, i.e. buildings, operating tools and equipment, construction in progress and equipment under installation, of which the carrying amounts totalling approximately Baht 324.7 million and Baht 335.0 million were shown in the consolidated statements of financial position as at December 31, 2021 and 2020, respectively. The Company had fixed assets used in Indonesia, i.e. operating tools and equipment, of which the carrying amounts totalling approximately Baht 8.5 million and Baht 10.1 million were shown in the consolidated and separate statements of financial position as at December 31, 2021 and 2020, respectively.

Information on Key Customers

(customers whose transactions exceeding 10% of total balance of transactions)

	Percentage of Balance Attributable to Key Customers to Total Balance			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Income				
- Nondestructive testing services	40.23	47.88	40.23	47.88
- Inspection services for pressure vessel	-	-	-	-
- Solar PV rooftop	97.95	100.00	97.95	100.00
Total income	46.92	40.22	46.92	40.22

29. PROMOTIONAL PRIVILEGES

By virtue of the provisions of the Investment Promotion Act B.E. 2520, the Company was granted certain promotional privileges in scientific laboratories activity on March 17, 2009 which include among others, exemption from payment of import duty on the imported machines used in the promoted business, exemption from payment of income tax on net profit from the promoted business for a period of eight years from the date income was first derived from the promoted business (August 7, 2009). Subsequently, the Company was granted the tax privileges pertaining to the promoted business in respect of the new promotional certificate granted in September 2017 which include among others, exemption from payment of import duty on the imported machines used in the promoted business, exemption from payment of income tax on net profit from the promoted business for a period of eight years starting from the date income was first derived from the promoted business (June 30, 2018).

As a promoted entity, the Company must comply with certain conditions and regulations as specified in the promotional certificates.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Operating results classified by the promoted and non-promoted businesses for the years ended December 31, 2021 and 2020 are as follows:

	Consolidated (In Thousand Baht)					
	Promoted Business		Non-Promoted Business		Total	
	2021	2020	2021	2020	2021	2020
Service income	58,953	103,409	195,016	193,920	253,969	297,329
Finance lease income	-	-	69,143	21,203	69,143	21,203
Other income	-	-	2,696	13,942	2,696	13,942
Cost of services	(38,651)	(63,087)	(142,044)	(140,026)	(180,695)	(203,113)
Cost of finance lease	-	-	(48,860)	(16,913)	(48,860)	(16,913)
Administrative expenses	(11,769)	(16,115)	(59,200)	(39,513)	(70,969)	(55,628)
Finance costs	(7,187)	(8,713)	(33,436)	(20,157)	(40,623)	(28,870)
Loss on impairment of financial assets	(1,152)	(2,564)	(5,239)	(6,289)	(6,391)	(8,853)
Income tax expense	-	-	(5,423)	(1,315)	(5,423)	(1,315)
Profit (loss) for the year	194	12,930	(27,347)	4,852	(27,153)	17,782

	The Company Only (In Thousand Baht)					
	Promoted Business		Non-Promoted Business		Total	
	2021	2020	2021	2020	2021	2020
Service income	58,953	103,409	195,016	193,920	253,969	297,329
Finance lease income	-	-	69,143	21,203	69,143	21,203
Other income	-	-	3,892	14,383	3,892	14,383
Cost of services	(38,651)	(63,087)	(142,044)	(140,026)	(180,695)	(203,113)
Cost of finance lease	-	-	(48,860)	(16,913)	(48,860)	(16,913)
Administrative expenses	(11,769)	(16,397)	(53,502)	(36,393)	(65,271)	(52,790)
Finance costs	(7,187)	(8,713)	(32,671)	(19,341)	(39,858)	(28,054)
Loss on impairment of financial assets	(1,152)	(2,282)	(5,239)	(5,066)	(6,391)	(7,348)
Income tax expense	-	-	(5,423)	(1,315)	(5,423)	(1,315)
Profit (loss) for the year	194	12,930	(19,688)	10,452	(19,494)	23,382

30. DISCLOSURES OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

The Company and its subsidiaries are exposed to normal business risks relating to credit risk, liquidity risk, foreign currency exchange rate risk and interest rate risk. The Company and its subsidiaries do not use derivative financial instruments for hedging or trading / speculation purposes. The Company and its subsidiaries had no significant change in risk management policy relating to financial instruments during 2021 and 2020.

Credit Risk

Credit risk arise when the counterparties fail to meet their obligations as agreed with the Company and its subsidiaries. Management believes that the Company and its subsidiaries do not have any material credit risk other than the amounts recognized in the financial statements because the Company and subsidiaries constantly evaluates and tracking the debtor's status and information. The maximum credit risk exposure in the event that other parties fail to perform their obligations is the carrying amounts of trade and other receivables as well as loan receivables as shown in the statements of financial position.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Liquidity Risk

The Company and its subsidiaries manage its liquidity risk and maintain a level of cash and cash equivalents deemed adequate coupled with the necessary use of sources of fund or extension of maturity periods of the debts as deemed necessary to finance the operations of the Company and its subsidiaries and to mitigate the effects of fluctuations in cash flows as well as maintaining the business continuation.

Foreign Currency Exchange Rate Risk

The Company and its subsidiaries have certain foreign currency transactions that give rise to significant exposure to market risk from fluctuations in foreign currency exchange rates. However, the management believes that the foreign exchange rate risk is insignificant and still in the acceptable level. Hence, no financial derivative instruments are used to mitigate this risk.

Interest Rate Risk

Interest rate risk arises from the fluctuation of market interest rates in the future, which may have a negative effect to financial performance and cash flows of the Company and its subsidiaries. Management believes that the interest rate risk is insignificant because the Company's and its subsidiary's deposits at banks, finance lease receivable, loan receivables, bank overdrafts, short-term and long-term borrowings as well as other interest-bearing liabilities bear interest at the floating market interest rates or at the fixed rates that the management believes they approximate the market interest rates.

Fair Value Measurement

The following method and assumptions were used by the Company and its subsidiaries in estimating fair values of financial assets and financial liabilities:

Cash and cash equivalents, fixed deposits, loans receivables, advances, restricted deposits at banks, trade and other receivables, finance lease receivable, trade and other payables, lease liabilities, and short-term and long-term borrowings

Carrying amounts of these financial assets and liabilities approximate fair values due to a portion of these financial instruments was stated at cash status or had the relatively short-term maturities whereas the rest bear interest at the floating or at fixed interest rates that the management believes they approximate the market interest rates (Level 2 inputs).

Investment in mutual funds and in shares of related company were stated at fair value.

31. CAPITAL MANAGEMENT

Significant objectives of the capital management of the Company and its subsidiaries are to ensure that they have appropriate financial and capital structures as well as maintaining the financial liquidity and ability to continue their businesses as a going concern. The Company and its subsidiaries did not have any significant change relating to capital management policy during 2021 and 2020 other than the issuance of convertible debentures (see Note 19) and declaration of stock dividends (see Note 27).

Debt-to-Equity ratio for the consolidated financial statements as at December 31, 2021 and 2020 was 1.43 : 1.00 and 1.40 : 1.00, respectively, whereas the separate financial statements as at December 31, 2021 and 2020 was 1.05 : 1.00 and 1.02 : 1.00, respectively.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

32. OTHERS

As at December 31, 2021:

- a. The Company had letters of guarantee issued by a local bank as performance bonds for engineering services rendered to several private sector customers and a government agency totalling approximately Baht 38.5 million which are guaranteed by the mortgage of the Company's land and structures thereon as described in Note 12.
- b. The Company had commitments on the research center project relating to electron accelerator technology in respect of the procurement of related machinery and equipment with a non-related company in China amounting to approximately USD 2 million (approximately Baht 67.8 million). Such project is attributable to the collaboration agreement on technology and innovation that is signed by the Company and such company together with another non-related company in Thailand.
- c. A subsidiary (TNDTPW) had credit card facility for payment of fuels amounting to Baht 0.1 million with a local bank which is guaranteed by the subsidiary's fixed deposit with such bank amounting to approximately Baht 0.1 million.
- d. A subsidiary (TNDTPW) had commitments on the construction of coal-fired power plant project in Shan State of Myanmar in respect of the related procurement of machinery and equipment of approximately Baht 158.4 million, JPY 567.0 million, and USD 15.3 million (totalling in Baht of approximately 840.1 million) whereby the sources of fund to settle such commitments shall be borrowings of the Company (as being the parent) from financial institutions and other necessary sources of fund.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

- e. The Company had projects, with each two agreements therein, relating to solar PV rooftop system whereby the first agreement was made with local non-related company on the installation of system and equipment of such projects. The second agreement was made for rendering the solar-power electricity generating service to local non-related company and local private university (counterparty) who holds ownership right in the premises on which such system of the Company is installed. The counterparty agreed to pay electricity generating service charge to the Company under the term of service for a period of 15-20 years, starting from the date on which the electricity is started generating to the counterparty, at the mutually-agreed rates specified in the agreement. At the end of the aforesaid 15th-20th years, the Company is committed to transfer the ownership right in all related system and equipment to the counterparty. The contractor and the counterparty must comply with commitments and requirements specified in each of the relevant agreements. Such projects had service costs on development and installation of project assets and commitments for such service costs to pay to the contractors (excluding VAT) as follows:

Project	Contractor	Counterparty	Consolidated and the Company Only (In Million Baht)					
			Service Charges		Paid Service Charges		Commitments	
			2021	2020	2021	2020	2021	2020
1	non-related company	non-related company	15.0	15.0	15.0	15.0	-	-
2	non-related company	private university	16.8	16.8	10.0	7.1	6.8	9.7
3	non-related company	non-related company	13.0	14.4	13.0	11.7	-	2.7
4	non-related company	non-related company	7.0	7.0	6.8	5.0	0.2	2.0
			<u>51.8</u>	<u>53.2</u>	<u>44.8</u>	<u>38.8</u>	<u>7.0</u>	<u>14.4</u>

The paid service charges (except the first project for both years and the third project at the end of 2021) were recorded as part of "Other non-current assets" in the consolidated and separate statements of financial position as at December 31, 2021 and 2020. The system installation of the first project was completed in May 2020 and the third project was completed in January 2021 (see Note 6) while the second project is planned to complete in the first quarter of 2022 and the fourth project is planned to complete in the fourth quarter of 2022.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

- f. Other than those discussed in Note e., the Company had project in progress, with three agreements therein, relating to solar PV rooftop system by the purchase and transfer of right and obligation agreement, system and equipment installation agreement as well as related power purchase agreement whereby the first agreement was made with a local non-related company who transfer rights and obligations. The second agreement was made with two local non-related companies who are contractor on the installation of system and equipment. The third agreement was made for rendering the solar-power electricity generating service to a local non-related company (counterparty) who holds ownership right in the premises on which such system of the Company is installed. The counterparty agreed to pay electricity generating service charge to the Company under the term of service for a period of 15 years, starting from the date on which the electricity is started generating to the counterparty at the mutually-agreed rates specified in the agreement. At the end of the aforesaid 15th year, the Company is committed to transfer the ownership right in all related system and equipment to the counterparty. The Company, the contractors, and the counterparty must comply with commitments and requirements specified in each of the relevant agreements. The project had the values for transfer of rights and obligations as well as service costs on development and installation of project assets and commitments for such service costs to pay to the contractors (excluding VAT) as follows:

	Consolidated and The Company Only (In Million Baht)	
	2021	2020
Transfer of rights and obligations	11.5	11.5
Service charges	3.5	3.5
Paid amounts	(15.0)	(15.0)
Commitments	-	-

The paid transfer of rights and obligations as well as service charges were recorded as part of other non-current assets in the consolidated and separate statements of financial position as at December 31, 2020. The system installation of such project was completed in April 2021 (see Note 6).

- g. The Company had contingent liability from being filed a civil case in relation to breach of the agreement for transfer of rights with a local company (plaintiff) whereby the plaintiff has claimed for their damage in amount of approximately Baht 0.99 million. The Company's attorney had his opinion and filed a petition to defend the case to the Civil Court whereby the Court scheduled for the witness hearing in April 2022.
- h. The subsidiary (TNDTPW), as the respondent, received the written subpoena in January 2021 from the court for mediation before the civil case shall be filed by a local company (the petitioner) in relation to breach of the agreement for construction of works in the coal-fired power plant project because the subsidiary is payable, with overdue balance for such works, to the petitioner in total amount of approximately Baht 66.4 million (the subsidiary accounted for as liability of approximately Baht 66.4 million, as part of accrued expenses and other current liabilities in the consolidated financial statements as at December 31, 2020). Later on July 22, 2021, the petitioner and the subsidiary entered into the compromise agreement at the court whereby the subsidiary agreed to pay construction work cost together with other compensation to the petitioner amounting to Baht 70 million. As a result, the subsidiary had the additionally recorded legal expenses of approximately Baht 3.6 million which was presented as part of administrative expenses in the consolidated financial statements for the year ended December 31, 2021. Such liability was presented separately as other payables in the consolidated statement of financial position as at December 31, 2021 and was divided into portion due for payments within 1 year amounting to Baht 6 million, which was estimated by the management and not less than the term of the compromise agreement i.e. not less than Baht 0.5 million per month, and the portion due for payments within 2 - 3 years amounting to Baht 57.5 million. On that date, a partial payment of Baht 4 million was made and remained of Baht 66 million. Such monthly installments have been started from August 2021 and to be completed within 3 years.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

- i. The Company had contingent liability from being filed a civil case in relation to breach of the agreement for construction works with a local company (plaintiff) whereby the plaintiff has claimed for their damage in amount Baht 18 million (the Company accounted for as liability of Baht 3 million, as part of accrued expenses and other current liabilities in the consolidated and separate financial statements as at December 31, 2021). The Company's attorney had his opinion and filed a petition to defend the case to the Civil Court whereby the Court scheduled for the pre-trial conference and litigation guidelines or witness hearing of the plaintiff in January 2023 and witness hearing of the defendant in February 2023.
- j. The Company had amount for issuance of debentures not exceeding Baht 1,500 million, in Baht currency or other currencies equivalent to Baht amount, which was approved in the general shareholders' meeting on April 26, 2021.
- k. The Company had Memorandum of Understanding (MOU) with a non-related company in China and another non-related company in Thailand which is attributable to the collaboration agreement on technology and innovation of the research center project relating to electron accelerator technology. However, in November 2021, the Company received notice from the non-related company in Thailand to require the Company paying for investment as dealt in amount of approximately Baht 59.5 million within 30 days from the date of receiving the notice. Subsequently, in February 2022, the Company sent a letter of refusal for paying such investment due to the management has checked and found that such company has not yet performed for certain steps and conditions as specified in the agreement and, therefore, requires such company to perform as well within 30 days from the date of receiving this letter from the Company. Thus, such dispute has not yet been settled and is during the negotiation between both parties.

33. EVENTS AFTER THE REPORTING PERIOD

In February 2022, the Company entered into sale and finance leaseback agreements for a solar PV rooftop system project that is the second project as discussed in Note 32 (e) to a local leasing company at the price of approximately Baht 10.9 million.

At the Board of Directors' meeting on February 26, 2022, the Board of Director passed the resolutions approving the following significant matters which will be proposed for shareholders' approval in the upcoming general shareholders' meeting:

- a. Decrease in the Company's authorized share capital for the portion of unissued common shares from Baht 362,640,580.50 (divided into 725,281,161 common shares at Baht 0.50 par value) to Baht 341,148,793 (divided into 682,297,586 common shares at Baht 0.50 par value).
- b. Issuance and offering of convertible debentures in amount not exceeding Baht 230 million which are convertible debentures, unsubordinated and senior unsecured, with rights to convert to the Company's common shares, which are specifiably offered to Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1"). Such debentures are divided into 46 series, Baht 5 million and 3-year period each serie, and bear interest rate at 2% p.a. whereby the conversion period is everyday but not later than 1 week before maturity date of each serie. The conversion price is determined to be not less than 90% of market prices pertaining to the timing of exercise rights for conversion.

THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

- c. Issuance and offering of 170,574,397 units of free warrants (“TNDT-W1”) to the existing shareholders for purchase of the Company’s incremental common shares on the basis of 4 common shares for 1 unit of warrant. The terms of warrants are as follows:
- | | |
|--------------------------|---|
| Exercise ratio | 1 unit of warrant is able to buy 1 incremental common share |
| Exercise price per share | Baht 0.50 per share |
| Term of warrants | 3 years from the date on which the warrants are issued to the shareholders |
| Exercise periods | The warrants shall be exercisable with the first exercise date on September 30, 2022 and then on the last working day of every quarter and the last exercise date is on the expiry date of warrants |
- d. Increase in the Company’s authorized share capital from Baht 341,148,793 (divided into 682,297,586 common shares at Baht 0.50 par value) to Baht 502,199,039.50 (divided into 1,004,398,079 common shares at Baht 0.50 par value) by issuance of new common shares amounting to Baht 161,050,246.50 (divided into 322,100,493 common shares at Baht 0.50 par value). These shares are reserved for the exercise of the aforesaid warrants that will be issued to the existing shareholders and for support the exercise of the rights for conversion of convertible debentures.

34. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements have been approved for issuance by the Company’s Board of Directors’ meeting on February 26, 2022.



Part 4

Certification of the Correctness of Information



Certification of the Correctness of Information

The Company has carefully reviewed the information in this Form 56-1 One Report 2021, and certified that such information was correct, truthful, and complete. The significant matters have been disclosed without misrepresenting or lack of information as well. In addition, the Company hereby certifies that.

(1) Financial statements and financial information, summarized in the Form 56-1 One Report 2021, has shown accuracy and completeness of information, which were financial position, operation results, and cash flow of the Company and Subsidiaries.

(2) The Company has set a disclosure system, to ensure that the Company has disclosed significant information of the Company and Subsidiaries with correctness and completeness, as well as monitoring the implementation of the afore-mentioned systems.

(3) The Company has set a good internal control system and monitored the implementation of the systems. The Company has reported the internal control assessment information on February 26, 2022, to the auditor and the Audit Committee, which covers the deficiencies and significant changes in the internal control system Including any actions that may affect the financial reporting of the Company and subsidiaries "

In this regard, the Directors have signed as evidence that all documents are verified true.

Name		Position	Signature
1. Mr. Suwat	Dangpibulskul	- Chairman of the Board - Authorized Directors	
2. Miss Chomduen	Satavuthi	- Director - President - Managing Director - Authorized Directors	

**Details of Directors,
Executives,
Head of Finance and Accounting,
Accounting Supervisor and
Company Secretary**

1.1 Details of Directors

Mr.

MR. Suwat Dangpibulskul **Age 80 years**

Chairman of the Board

Appointed: 26 April 2007

Shareholding:

Director	3.33% / 22,750,000 Shares
Spouse	34.00% / 232,008,240 Shares
Immature Children	- None -

Education:

Bachelor Degree Medical Science, Mahidol University
Law, Ramkamheang University

Training organized by Thai Institute of Directors (IOD):

Director Accreditation Program No. 61/2007

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors:

Spouse / no marriage registration of Miss Chomduen Satavuthi (Director / President / Managing Director)

Father of Mr. Thanun Satavuthi (Executive Vice President / Deputy Managing Director / Internal Audit Manager (Acting) /
Corporate Strategy Manager (Acting))

Experience :

2021 - Present	:	Chairman of the Board Consultant - Radiation Technics / Consultant - Law and Finance Thai NDT Public Company Limited
2007 - 2021	:	Chairman of the Board / President Consultant - Radiation Technics / Consultant - Law and Finance Thai NDT Public Company Limited
1982 - 2007	:	Consultant - Radiation Technics - Law and Finance Thai NDT Public Company Limited
1978 - 1982	:	Trainer, Nondestructive Testing Institutions, government agencies and enterprises. Radiography Products Specialist KODAK (Thailand) Company Limited
1970 - 1988	:	Sales Manager Medical & Industrial Radiography Market Dept. and Motion Picture and Audio Visual Market Dept. KODAK (Thailand) Company Limited

Tenure of Directors in TNDT: 15 years

26 April 2007 - 28 April 2008
28 April 2008 - 26 April 2010
26 April 2010 - 22 April 2013
22 April 2013 - 22 April 2015
27 April 2015 - 23 April 2018
23 April 2018 - 26 April 2021
26 April 2021 - Present

Legal Dispute During the Past 10 years : - None -

Mr. Chaya Jivacate

Age 84 years

Vice Chairman of the Board / Member of Nomination and Remuneration Committee

Appointed: 27 April 2009

Shareholding:

Director	- None -
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

Master Degree	Microwave Physics, University of Surrey, U.K.
Bachelor Degree	B.Sc.(2nd class honour) in Electrical Engineering, Chulalongkorn University

Training organized by Thai Institute of Directors (IOD):

Director Accreditation Program No. 80/2009

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors: - None -

Experience:

2014 - Present	:	Vice Chairman of the Board / Member of Nomination and Remuneration Committee Thai NDT Public Company Limited
2009 - Present	:	Vice Chairman of the Board, Thai NDT Public Company Limited
Past - Present	:	HONORARY FELLOW, AESIEP
	:	Chairman of the Advisory, Energy for Environment Foundation (EforE)
	:	Director of Joint Research, Thailand Institute of Scientific and Technological Research (TISTR)
	:	Director of Project Management, Center for Energy and Clean Technology (EC-TEC), National Science and Technology Development Agency (NSTDA)
	:	Director (Honorary Director/Expert), The Joint Graduate School of Energy and Environment (JGSEE)
	:	Vice Chairman of the Advisory Board of CES Solar Cells Testing Center - CSSC King Mongkut's University of Technology Thonburi (KMUTT)
	:	Consultant of Department of Alternative, Energy Development and Efficiency
	:	Renewable Energy Consultant, King Mongkut's University of Technology Thonburi (KMUTT)
	:	Secretary General of the Association of the Electricity Supply Industry of East Asia and the Western Pacific -AESIEAP
	:	Assistant Governor in Energy Management, Electricity Generating Authority of Thailand

Tenure of Directors in TNDT: 13 years

27 April 2009 - 23 April 2012
23 April 2012 - 27 April 2015
27 April 2015 - 24 April 2017
24 April 2015 - 29 April 2019
29 April 2019 - 26 April 2021
26 April 2021 - Present

Legal Dispute During the Past 10 years : - None -

Miss Chomduen Satavuthi Age 76 years

Director / President / Managing Director

Appointed: 26 April 2007**Shareholding:**

Director	34.00% / 232,008,240 Shares
Spouse / Cohabitant	3.33% / 2,375,000 Shares
Immature Children	- None -

Education:

Master Degree	Engineering - Nuclear Technology, Chulalongkorn University
Bachelor Degree	Chemistry Science, Chiang Mai University

Training organized by Thai Institute of Directors (IOD):

Director Accreditation Program No. 61/2007

Board Member / Management in Other Listed Company: - None -**Board Member / Management in Non-Listed Company:** 2 companies

1. Director of Enspect Group Company Limited Type of Business : Building and Construction Control
2. Director of TNDT Advanced Technology Company Limited (previously known as TNDT Ricebran oil Company Limited and Phuttharaksa Power Company Limited) Type of Business : Energy and Consumables

Family Relation to Executive Directors:

Spouse / no marriage registration of MR. Suwat Dangpibulskul (Chairman of the Board)

Mather of Mr. Thanun Satavuthi (Executive Vice President / Deputy Managing Director / Internal Audit Manager (Acting) / Corporate Strategy Manager (Acting))

Elder Sister of Mr. Krirkkiat Satavuthi (Director)

Experience:

2021 - Present	:	- Director / President / Managing Director, Thai NDT Public Company Limited
2018	:	- Management consultant, Department of Nuclear Engineering, Chulalongkorn University
2015	:	- Honorary to Participate in Nuclear Technology (M.Sc.), Bachelor of Engineering course, Chulalongkorn University
		- Nomination Committee, Chairman and Honorary Director in Executive Board
		Ministry of Science and Technology of Thailand
		- Neutrality Committee issues the certificate for NDT personnel according to ISO Standard,
		Thai Society for Non-Destructive Testing
2013 - Present	:	- Subcommittee in Nuclear Program, Council of Science and Technology Professionals
2012 - 2017	:	- Director, mai Listed Company Association.
2006 - Present	:	- Director, Nuclear Society of Thailand
2007	:	- Participate in Non-destructive Testing - Qualification and Certification of Personnel TIS. ISO 9712:2005
2005 - 2009	:	- Chairman, Thai Society for Non-Destructive Testing
2002 - 2004	:	- Director, Thai Society for Non-Destructive Testing
2007 - 2020	:	- Director / Executive Director / MD, Thai NDT Public Company Limited
1982 - 2007	:	- Managing Director, Thai NDT Company Limited
1989	:	- Participate in Drafting the Standard of "Qualification of inspectors of LPG cooking gas and oil cylinder, gas storage tank, gas & oil transportation tank, pipeline and piping systems and certificate for inspectors." (Notification in the Gazette) (Presently called "Notification of the Department of Energy Businee, Ministry of Energy).
1982	:	- Participate in Establishment of "Non-Destructive Testing Association" to disseminate the knowledge and training NDT Personnel according to international standards.
1978 - 1982	:	- Trainer, Non-destructive Testing - Both institutions / government agencies and enterprises.
		Radiography Products Specialist, KODAK (Thailand) Company Limited
1970 - 1977	:	Researcher, Medical Research Center - SEATO, Phramongkutkloa Hospital
1969 - 1970	:	Government Scientist - Science, Department, Ministry of Industry

Tenure of Directors in TNDT: 15 years

26 April 2007 - 27 April 2009

27 April 2009 - 27 April 2011

27 April 2011 - 28 April 2014

28 April 2014 - 24 April 2017

24 April 2020 - 27 July 2020

27 July 2020 - Present

Legal Dispute During the Past 10 years : - None -

Mr. Krirkkiat Satavuthi

Age 75 years

Director

Appointed: 26 April 2007

Shareholding:

Director	3.75% / 25,652,000 Shares
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

<u>Master Degree</u>	Civil Engineering, Brigham Young University, U.S.A.
<u>Bachelor Degree</u>	Civil Engineering, Kasetsart University

Training organized by Thai Institute of Directors (IOD):

Director Accreditation Program No. 61/2007

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors:

Younger Brother of Miss Chomduen Satavuthi (Director / President / Managing Director)
Uncle of Mr. Thanun Satavuthi (Executive Vice President / Deputy Managing Director / Internal Audit Manager (Acting) / Corporate Strategy Manager (Acting))

Experience:

2021 - Present	:	Director Thai NDT Public Company Limited
2007 - 2021	:	Director / Executive Director Thai NDT Public Company Limited
2002 - 2007	:	Director / Senior Consulting Engineer Thai NDT Public Company Limited
1970 - 2007	:	Professional Engineers, 9 worchor Department of Highways

Tenure of Directors in TNDT: 15 years

26 April 2007 - 28 April 2008
28 April 2008 - 27 April 2011
27 April 2011 - 22 April 2013
22 April 2013 - 25 April 2016
25 April 2016 - 29 April 2019
29 April 2019 - Present

Legal Dispute During the Past 10 years : - None -

Director

Appointed: 26 April 2007

Shareholding:

Director	- None -
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

Bachelor Degree Mechanical Engineering (honor row),
Chulalongkorn University

Training organized by Thai Institute of Directors (IOD):

Director Accreditation Program No. 61/2007

Board Member / Management in Other Listed Company: - None -**Board Member / Management in Non-Listed Company:** - None -**Family Relation to Executive Directors:** - None -**Experience:**

2007 - Present	:	Director / Senior Advisor Engineer Thai NDT Public Company Limited
2002 - 2007	:	Senior Advisor Engineer Thai NDT Public Company Limited
1987 - 1996	:	Head of the Center of Research and Technological Development in Aerospace and Automotive. TISTR
1972 - 1987	:	Service Manager The International Engineering Company Limited
1968 - 1972	:	Field Engineers Ray Lam Battery Company Limited
1956 - 1968	:	Head of Lathing and Casting Section Air Engineering Department

Tenure of Directors in TNDT: 15 years

26 April 2007 - 26 April 2010
26 April 2010 - 23 April 2012
23 April 2012 - 28 April 2014
28 April 2014 - 25 April 2016
25 April 2016 - 23 April 2018
23 April 2018 - 27 July 2020
27 July 2020 - Present

Legal Dispute During the Past 10 years : - None -

Independent Director / Chairman of the Audit Committee / Chairman of Nomination and Remuneration

Shareholding:

Education:

Training organized by Thai Institute of Directors (IOD):

Board Member / Management in Other Listed Company: 2 companies

Board Member / Management in Non-Listed Company: 2 companies

Family Relation to Executive Directors: - None -

Experience:

Government Sector	: - President of the Executives Board, Geo-Informatics and Space Technology Development Agency (Public Organization) - Deputy Bangkok Governor - Associate Professor and Head of Survey Engineering Department, Faculty of Engineering, Chulalongkorn University - Professor of the Faculty of Engineering, Chulalongkorn University - Operational Committee for Civil Engineering Dictionary, The Royal Society - Director of Town and Country Planning, The Office of Town and Country Planning Board
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Tenure of Directors in TNDT: 15 years

Legal Dispute During the Past 10 years : - None -

Mr. Vichai Watcharavatanakul

Age 69 years

Independent Director / Member of the Audit Committee /

Member of Nomination and Remuneration Committee

Appointed: 26 April 2007

Shareholding:

Director	- None -
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

<u>Master degree</u>	Political Science, NIDA
<u>Bachelor degree</u>	- Accounting, 1st honor, Thai Chamber of Commerce University - Law, Thammasat University
<u>High Vocational</u>	- Accounting Audit, Chulalongkorn University

Training organized by Thai Institute of Directors (IOD):

Director Accreditation Program No. 61/2007

Board Member / Management in Other Listed Company: 1 Company

1. Independent Director / Member of the Audit Committee of Marsun Public Company Limited
Type of Business : Auditing, Accounting

Board Member / Management in Non-Listed Company: 1 Company

1. Director of Consulting System Company Limited
Type of Business : Auditing, Accounting

Family Relation to Executive Directors:

- None -

Experience:

2017 - Present	:	- Independent Director / Member of the Audit Committee of Marsun Public Company Limited - Director of Consulting System Company Limited
2014 - Present	:	- Independent Director / Member of the Audit Committee / Member of Nomination and Remuneration Committee, Thai NDT Public Company Limited
2010 - Present	:	- Independent Director / Member of the Audit Committee, Thai NDT Public Company Limited
1995 - Present	:	- Certified Accounting Auditor (Registered Auditor No.3055), accounting and tax consultant, Freelance
1986 - 1995	:	- Division Chief of Plan and Budget, Sugar factory, Department of Industrial Work
1980 - 1986	:	- Head of department budgets and spending, Sugar factory, Department of Industrial Works
1978 - 1980	:	- Assistant Internal Audit, Sugar Factory, Department of Industrial Works
1976 - 1978	:	- Auditor level 1, Sugar Factory, Department of Industrial Works

Tenure of Directors in TNDT: 15 years

26 April 2007 - 26 April 2010
26 April 2010 - 22 April 2013
22 April 2013 - 25 April 2016
25 April 2016 - 29 April 2019
29 April 2019 - Present

Legal Dispute During the Past 10 years :

- None -

Dr.Jumpon Kluaymai-ngarm

Age 38 years

Independent Director / Member of the Audit Committee

Appointed: 22 December 2018

Shareholding:

Director	- None -
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

<u>Ph.D. degree</u>	Economics, Loughborough University, United Kingdom
<u>Master degree</u>	Economics, University of Antwerp, Belgium
<u>Bachelor Degree</u>	B.B.A. (First-class Honors), (Business Economics), Asian University, Chonburi

Training organized by Thai Institute of Directors (IOD):

- Director Certification Program	No. 271/2019
- Advanced Audit Committee Program	No. 33/2019
- Risk Management Program for Corporate Leaders Class	No. 19/2020
- Boardroom Success through Financing and Investment	No. 8/2020
- How to Develop a Risk Management Plan	No. 27/2020
- Lessons Learnt from Financial Cases : How Board should React	No. 3/2021

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors: - None -

Experience:

December 2018 - Present	:	Independent Director / Member of the Audit Committee Thai NDT Public Company Limited
August 2017 - Present	:	Lecturer, Faculty of Business and Technology, Stamford International University
March 2017 - July 2017	:	Head of Industry Research (Real Estate and Services), Research Division, Bank of Ayudhya
May 2016 - June 2016	:	Guest Lecturer, Faculty of Economics, Rangsit University
October 2015 - February 2017:	:	Industry Strategist, Research Division, Bank of Ayudhya
August 2014 - May 2015	:	Part-time Lecturer, Faculty of Business, Asian University
October 2010 - May 2014	:	Bought in Teacher, School of Business and Economics, Loughborough University

Tenure of Directors in TNDT: 4 years

22 December 2018 - 26 April 2021
26 April 2021 - Present

Legal Dispute During the Past 10 years : - None -

Mr. Thanun Satavuthi

Age 38 years

Executive Vice President / Deputy Managing Director / Internal Audit Manager (Acting) /
Corporate Strategy Manager (Acting)

Shareholding:

Executive	0.12% / 786,000 Shares
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

<u>Master degree</u>	Business Administration, Assumption University
<u>Bachelor degree</u>	Electrical and Electronic Engineering, Asian University

Training :

Please see the details in the title of “7.7 Human Resource Development Policy” page 108-113

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors:

Son of MR. Suwat Dangpibulskul (Chairman of the Board) and Miss Chomduen Satavuthi (Director / President / Managing Director) ,and Nephew of Mr. Krikkiat Satavuthi, Directors.

Experience:

2021 - Present	:	Executive Vice President / Deputy Managing Director / Internal Audit Manager (Acting) / Corporate Strategy Manager (Acting)
2020 - Present	:	Internal Audit Manager (Acting) / Corporate Strategy Manager (Acting)
2016 - Present	:	Deputy Managing Director
2013 - 2016	:	Assistant Managing Director

Legal Dispute During the Past 10 years : - None -

Mr. Tin Maung Aye

Age 59 years

Academic Director

Shareholding:

Executive	Lower than 1 % / 60 Shares
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

<u>Bachelor degree</u>	- Mechanical Engineering, Institute of Technology, Yangon, Burma
<u>Certificates</u>	- Welding Engineer, International Institute of Welding - ASNT/ACCP/PED NDT Level III ASNT, TUV

Training :

Please see the details in the title of “7.7 Human Resource Development Policy” page 108-113

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors: - None -

Experience:

2021 - Present	:	Academic Director
2007 - 2021	:	Technical Manager
2010 - 2012	:	Director,Thai Society for Non-Destructive Testing (TSNT)

Legal Dispute During the Past 10 years : - None -

Mr. Somouy Tangchithavorngul**Age 53 years**

Director of International Business Division and supervise the Operational Manager / Quality Manager / (ISO) HSEQ Manage

Shareholding:

Executive	Lower than 1 % / 60 Shares
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

<u>Master degree</u>	Business Administration, Ramkamheang University
<u>Bachelor degree</u>	Aviation Maintenance, San Jose State University USA

Training :

Please see the details in the title of “7.7 Human Resource Development Policy” page 108-113

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors: - None -

Experience:

2021 - Present	:	Director of International Business Division and supervise the Operational Manager / Quality Manager / (ISO) HSEQ Manage
2010 - 2021	:	Operation Manager / HSEQ Manager / Quality Manager
2010 - 2012	:	Director, Thai Society for Non-Destructive Testing (TSNT)

Legal Dispute During the Past 10 years : - None -

Mr. Thammarath Sroysomboon**Age 53 years**

Manpower Manager / Operation Support Manager

Shareholding:

Executive	Lower than 1 % / 60 Shares
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

<u>Bachelor degree</u>	Welding Engineering, King Mongkut's Technology North Bangkok University
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Training :

Please see the details in the title of “7.7 Human Resource Development Policy” page 108-113

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors: - None -

Experience:

2521 - Present	:	Manpower Manager / Operation Support Manager
2017 - 2021	:	Operation Manager / Operation Support Manager
1998 - 2017	:	Operation Manager
2010 - 2012	:	Director, Thai Society for Non-Destructive Testing (TSNT)

Legal Dispute During the Past 10 years : - None -

Miss Vajana Sakulraemrung**Age 62 years**

Administrative and Compliance Office Manager (Secretary Office) / Human Resource Manager

Shareholding:

Executive	1.74% / 11,844,000 Shares
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:**Bachelor degree** Bachelor of Liberal Arts, Thammasat University**Training :**

Please see the details in the title of “7.7 Human Resource Development Policy” page 108-113

Board Member / Management in Other Listed Company: - None -**Board Member / Management in Non-Listed Company:** - None -**Family Relation to Executive Directors:** - None -**Experience:**

2021 - Present	:	Administrative and Compliance Office Manager (Secretary Office) / Human Resource Manager
2007 - 2021	:	Administrative Manager / Human Resource Manager

Legal Dispute During the Past 10 years : - None -**Mr. Niyom Minivathakorn****Age 55 years**

Finance and Accounting Manager

Shareholding:

Executive	- None -
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:**Bachelor degree** Accounting, Kasem Bundit University**High Vocational** Accounting College of Technology and Vocational Education, Bangkok Commercial Campus**Certificates** Certified Accountant in year 2000, Ministry of Commerce**Training :**

Please see the details in the title of “7.7 Human Resource Development Policy” page 108-113

Board Member / Management in Other Listed Company: - None -**Board Member / Management in Non-Listed Company:** - None -**Family Relation to Executive Directors:** - None -**Experience:**

2020 - Present	:	Accounting & Financial Manager
2011 - 2020	:	Finance and Accounting Manager
2011 - Present	:	- Office Manager, Piya Arpa Accounting - Director, Arpakorn Advisory Company Limited
2002 - Present	:	S.B. Auditing Service Company Limited, Assistant Auditor

Legal Dispute During the Past 10 years : - None -

Miss Sasiprapha Saengchai

Age 41 years

Company Secretary / Secretary of Sub-Committee

Shareholding:

Executive	- None -
Spouse / Cohabitant	- None -
Immature Children	- None -

Education:

<u>Master degree</u>	Master of Science (Agro-Industrial Technology Management) Kasetsart University
<u>Bachelor degree</u>	Food Process Engineering, Chiangmai University

Training :

Please see the details in the title of "7.7 Human Resource Development Policy" page 108-113

Board Member / Management in Other Listed Company: - None -

Board Member / Management in Non-Listed Company: - None -

Family Relation to Executive Directors: - None -

Experience:

2020 - Present	:	- Company Secretary - Secretary of Nomination and Remuneration Committee / Executive Board - Compliance
2014 - 2020	:	- Company Secretary - Secretary of Audit Committee / Nomination and Remuneration Committee / Executive Board - Compliance
2012 - Present	:	- Company Secretary - Secretary of Audit Committee - Secretary of Executive Board - Compliance
2009 - 2012	:	- Senior Supervisor Administration - Executive Secretary - Auditor of Internal Quality Audit Asia Pacific (Thailand) Company Limited affiliated company in Pakfood Public Company Limited
2004 - 2009	:	- Production Supervisor - Auditor of Internal Quality Audit Asia Pacific (Thailand) Company Limited affiliated company in Pakfood Public Company Limited

Legal Dispute During the Past 10 years : - None -

Details of Subsidiaries' Directors

Details of Subsidiaries' s Directors

Director 's Name		TNDT	Subsidiary				
			LTNDT	TNDT CM	TNDT POWER	MKTNDT	PT TNDT
1. Mr. Suwat	Dangpibulskul	X1	-	-	-	/	-
2. Mr. Chaya	Jivacate	V, ////	-	-	-	-	-
3. Miss Chomduen	Satavuthi	/, X4, M	/	/	/	/	X1
4. Mr. Krirkkiat	Satavuthi	/	-	-	-	-	-
5. Squadron Leader Anek	Panturaks	/	-	-	-	-	-
6. Dr. Wicha	Jiwalai	X2, X3, ///	-	-	-	-	-
7. Mr. Vichai	Watcharavatanakul	/, ///, ////	-	-	-	-	-
8. Dr.Jumpon	Kluaymai-ngarm	/, ///	-	-	-	-	-

Remark :

1. Position descriptions

X1 = Chairman of the Board

X2 = Chairman of the Audit Committee

X3 = Chairman of the Nomination and Remuneration Committee

X4 = President of Executive Board

V = Vice Chairman of the Board

/ = Director

// = Executive Director

/// = Independent Director / Director of the Audit Committee

//// = Director of the Nomination and Remuneration Committee

M = Managing Director / CEO

2. Company and Subsidiary

TNDT = Thai Nondestructive Testing (Public) Company Limited

LTNDT = LTNDT Company Limited

TNDT CM = TNDT CM Company Limited

TNDT POWER = TNDT POWER Company Limited

MKTNDT = MKTNDT Company Limited

PT TNDT INSPECTION AND CONSULTATION

- LTNDT -

The Company has entered into a joint venture with entrepreneurs in the Lao People's Democratic Republic (Lao PDR), who are not a related party. The Company held the shares at a ratio of 70% and the company in Lao People's Democratic Republic held the shares in the ratio of 30% under the title "LTNDT" by conducting business as a project consultant. Moreover, the Company also received support from the Board of Investment (BOI) for a period of 15 years, which is in the process of studying the project feasibility.

- TNDT CM -

"TNDT CM Company Limited" or "TNDT CM", a company registered in Thailand, operates in coal mining business in the Republic of the Union of Myanmar, where the Company holds 46 percent of the shares, a Thai businessman holds 46 percent, and a Myanmar partner holds shares at the rate of 8% of the paid-up capital. While waiting for the progress of the power plant, it was considered to enter into a new business in order to increase the opportunity to generate income for the Company. Therefore, the Company's objectives were amended and added to create opportunities to expand the business. Later, in 2021 there was a change in the shareholder structure, whereby the Company still holds 46% of the shares, the Company's directors hold 54% of the shares, and the Company's executive holds shares in the ratio of less than 1 percent (holding 1 share) of the paid-up capital. However, the shareholding of such directors and executives is a temporary transfer of shares to be forwarded to potential investors in the new business group, according to the company's policy that there will be no additional investment in the unprofitable business.

- TNDT POWER -

"TNDT Power Company Limited" or "TNDT POWER" is a company registered in Thailand which operates energy business both domestically and internationally, in which Thai NDT Public Company Limited holds 99.97% of shares. Directors of the Company hold 0.01% of shares, 2 Company executives hold 0.01% of shares. of registered capital of 1,000,000 baht (one million baht)

- MKTNDT -

The Company has entered into a joint venture (Joint Venture) with a partner Min Khit Thit Mining Company Limited (MKT) in the Republic of the Union of Myanmar, under the company name MKTNDT Company Limited or MKTNDT on June 30, 2014 as a juristic person registered in Myanmar, to run an energy business and other related businesses in the Republic of the Union of Myanmar, where MKT holds 45% and the Company holds 55% of the registered capital. 1,000,000,000 Kyats (approximately 28,300,000 baht) and In 2021, the company changed MKTNDT to Project Company to give investors' confidence and more of flexibility in investment. therefore, the Company sold 55% of the Company's shares to TNDT POWER (a subsidiary in which the Company holds 99.97 percent of shares). As a registered company as a Joint Venture Agreement with MKT, MKTNDT's new shareholding structure is TNDT POWER, holding 55% of shares. Mr. Thanun Satavuthi, Deputy Managing Director / Deputy Chief Executive Officer holding 35% shares and MKT holding 10% shares. The Joint Venture Agreement between TNDT Power and MKT determines the shareholding ratio of Project Company at 90 : 10 (TNDT POWER : MKT).

- PT TNDT Inspection and Consultation -

The Company has entered into a joint venture (Joint Venture) with entrepreneurs in the Republic of Indonesia under the name "PT TNDT INSPECTION AND CONSULTATION" on August 25, 2020 to operate business related to electrical installation systems and other related businesses in the Republic of Indonesia. The Company holds 95% of shares and its Indonesian partner, Mr. Sukrawadi, is not a connected person who holding shares in the ratio of 5% of the registered capital of 11 billion rupees

(For more details, can be viewed at the topic "Investment and Overseeing the Subsidiaries and Associated Companies" page 122)

Details of Head of Internal Audit and Head of Compliance Department

Head of Internal Audit

In 2021, the Audit Committee has appointed Mr. Thanun Satavuthi to monitor and control the internal audit department since the 2nd quarter of 2020.

1. Mr. Thanun Satavuthi

Age	:	38 Years
Present Position	:	Executive Vice President / Deputy Managing Director / Internal Audit Manager (Acting) / Corporate Strategy Manager (Acting)
Education	:	<u>Master Degree</u> Business Administration, Assumption University <u>Bachelor</u> Degree Electrical and Electronic Engineering Asian University
<u>Experiences</u>		
2013 - 2516	:	Assistant Managing Director Thai Nondestructive Testing Public Co.,Ltd.
2016 - Present	:	Deputy Managing Director Internal Audit Manager (Acting) Corporate Strategy Manager (Acting)
2021 - Present	:	Executive Vice President / Deputy Managing Director / Internal Audit Manager (Acting) / Corporate Strategy Manager (Acting)

2. Miss Alisa Thaosisakul

Age	:	30 Years
Present Position	:	Head of Internal Audit
Education	:	<u>Master Degree</u> Science, Corporate Governance (studying) Chulalongkorn University <u>Bachelor Degree</u> BA. (Accounting) Rajamangala University of Technology Isan (Nakornratchasima Campus)
<u>Experiences</u>		
February 2020 - Present	:	Head of Internal Audit Thai Nondestructive Testing Public Co.,Ltd.
March 2018 - January 2020	:	Internal Audit Officer (Outsource) Siam Makro Public Co. Ltd.
August 2017 - February 2018	:	Internal Audit Officer Singer (Thailand) Public Co., Ltd.

Training

September 2020	:	Adopting data science & automation in internal The Institute of Internal Auditors of Thailand
October 2020	:	Developing the scope of modern audit services The Institute of Internal Auditors of Thailand

3. Miss Tanchanok Losomsab

Age	:	24 Years
Present Position	:	Internal Audit Officer
Education	:	<u>Bachelor Degree</u> BA. (Accounting), the 2nd Honors Naresuan University <u>Bachelor Degree</u> Law (Studying) Ramkhamhaeng University

Experiences

September 2020 – Present	:	Internal Audit Officer Thai Nondestructive Testing Public Co.,Ltd.
December 2019 – March 2020	:	Assistant to Auditor (Internship) Dr. Virach & Associates Office Co., Ltd.
April 2019 – June 2019	:	Accounting Officer of Suppliers Department (Internship) Phitsanulok Sugar Co.,Ltd.

Training

September 2018	:	Accounting Training Project with Flow Account System The Institute of Internal Auditors of Thailand
September 2019	:	Workshop Project “RD Tax Camp” Part : The Popular Online Community
July 2020	:	Financial Statement Analysis Department of Business Development, Ministry of Commerce
August 2020	:	Quick MBA for SMEs Chula We2We Market, Chula solves the crisis, overcome the Covid-19. Faculty of Commerce and Accountancy, Chulalongkorn University

Chief of Compliance

The Company does not set up the Compliance Unit. However, the Company has assigned the Company Secretary Office to be responsible for governance, monitoring BOD activities and reporting to the Board of Directors. The Company Secretary’s duties and responsibilities are to ensure the Board of Directors, Executives and Employees to comply correctly with Rules and Regulations of the SEC, the SET and the Public Company Limited Act and other relevant laws.

Review of Business Assets and Asset Revaluation

Review of Business Assests

Please see the title of “1.7 The Company’s Assets for Business Operation”, page 23-27

Asset Revaluation

- None -

**Policy and Practice of
Corporate Governance,
Code of Business Conduct
and the Charter of the Board
of Directors of the Company**



The Company has disclosed the Policy and Practice of Corporate Governance, the Code of Business Conducts and the Charter of the Board of Directors of the Company on the Company's website: www.tndt.co.th with the details as follows;

Policy and Practice of Corporate Governance

Page Sustainability >> **Title** Good Corporate Governance >> **Subtitle** Corporate Governance Policy / Corporate Governance Code (**Download PDF**)

Code of Business Conducts

Page Sustainability >> **Title** Code of Conducts >> **Subtitle** Code of Business Conducts (**Download PDF**)

Charter of the Board

The Board of Directors **Page** ABOUT US >> **Title** Board of Directors >> **Subtitle** Board of Directors >> **Subtitle** The Charter of the Board of Directors

The Audit Committee **Page** ABOUT US >> **Title** Board of Directors >> **Subtitle** Audit Committee / Independent Director >> **Subtitle** The Charter of the Audit Committee / Independent Director

The Nomination and Remuneration Committee **Page** ABOUT US >> **Title** The Board of Directors >> **Subtitle** Nomination and Remuneration Committee >> **Subtitle** The Charter of the Nomination and Remuneration Committee

Report of the Audit Committee and Report of the Nomination and Remuneration Committee

Report of the Audit Committee

Dear Valued Shareholders,

The Audit Committee of Thai Nondestructive Testing (Public) Company Limited comprises of three Independent Directors, All of the Audit Committee members are not executives, employees, or consultants of the Company and possess all required qualifications as stipulated by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Audit Committee has performed their duties as authorized by the Board of Directors, and has strictly adhered to the Charter of the Audit Committee. The Committee's duties were to monitor and focus the Company on the compliance with Good Corporate Governance, the appropriateness of Risk Management, the efficiency and effectiveness of Internal Control and Internal Audit System, the development and improvement of audit process in accordance with the modification of circumstances, including determining the measure of anti-corruption to suit for the risk. In all, the Audit Committee has performed its duties independently and impartially, in line with the guidelines and practices of the Audit Committee of the SEC and the SET.

In year 2021, the Audit Committee had convened the meeting between the Non-Executive Directors, the Internal Auditors, and the Certified Public Accountant (CPA) in the relevant agenda to discuss issues that were of interest without the Company's Executives participation. There were 6 meetings convened, with the members of the Audit Committee's attendance in 2021 were namely : -

No.	Name		Position	Attendance
1.	Dr. Wicha	Jivalai	Independent Director / Chairman of the Audit Committee	6/6
2.	Mr. Vichai	Watcharavattanakul	Independent Director / Member of the Audit Committee	6/6
3.	Dr. Chumpol	Kluaymai-ngam	Independent Director / Member of the Audit Committee	6/6

The Results of the Audit Committee's performance on significant issues can be summarized as follows: -

1. The Review of the quarterly and annual financial statements of 2021.

The Audit Committee has reviewed the Company's quarterly and annual financial statements, the connected transactions and conflict of interests as well as relevant financial reports of the Company and its subsidiaries. Together with the external auditors, the Committee concluded that the Company's financial statements, financial reports have been prepared with appropriateness in all its major contents according to Thai Financial Reporting Standard - TFRS and legal requirements. The appropriate accounting records, scopes of audit and the adequate disclosure as well as the monitoring were done on disclosure of relevant transactions, as well as the preparation of the management discussion and analysis (MD&A). Besides, there were also the review of disclosure of connected transactions between the Company and its subsidiaries, and among the connected persons, including the audit of the related party transaction, accompanying with statement of auditors, internal auditors and other officials concerned. Monitoring the financial liquidity and ability of debt repayment together with the management were done as well. These were to ensure that the Company has prepared the financial statements as per the regulations and disclosed all correct relevant transactions to comply with the regulations set forth by the Stock Exchange of Thailand.

Having carried out the responsibilities, the Audit Committee was of the opinion that the financial statements of the Company for the year ended 31 December 2021 has been prepared in accordance with the financial reporting standards of Thailand with reliable, transparency and adequate disclosure. The external auditors have commented on the report of the independent auditors, which were presented to the Board of Directors of the Company and its shareholders, and no significant observations.

2. Assessment and Monitoring of Internal Control System and Internal Audit.

The Audit Committee has reviewed the reports of Independence and Internal auditors (Audit Team) for the internal control systems and internal audit, together with determined the scope of work to include all significant and necessary business and working procedures by emphasizing on sustainable development and continuity. In addition, recommendations, review and improvement of internal audit process and risk management have been done for more efficient by focusing on risk assessment on the activities which covered the significant and high-risk entities. The Committee has encouraged to maximize operational efficiency and also considered the internal audit reports and monitored the correction of essential issues, reviewed of the budget preparation and human resources management in personnel, expertise, experience, and assessed for annual performance of the internal audit. The Audit Committee agreed that the Company's internal audit was conducted with appropriateness covering risk factors, consistent with changes in the environment and various situations both inside and outside, effectiveness in business performance, sufficient disclosure of comprehensive information, appropriateness in the Company's assets protection and found no major fraudulent incidents, conformed to the external auditors' conduct, reported no major fraudulent incidents on the Company's Financial Statements.

3. Monitoring the assessment of Risk Management.

The Audit Committee monitored the policies and planning of risks management along with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in the form of Enterprise Risk Management or COSO ERM with 5 elements of which covered the guidelines for determining the policies of management, operations and risk management, so as to reduce or control the risks both the internal and external factors together with the overseas businesses. Moreover, the Committee monitored the Company's operational system and the adequacy of risks control system in order for everyone in the Company to realize the risk and to be mutual responsible by both executives and employees. The Audit Committee was of opinion that the system of the Company's risk assessment, risk management of business operations in all internal and external factors were adequate and efficient to manage the risk and reduced the impact of any potential to be in its risk appetite level.

4. Monitoring the Prevention and Anti-Corruption.

The Audit Committee has reviewed the policies and the measures of prevention and anti-corruption, together with regular corruption risk assessment in business operation which might occur in all processes, including determining the appropriate anti-corruption measures. Moreover, the Committee has reviewed the internal audit team's process of monitoring and assessing the employees' results of operations, as well as promoting and encouraging the awareness in performing their duties with honesty, transparency, and was of opinion that the Anti-Corruption Policy was performed on each activities of operations. The Committee has self-assessed on anti-corruption measures in accordance with the requirements of Thai Institute of Directors and found that the prevention and anti-corruption measures in business operations were sufficient. Furthermore, there were various communicate channels for whistleblowing / complaints, the suspicious complaints regarding fraudulent actions would be submitted to the Audit Committee / Independent Director. There were channels disclosure on www.tndt.co.th, the Annual Disclosure Information (56-1), Annual Report (56-2), Corporate Governance Manual, Code of Business Conduct. Moreover, there was a measure of whistle - blowing / complainant protection to prevent and manage the risks of corruption that might incur in any performances of the Company. In year 2021, no relevant report or misconduct relating to the corruption of the Company and/or affiliated was found.

Although the Company has not participated in a declaration on CAC yet, the Company has practiced in anti-corruption policy for an explicit guideline to operate the businesses and develop to the sustainability of the organization.

5. Monitoring of Good Corporate Governance, Corporate Social Responsibility, and Compliance with the Rules, Regulations and Law related to Business Operations.

The Committee has monitored the code of business conduct, corporate governance and was of opinion that the Company has complied with the Code of Business Conduct and the Corporate Governance which has been merged with the new CG Code. Besides, the Company was committed to sustain the business practices guidelines under corporate governance by adhering to operate on the basis of Responsibility to Corporate Social, Community and Environment.

The Audit Committee monitored the Company's compliance with the Regulations and the Requirements of the SEC and the SET, and other relevant standards pertaining to its business and performances and was of opinion that the Company has complied with relevant regulatory requirements and no significant deficiencies were found.

6. Assessment of the Performance and the Appointment of Certified External Auditors for the year 2022.

The Audit Committee was satisfied with the results of the independent assessment, the professionalism, and the expertise of the certified external auditors in the past year, as well as the qualifications were in accordance with the regulations of the Public Company Act, the SET and the SEC, which defined that the auditor must have no shares, no any other services than auditor, no relationship or transaction with the Company, its subsidiaries, Directors, major shareholders or the connected person, should be independent to audit, and comment on the financial statements of the Company and its subsidiaries. In all, their performances were satisfactory, and the arrangements of financial statements were timely. The Committee has reviewed all appropriateness and appointed the auditors, including having determined remuneration and presented those to the Board of Directors seeking for approval of the shareholders on the Annual General Meeting. They are:-

- | | |
|---------------------------------|---------------------------------|
| 1. Mr. Pisit Chiwaruengroch | Auditor Licence No. 2803 and/or |
| 2. Mr. Akadet Pliensakul | Auditor Licence No. 5389 and/or |
| 3. Miss Kornthip Wanichwisedkul | Auditor Licence No. 6947 |

of M.R. & ASSOCIATES Co., Ltd. to be the auditors of the Company and its subsidiaries for 2022. The Audit Committee also expressed its opinion and proposed the auditors' remuneration such as quarterly and annual audit fees, monitoring for BOI fee and another services fee.

7. Monitoring of relevant Transactions which may have conflicts of interests and the Information Technology System.

The Audit Committee has monitored the relevant transactions which might have conflicts of interests between the Company & affiliated and the Executives, the Board, the Shareholders, or those related to the Company, to prevent the Company's assets, information and opportunities to be improper utilized and unauthorized. The transactions would be considered by adhering to the principles of fairness, transparency, adequate information and timely disclosure, ascertain and best interests of the Company. The Audit Committee concluded that the connected transactions or the conflict of interests for the past year were conducted on appropriate and reasonable business practices, completely complied with the stipulated business conditions, the regulations of the SEC and the SET.

8. Reviewing the Information Technology System.

The Audit Committee has considered and promoted to set up the policy and measures to prevent access and safety control of the usage of information technology and internal information to be in the availability of information regularly, provided the information access in the order of employees' duty and position. In addition, there was a system to prevent damage of information technology which might be utilized dishonesty, or changing information without permission, or taking advantage of confidential information that might affect the price of securities, preventing the pursuit of personal benefits and the related persons. The Committee would monitor the internal control systems, through the auditing by the internal audit team. In the year 2020, the information technology usage was not found inappropriately.

9. Reviewing and Practice of the Charter of the Audit Committee.

The Audit Committee has reviewed the charter of the Audit Committee annually, in compliance with the Rules and Practices under the Good Corporate Governance, as well as the rules and regulations of the SEC and the SET, together with the direction of the organization. The Committee has regularly and entirely practiced on the Charter of the Audit Committee.

10. Considering the Self-Assessment.

The Audit Committee has performed individually and entirely for self-assessment according to the Good Practices of the SET and the Good Corporate Governance, together with the opinions upon the Committee's previous performances. The Audit Committee was of the opinion that its self-assessment was excellent, rendered its effectiveness and achieved the objectives set by the Company's Board of Directors sufficiently and completely. The self-assessments should be reported annually to the Board of Director.



Dr. Wicha Jiwalai
Chairman of the Audit Committee

Report of the Nomination and Remuneration Committee

Dear Valued Shareholders,

The Nomination and Remuneration Committee (NRC) of Thai Non-destructive Testing Public Company Limited comprises of three members, who are knowledgeable on the roles and corporate governance in compliance with the guidelines of the listed company, being independent, reliable, prudent and time devotee on the duties, being fairness in nomination and election with transparency to nominate the Company's Directors, Top Executives (Managing Director and Deputy Managing Director) and significant positions, including determining the Policy of Remuneration and Other Benefits for the Directors and Managing Director with appropriate and fairness. In addition, on the agenda of the Directors having conflict of interest, those Directors will abstain in that agenda. In the year 2021, the members of the Nomination and Remuneration Committee's meeting attendance were namely as follows:-

No.	Name	Position	Attendance
1.	Dr. Wicha Jivalai	Independent Director / Chairman of the NRC Committee	3 / 3
2.	Mr. Vichai Watcharavattanakul	Independent Director / Member of the NRC Committee	3 / 3
3.	Mr. Chaya Jivakate	Non-Executive Director / Member of the NRC Committee	3 / 3

The Results of the Nomination and Remuneration Committee's performance on significant issues can be summarized as follows:

1. Determine guidelines and policies of the Nomination of the Company's Directors and the Top Executives.

The Nomination and Remuneration Committee (NRC) determines and reviews annually the guidelines and policies of the nomination and selection of persons to be nominated as Directors to replace those who retired by rotation, the Top Executives are as well. In year 2021, the Committee has carefully considered the qualification of the three Directors in compliance with the related Rules and Regulations of the Public Company Act B.E.2535 (1992) and the Securities and Stock Exchange Act, Manual of Company's Corporate Governance and Director Qualifications which were appropriate for the Company's business operations and listed on the Company Website (www.tndt.co.th) in the Sustainability section under the title of "Corporate Governance - Corporate Governance Policy - Principle 3 : Strengthen Board Effectiveness", on "the Form 56-1 One Report 2021", in the topic of "Selection of Board Members and Top Executives". Moreover, the knowledge, qualifications, past experiences and expertise for the best interests of the Company's business operations, the past performance of Directors, NRC Members, AC Members and Top Executives would be considered. In the past, the 3 NRC Members have been selected and proposed to the Board of Directors to carefully consider the qualifications which would be eligible for the Company's business, the Members of NRC who had conflict of interest, or the Directors who were considered would abstain from the nomination. Furthermore, the 3 Nominated Personnel would be proposed and approved by the General Meeting of Shareholders No. 15/2021.

Additionally, as the Board of Directors' Meeting No. 9/2021, the Nomination and Remuneration Committee has monitored the Company Secretary and the Company to allow the shareholders to nominate candidates for election as Directors in the Annual General Meeting of Shareholders for the year 2022, which was distributed to the shareholders through the Stock Exchange of Thailand and the Company Website (www.tndt.co.th) during January 3, 2022 to February 4, 2022, as well as publicizing the results on February 11, 2022.

2. Determine Guidelines and Policies of the Remuneration of the Company's Directors and the Top Executives.

2.1 Remuneration of the Directors

Determining appropriateness by comparing to other companies in the similar fields and in the same level, the survey data on the remuneration of the Stock Exchange of Thailand, the business expansion, the results of operations, the growth of the Company's profit, together with the duties and responsibilities in the past year both normal and assigned duties, as well as in compliance with the Company's strategies and long-term goals. They would be presented to the Board of Directors and proposed to the shareholders for approval by the Annual General Meeting of Shareholders later. The NRC was of the opinion that the Company's criteria remained appropriate and should be presented to the Board of Directors for consideration before proposing to the Annual General Meeting for Shareholders for approval annually.

2.2 Remuneration of the Top Executives

Determining by taking into the business expansion, results of operations and the growth of Company's profits, including the results of the performances and the duties and responsibilities according to strategic objectives in the past year, as well as in compliance with the Company's strategies and long-term goals, and presented to the Board of Directors for approval and managerial proceeding later. The NRC was of the opinion that the Company's criteria remained appropriate.

3. Development Plan for Directors / New Directors.

The Nomination and Remuneration Committee (NRC) has governed and issued the development plan (Skill Matrix) for the Board and Committees to develop skills, knowledges and capabilities involved, including any governance agencies' adjusting of the Laws, Rules, and Regulations which were related to the business, by focusing on the performance on the Directors' duties to achieve the objectives, goals and the best interests of the organization, which the skill matrix were set up by the SEC, SET, the Capital Market Commission, Thai Institute of Directors and etc. For the New Directors, they were required to attend the orientation of the Board of Directors according to the SET Guidance, in order to acknowledge the significant information of the Company's operations, duties and responsibilities, guidance on the law, rules and regulations, notices and conditions as being the Directors in the listed company of SET. The NRC was of the opinion that the Development Plan remained appropriate. In year 2021, the 2 Directors have attended the training to develop their knowledges for 9 courses.

4. Organizational Structure Improvement.

The Nomination and Remuneration Committee (NRC) has considered and agreed to improve the organizational structure of the Company, for flexibility and increasing more efficiency in operational potential. The performance is monitored at least every 6 months to assess suitability.

5. Review and Practice on the Charter of the Nomination and Remuneration Committee.

The Committee (NRC) has reviewed the Charter of the NRC annually, to comply with the Rules and Guidelines under the good corporate governance, as well as compliance with the Rules and Regulations of the Securities and Exchange Commission, together with the direction of organization and other concerned. The NRC was of the opinion that the Charter of the NRC remained complete and appropriate and has practiced on the Charter of NRC completely.

6. Review of Succession Plans.

The Committee (NRC) has reviewed the succession plan regularly at least once a year and has monitored the progress of recruiting personnel for key positions and proposed to the Board of Directors for acknowledgment which the NRC was of opinion that the succession plan remained complete and appropriate.

7. Review the Assessment Forms.

The Committee (NRC) has considered and reviewed the entire and individual performance assessment forms of the Board of Directors, the assessment of the adequacy of internal control, the performance assessment forms of the Managing Director/CEO by applying the assessment of SET to suit for the organization, in order to develop their duties efficiently and to be partial factor to consider the annual remuneration of the Board of Directors and Managing Director/CEO. The NRC was of the opinion that the assessment forms remained complete and appropriate.

8. Consider the Entire and Individual Performance Assessment.

In the past year, the Committee (NRC) has reviewed its performance and the compliance with the Corporate Governance, together with the Board of Directors' opinion in the NRC's assessment. The Committee was of opinion that its entire and individual assessment were excellent, rendered its effectiveness and completely achieved the objectives set by the Board of Directors. The annual assessment should be reported to the Board of Directors and publicized via Form 56-1 One Report 2021 and the Company's website.



Dr. Wicha Jiwalai
Chairman of the Audit Committee

Our Efficiency, Ethics, Innovation, Quality and Safety
YOU CAN ALWAYS RELY ON



www.tndt.co.th

บริษัท ไทย เอ็น ดี ที จำกัด (มหาชน)

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